

Subject Direct free filing of individual income tax returns

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Overview

H.F. 4830 requires the Department of Revenue (DOR) to establish a direct free filing system for the Minnesota individual income tax. The system is required to include enough tax forms that the commissioner estimates 70 percent of resident individual income taxpayers could file using the system by tax year 2025 (returns filed 2026). The bill transfers an unspecified amount to the tax filing modernization account to cover the cost of the system.

Summary

Section	Description
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1	Direct free filing of individual returns.
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Requires DOR to establish an electronic filing system through which taxpayers can file individual income tax returns free of charge. Permits DOR to contract with software vendors for the system, but disallows the contractor selected from offering paid tax preparation services for the Minnesota individual income tax for the tax years the system is active. Requires the system to be made available on DOR's website.

Requires DOR to coordinate the state direct file system with federal direct free filing systems.

For tax year 2025, requires the system developed include a sufficient number of tax forms that the commissioner estimates 70 percent of resident individual income tax filers could use the system.

2	Transfer; direct free filing system.
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Transfers an unspecified amount to the tax filing modernization account in the special revenue fund.