

IRS News Release

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IRS e-file Launches Today; Most Taxpayers Can File Immediately

Video: *e-File 2011*: [English](#) | [Spanish](#) | [ASL](#)

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WASHINGTON — The Internal Revenue Service opened its 21st season of electronic filing today with a reminder to taxpayers that e-file remains the best way to get fast refunds and ensure accurate tax returns, particularly following several tax law changes in December.

[IRS e-file](#) is approaching the milestone of 1 billion returns processed. The electronic transmission system, which has revolutionized the way the IRS processes tax returns and made speedy refunds possible, has safely and securely processed 892 million tax returns since its national debut in 1990. In 2010, nearly 100 million people - 70 percent of the taxpayers - used IRS e-file.

“IRS e-file is the best option for everyone, especially for people impacted by recent tax law changes,” said Doug Shulman, IRS commissioner. “E-file ensures people can file accurately and get refunds quickly. With a new legislative e-file mandate for tax preparers, we anticipate that more tax return preparers will be using e-file this year, and we urge people who prepare their own taxes to give it a try. IRS e-file is now the norm, not the exception.”

The IRS also announced today it anticipates starting to process tax returns impacted by December’s tax law changes by mid-February. The IRS continues working to reprogram its computers to reflect new tax law changes enacted by Congress and signed by the President in December.

The [Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act](#) extended a number of tax deductions and credits for 2011 and 2012 such as the American Opportunity Tax Credit and the modified Child Tax Credit, which help families pay for college and other child-related expenses. The Act also provides various job creation and investment incentives including 100 percent expensing and a two-percent payroll tax reduction for 2011. Those changes have no effect on the 2011 filing season.

Generally, taxpayers who itemize their deductions by using Schedule A, who claim the higher education tuition and fees deduction or who claim the educator expense deduction must wait a few more weeks to file their returns. Based on historical filing patterns, the IRS anticipates the delay impacts about 9 million taxpayers; in 2010, the IRS received more than 141 million tax returns. While the delay impacts both paper and electronic tax returns, most taxpayers can file immediately. More details are available on IRS.gov.

Although the IRS has not announced a specific mid-February start date for accepting the delayed tax returns, many people using e-file can get a head start. Many major software providers have announced they will accept these impacted returns immediately. The software providers will hold onto the returns and then electronically submit them after the IRS systems open in mid-February for the delayed forms.

Taxpayers using commercial software can check with their providers for specific instructions. Taxpayers should check with their tax return preparers, who also may be holding prepared returns until the updates are complete.

Even with the delay, IRS e-file remains the fastest option for taxpayers, and e-file returns will be processed and refunds issued much faster than paper returns. It will take less than two weeks to process an e-filed return, but as many as four to six weeks to process a paper return.

In general, for people concerned about security, e-file has proven itself year in and year out as a safe and secure method of filing a tax return. E-file has a proven track record. Software vendors and preparers use the latest encryption technology. Plus, within 48 hours, taxpayers receive an electronic acknowledgement that their return has been received by the IRS and either accepted or rejected.

With most people receiving a refund, the fastest way to get a refund is by e-filing and using direct deposit. Taxpayers can get their money automatically in as few as 10 days. For people who owe taxes, e-file offers payment alternatives such as filing now and paying prior to the April tax deadline. Taxpayers who still want to pay by check can do so by e-filing and then mailing a payment voucher.

Taxpayers can e-file their tax returns one of three ways: through a tax return preparer, through commercial software or through [IRS Free File](#). The IRS does not charge for e-file. Many tax return preparers and software products also offer free e-filing with their services. Free File offers free tax preparation and free electronic filing.

As people become more comfortable using computers and the Internet for financial transactions, the IRS has seen a huge growth in the number of people who are preparing their own tax returns with the help of software.

Last year, more than one-third of all e-filed returns were done by people preparing and e-filing their own tax returns with software.

For people seeking free electronic options to do their own taxes, IRS Free File offers something for almost everyone through two formats: brand-name software or online fillable forms.

People must access Free File through the IRS Web site at www.irs.gov and click on Free File or Free File Home - Your Link to Free Federal Online Filing. People can read more about Free File at www.freefile.irs.gov or IR-2011-5.

People looking for a tax return preparer who files electronically and for more information on e-file can review [IRS e-file for Individuals](#). Taxpayers also can locate an e-file authorized tax professional nearest to them by doing a zip code search.

When using e-file, you also must use an [e-signature](#). The IRS no longer accepts the paper signature document. If you prepare your own return using software you must use the self-select PIN method. If you have a third-party prepare your return, you can use either the self-select PIN method or the practitioner PIN method. See Fact Sheet 2011-07 for more details.

A recently passed law requires certain paid tax return preparers to electronically file federal income tax returns that they prepare and file for individuals, trusts and estates. Those are Forms 1040, 1040A, 1040EZ and 1041.