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### **Electronic Filing Speeds Income Tax Refund**

The Montana Department of Revenue has a tip for taxpayers who want to receive their state individual income tax refunds faster: File electronically.

This year, Montana taxpayers can electronically file four popular Montana income tax forms for free on the Montana Department of Revenue's website at [mt.gov/revenue](http://mt.gov/revenue). Those forms are the 2EZ (short form), 2M (intermediate form), 2 (long form), and 2EC (elderly homeowner/renter credit form).

Taxpayers also can use other options to file electronically, including utilizing an authorized e-file tax professional, using an off-the-shelf software program installed on a personal computer with Internet access, or using online software on a personal computer with Internet access.

Some taxpayers may qualify to prepare and submit their state and federal taxes online for free, through services such as [MontanaFreeFile.org](http://MontanaFreeFile.org), a "one-stop" website that provides information on free tax preparation and electronic filing to eligible taxpayers.

Getting a refund rapidly could be especially important this year for those taxpayers who are feeling the pinch of the economic recession, said Dan Bucks, Director of the Montana Department of Revenue.

Currently, the typical wait time for a refund is about 5-10 business days for an e-filed return or about 6 weeks for a paper return. While the wait time for a refund from an e-filed return will remain constant throughout the tax season, the wait time for a refund from a paper return will increase to about 10 weeks as the April 15 tax filing deadline draws near.

Combining electronic filing with direct deposit will provide the quickest possible refund. Taxpayers can indicate on their tax return that they want their refund deposited directly into their bank account. Last tax season, more than half of Montana taxpayers who filed electronically also used direct deposit.

"Electronic filing and direct deposit are an unbeatable combination," said Bucks.

Electronic filing has grown steadily, and the Montana Department of Revenue expects the upward trend to continue this year, said Bucks. The number of Montana individual income tax returns filed electronically has almost doubled over the past 5 years. Last year, almost 6 out of 10 Montana individual income tax returns were filed electronically.

"Each year, more and more taxpayers realize that electronic filing is the easiest way to file their tax return," said Bucks. "It's simple, secure and convenient. It results in fewer errors and a faster refund."

Taxpayers who have an obligation can make an electronic payment through the department's online service called Income Tax Express. The online service will accept a taxpayer's e-check (no fee) or credit card (small fee). Taxpayers can file now and, if they wish, make an electronic payment closer to the April 15 deadline.

"There's no reason to wait until April 15 to file just because you owe," said Bucks. "You can file now, and then pay later."

Further information about electronic filing can be found on the Montana Department of Revenue's website at [mt.gov/revenue](http://mt.gov/revenue).

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