

THE TAX PICTURE

IRS e-file Eases Taxing Chore

(NAPSA)—The list of chores you can handle online continues to grow:

- ✓ Shop.
- ✓ Pay bills.
- ✓ Balance checkbook.
- ✓ Order groceries.

Now, you can add another task to your online to-do list:

- ✓ File taxes.

Last year, nearly 47 million people filed their taxes electronically using IRS *e-file*. The IRS expects this number will increase significantly each year. "Much like electricity and ATMs, someday IRS *e-file* will be a convenience we can't recall being without," said Terence H. Lutes, IRS Director of Electronic Tax Administration.

IRS e-file: Available to All

Virtually all (99 percent) of individual tax forms are available through IRS *e-file*. You can e-file your own taxes or your tax preparer can do it for you.

The number of tax preparers offering IRS *e-file* has increased 26 percent during the last year, so there's an excellent chance your preparer offers the service.

If you do your own taxes, you have three options to complete the IRS *e-file* process:

1. Purchase tax preparation software at your local electronics retailer
2. Download software from a vendor's Web site
3. Complete and e-file your taxes on a Web site that uses IRS-authorized software

"IRS *e-file* offers individual taxpayers a way to file taxes with less hassles, far fewer errors, quick turnaround, and probably most importantly, fast refunds," said Lutes.

Many Happy Returns

Within 48 hours of e-filing tax forms, you will receive a proof-of-receipt e-mail. It will either tell



New this year: The majority of Americans will be able to e-file their taxes for free.

you that your form has been accepted for processing or alert you to any errors. E-filers typically experience an error rate of less than one percent.

E-filers also receive their refunds in about half the time as those who use paper forms and as quickly as 10 days with Direct Deposit. If you owe taxes, you can file electronically at any time and delay payment until April 15.

Information security is a top priority for the IRS. "When you use IRS *e-file*, your tax information is secure and only authorized users have access to the system," said Lutes. "We do not share the credit card or bank account information we receive with anyone."

Free File

Free File, new in 2003, will allow at least 60 percent of individual taxpayers to e-file their taxes for free. Check www.irs.gov or www.firstgov.gov to find out if you qualify for Free File.

(The IRS has never charged a fee to use e-file, but most Web sites and tax software programs customarily charge fees ranging from \$7 to \$30).

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