IRS

April 2020

Fact Sheet for SPEC Partners

Minimum Returns Required for Tax Preparation Software

Background:

The IRS purchases electronic return preparation software for SPEC VITA and TCE partners/volunteers to use in preparing and transmitting tax returns for low- to moderate-income, elderly and limited English proficient taxpayers, as well for as taxpayers with disabilities.

VITA and TCE sites that prepare a minimum number of accepted e-file returns during the prior fiscal year are eligible to receive electronic return preparation software. The current minimum requirement is 50 returns. Each SPEC territory office is responsible for ensuring qualified sites receive tax preparation software.

Each Territory Manager has the authority to provide software to sites where the minimum requirement was not met. When this happens, the Territory Manager is responsible for providing a written business justification and securing approval prior to placing the software order.

A Change in Current Minimum Returns Requirement Policy:

Effective October 22, 2019, the minimum returns requirement for software will no longer apply to a Facilitated Self-Assistance (FSA) Fusion product that incurs no additional cost to the IRS. When ordered by the IRS at the same time as traditional software, the FSA Fusion software does not incur an additional purchase cost.

The FSA Fusion software is ordered when a partner has established a “co-located” FSA Fusion VITA/TCE site and has met other site eligibility requirements. “Co-located” self-preparation fusion sites are defined as located in the same building as the main/traditional site.

(Note: requests for custom URLs from other providers for FSA sites are also not subject to a minimum return requirement.)

Rationale for Change:

SPEC continues to improve the way it does business in order to achieve our mission and meet the needs of our customers. This new policy enables more FSA Fusion locations to stay open, facilitating future return preparation growth without increasing the IRS’s cost for providing software.

If you have any questions, please contact your local relationship manager.

Publication 5414 (4-2020) Catalog Number 74504J Department of the Treasury **Internal Revenue Service** www.irs.gov