

Subject Free individual income tax filing study

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Summary

The bill requires the Department of Revenue (DOR) to submit a report to the legislature on free electronic filing options for the individual income tax.

As part of the study, DOR must survey tax preparation software vendors for information about providing a free electronic preparation and filing option, including system development, costs per return, customer service issues, links with federal return software, protecting return privacy, and current availability of free filling products.

The report is due on January 15, 2022, and must include a review of free filing options in other states, an analysis of taxpayer needs, a description of alternative options for free filing, and an analysis of usage of the Internal Revenue Service Free File Program.

The bill appropriates \$175,000 to DOR in fiscal year 2022 for the report.