

Electronic filing is available for most individual returns

Electronic filing is available for most individual returns, and using electronic filing can have several advantages for individual taxpayers. The main advantages of electronic filing of individual tax returns are better accuracy than is available with paper returns, IRS acknowledgment of receipt of the return, and quicker refunds.

Returns filed electronically are more accurate because senders are alerted within a day or two if there are errors so they can correct them and re-transmit the return. IRS also acknowledges that an electronically filed return has been accepted. IRS creates an acknowledgment file for each electronic return, which it can transmit back to the return's sender within two working days after the original transmission. This acknowledgement provides some protection should IRS later claim that it never received a return.

Taxpayers who file individual returns electronically can apply their refunds to estimated tax, receive them by check, have them directly deposited into an individual or joint account, or use some combination of these options. Under the electronic filing program, taxpayers can also borrow money based on an anticipated tax refund using a "refund anticipation loan" (RAL). The RAL is a contract between the taxpayer and a lender in which IRS is not involved.

Electronic filing is the quickest way to get refunds. A taxpayer using it receives a refund in half the time it takes with a paper return—even faster if Direct Deposit is chosen. IRS doesn't guarantee a specific date by which a refund will be directly deposited into a taxpayer's account. But, to get the status of a refund while an electronically filed return is being processed; a taxpayer can contact an IRS district office serving the service center where the return was electronically filed.

Balance due returns are also accepted for electronic filing at all IRS service centers that accept electronically filed returns. The balance due return is transmitted in the same manner as a refund return. To pay the balance due on the tax return, you can mail a check separately, authorize a direct debit out of a checking or savings account, or charge the balance due to a MasterCard, Discover Card, or American Express Card by calling a special phone number. [Depending on the type of tax preparation software the preparer or his clients use, the taxpayer may be able to pay by credit card on-line as well as use a credit card by phone.]

Our fee for electronic filing is not based on the amount of your refund. IRS rules prohibit basing a fee for electronic filing of an individual return on the refund amount or on any other amount from the return.