

DEPARTMENT OF THE TREASURY OFFICE OF PUBLIC AFFAIRS

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MORE THAN 2.4 MILLION TAXPAYERS FILED ON-LINE FOR FREE Taxpayers Benefit from Free, Easy and Secure On-Line Filing

Today the Treasury Department and the Internal Revenue Service announced that more than 2.4 million Americans (as of April 9, 2003) have prepared and filed their taxes on-line for free using the Free File website.

In February 2002, President Bush proposed free online tax filing as one of his E-Government initiatives. Less than one year later, the Treasury Department, Office of Management and Budget (OMB) and the Internal Revenue Service (IRS) launched the new Free File Web site featuring private-sector partners that allow most taxpayers to prepare and file their taxes online for free. Treasury, OMB and IRS made this possible through a public-private partnership with a consortium of tax software companies, the Free File Alliance, LLC.

Free File is an easy, fast and secure way for citizens to file taxes and will also allow Americans to get refunds in half the time. The efficiency of E-file saves both taxpayers and the IRS time and money.

"No one likes paying taxes—it's too confusing and time consuming. With this new Free File website, we're seeing great success that has saved more than 2 million taxpayers time and money—and an even bigger bonus is they get their refunds in half the time," stated Treasury Secretary John Snow. "We hope that, in years to come, even more taxpayers will take advantage of the Free File program."

"The midnight lines at the post office will be a lot shorter tonight because the President delivered on his pledge to use the Internet to ease the taxpayers' burden," said Mitchell E. Daniels, Jr., Director of the Office of Management and Budget (OMB).

"Free File provided the nation's taxpayers with one more option for e-filing their tax returns. The public's response to this new initiative bodes well for the future of electronic tax filing and e-government in general," said IRS Acting Commissioner Bob Wenzel.

At the conclusion of this filing season, Treasury and IRS will review feedback received on the program's inaugural season with program participants, and consider any modifications to the agreement prior to next filing season.

Free File, together with IRS's pending legislative proposal for a 15 day filing extension for efilers, will make important strides towards achieving Congress' target of 80% of taxpayers efiling by 2007.

E-Government is an integral part of the President's Management Agenda, making it easier for citizens and businesses to interact with the government, saving taxpayer dollars and streamlining citizen-to-government transactions. For more information on each of the President's E-Government initiatives, please visit www.egov.gov.