

October 2024

Minimum Returns Required for Tax Preparation Software

for SPEC Partners

Background

The IRS purchases electronic return preparation software for 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 as for 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 SPEC 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.

Minimum Returns Requirement Policy

The minimum returns requirement for software does not 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 establishes 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. Requests for custom URLs from other providers for FSA sites are also not subject to a minimum return requirement.

Rationale

SPEC continues to improve the way it does business to achieve our mission and meet the needs of our customers. This 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 question, please contact your local relationship manager.