INTERNAL REVENUE SERVICE

IRS News Release

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# E-file, e-Payments Ahead of Last Year

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WASHINGTON — The Internal Revenue Service announced today that e-file, direct deposit and e-payment programs are running at record paces so far this year.

Through March 25, 49 million tax returns were filed electronically, a 7 percent increase from last year. Overall, 64 percent of all returns were e-filed – up from 62 percent for the same period last year. While this percentage will decline as April 15 approaches, the IRS expects for the first time to have more than half of all individual tax returns filed electronically.

Also, 3.74 million returns have been filed through the Free File program so far this year – up 43.7 percent from the 2.6 million returns filed through the program at this time last year. The IRS and a consortium of tax software manufacturers offer free services through Free File, which is available at IRS.gov. Free file is in its third year.

“More and more taxpayers are turning to e-file and other electronic programs,” said IRS Commissioner Mark W. Everson. “This shapes up as a really strong year. Taxpayers who haven’t filed yet should check into e-file and Free File.”

Record numbers of individuals are paying their taxes with credit cards. So far this year, almost half a million taxpayers have paid their taxes with a credit card – up from 324,000 for the same time last year. So far, this year’s credit card payments total $269 million – up 46 percent from the total for the same period last year

Record numbers of individuals are choosing to have their refunds directly deposited into their bank accounts. So far this year, 64 percent of all deposits were paid through direct deposit compared to 60 percent for the same time last year.

Taxpayers who e-file and choose direct deposit get their refunds in half the time of those who file a paper return. Even paper filers, however, can get the benefit of direct deposit by choosing that option on their tax forms; they will get their refunds a week sooner than waiting for a paper check.

**— MORE —**

## 2005 FILING SEASON STATISTICS

Cumulative through the week ending 3/26/04 and 3/25/05

| | 2004 | 2005 | % Change |
|---|---|---|---|
| **Individual Income Tax Returns** | | | |
| Total Receipts | 74,453,000 | 73,762,000 | -0.9 |
| Total Processed | 69,480,000 | 69,605,000 | 0.2 |
| **E-filing Receipts:** | | | |
| TOTAL | 45,800,000 | 49,021,000 | 7.0 |
| TeleFile (phone) | 3,080,000 | 2,641,000 | -14.4 |
| Computer | 42,720,000 | 46,380,000 | 8.6 |
| Tax Professionals | 32,226,000 | 34,369,000 | 6.6 |
| Self-prepared | 10,494,000 | 12,011,000 | 14.5 |
| **Tax Year 2004 Refunds Certified:** | | | |
| Number | 62,801,000 | 62,239,000 | -0.9 |
| Amount of principal | $132.682 billion | $138.902 billion | 4.7 |
| Average refund | $2,113 | $2,232 | 5.6 |
| **Direct Deposit Refunds:** | | | |
| Number | 37,950,000 | 40,118,000 | 5.7 |
| Amount | $93.728 billion | $104.243 billion | 11.2 |
| Average | $2,470 | $2,598 | 5.2 |

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