

IRS *e-file* Use And Reach On The Rise

(NAPSA)—Tax season can be a trying time for millions of Americans as they collect the right forms, make sure they're filled out correctly and arrive on time. That's why more and more individuals and tax professionals each year file taxes electronically, allowing for greater accuracy, speedier refunds and enhanced convenience.

The number of individual income tax forms filed electronically rose from 47 million to nearly 53 million between 2002 and 2003. In addition, 6.7 million business forms were e-filed in 2003. The IRS expects the numbers will again increase this year as more people discover IRS *e-file*'s benefits.

IRS *e-file*: Tax filing made easy

Getting started with IRS *e-file* is easy. Virtually all individual tax forms, including forms for the self-employed, can be filed electronically. Individuals can e-file their own taxes or a tax preparer can do it for them.

More than 150,000 tax preparers nationwide are authorized to e-file taxes for their clients. For taxpayers who opt to e-file their own taxes, there are three options to complete the process:

1. Purchase tax preparation software from retailers nationwide.
2. Download IRS-authorized software from the Internet. (The IRS does not charge a fee to file electronically. However, many tax preparation software companies and Internet providers charge a nominal fee, ranging from \$7 to \$30.) A listing of approved e-file providers can be found on www.irs.gov.

3. More than 60 percent of Americans who file an individual income tax return are eligible to use Free File, which allows them to prepare and e-file their taxes for free using commercial tax software. Taxpayers may log onto www.irs.gov to see if they qualify for Free File and for more information on the program.

With IRS *e-file*, taxpayers know within 48 hours that the IRS has received their return. E-filed returns are automatically checked for accuracy. If errors are detected, the taxpayer or tax preparer will



receive an electronic message indicating the error and will allow the sender to correct the mistake and resubmit without penalty.

People who use e-file can receive their refunds in half the time as paper filers, and in as few as 10 days if they use Direct Deposit. Taxpayers may also track their refunds via the "Where's My Refund" feature on www.irs.gov. Those who owe money can file electronically at any time during the tax season and delay payments until April 15.

In 37 states and the District of Columbia, tax filing is simplified even further because taxpayers can file federal and state income tax returns together through the Federal/State e-file program. Tax software automatically transfers relevant data from the federal return to the state return as the information is entered.

Good business sense

The most common business forms are available for IRS *e-file* and more businesses than ever can enjoy its benefits. Beginning in early 2004, corporations and tax-exempt organizations will now be eligible for e-file.

"Businesses that use IRS *e-file* can spend less time on taxes and more time on running a business," said Terence H. Lutes, director, Electronic Tax Administration. "Benefits include greater accuracy, less time and money spent on administrative tasks, such as copying and mailing and fewer trips to the bank if they use electronic tax payment options."

For more information on IRS *e-file*, visit www.irs.gov.