

IRS



News Release

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IRS URGES USE OF E-FILE, DIRECT DEPOSIT FOR TAXPAYERS WITH EXTENSIONS; TAXPAYERS MISSING OUT ON FASTER REFUNDS

WASHINGTON – The Internal Revenue Service reminds taxpayers who have filing extensions that its electronic services are still available to them for filing returns and receiving refunds quickly, safely and accurately.

The IRS is seeing a repeat of a trend last year, where the vast majority of the 9.7 million taxpayers filing after April 15 overlooked using e-file and direct deposit. More than 80 percent of these taxpayers are due refunds, which average \$500 more than the refunds for people filing during the regular tax season.

"Extension filers are missing out on a chance to get refunds quickly and safely," said IRS Commissioner Charles O. Rossotti. "More and more people who file by April 15 use e-file and direct deposit, but use of these benefits drops dramatically when taxpayers get an extension. It's a missed opportunity."

Last year, about 6 percent of the 9.7 million post-filing season filers used e-filing. That's well off the one-third of returns filed electronically by April 15.

For direct deposit, only 10 percent of these filers used the feature to send refunds directly to a bank account last year, far from the 40 percent usage earlier in the year.

Taxpayers have two ways to e-file. They can use tax preparation software on their own computer. Or they can have a tax professional that offers e-filing prepare and transmit their return.

The IRS Web site at www.irs.gov has links to private sector partners that offer affordable, user-friendly e-file options. It also has a listing of local tax professionals who have been accepted into the IRS e-filing program.

Taxpayers can choose direct deposit for their refunds whether they e-file or send paper returns. By entering their financial institution's routing number and their checking or savings account number, they save themselves a trip to the bank and avoid the risk of an undeliverable, lost or stolen refund check.

The deadline for filing returns with extensions is August 15. Additional time is available until October 15 by filing Form 2688, "Application for Additional Extension of Time to File Individual Tax Return." Taxpayers must provide a sufficient reason for this extension and receive IRS approval for the additional time.

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