

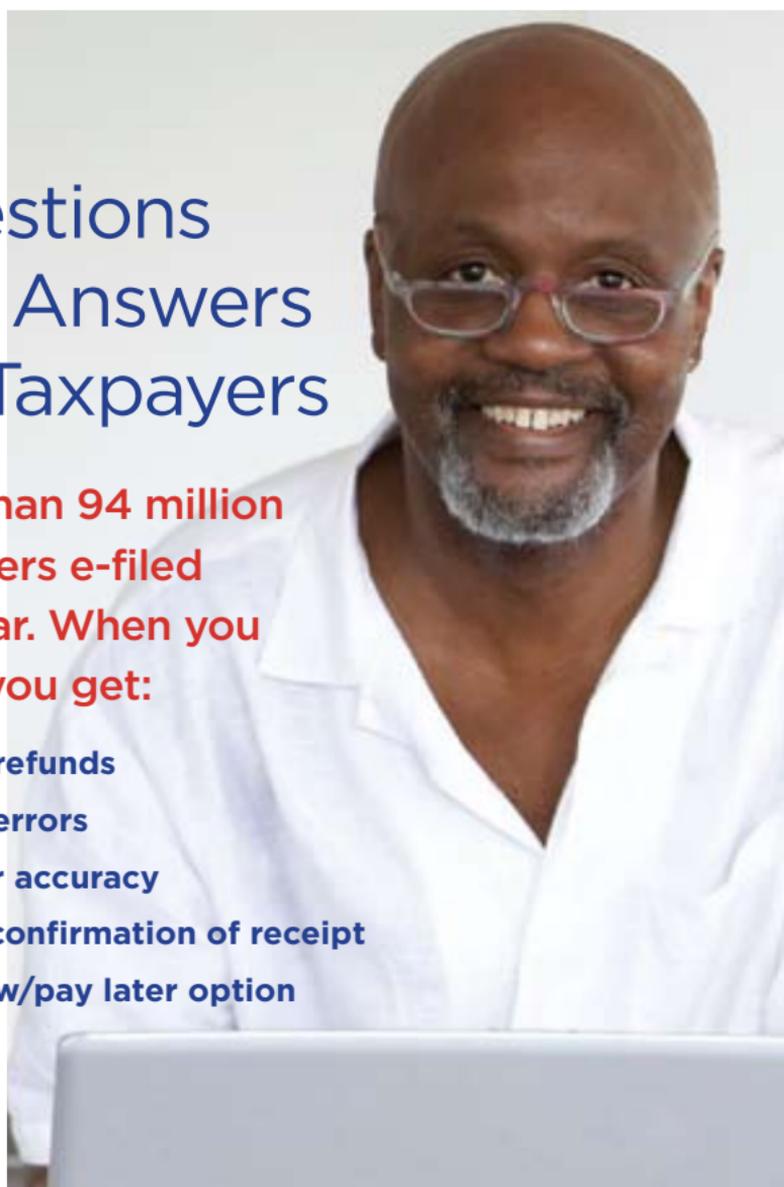


[www.irs.gov/efile](http://www.irs.gov/efile)

## Questions and Answers for Taxpayers

**More than 94 million taxpayers e-filed last year. When you e-file, you get:**

- **Faster refunds**
- **Fewer errors**
- **Greater accuracy**
- **Rapid confirmation of receipt**
- **File now/pay later option**



**e-file is environmentally friendly too!**

**Ask your tax preparer today.**





**IRS** *e-file* is a fast, accurate, safe and paperless way to file a Federal Income Tax Return. Get your refund in half the time, even faster and safer with Direct Deposit. If you owe tax, you can e-file and e-pay. Ask your Authorized IRS *e-file* Provider about e-file and e-pay today!

**1 Q. What is an Authorized IRS *e-file* Provider?**

**A.** An Authorized IRS *e-file* Provider (Provider) is a business or organization accepted by the IRS to participate in IRS *e-file*. It may be a sole proprietorship, partnership, corporation, or other entity. A Provider may be an Electronic Return Originator (ERO), Intermediate Service Provider, Transmitter, Software Developer, or Reporting Agent. These roles are not mutually exclusive. Providers may also be tax return preparers, but the activities and responsibilities for IRS *e-file* and return preparation are each distinct and different from the other.

**2 Q. What do I gain by using IRS *e-file*?**

**A.** Accuracy! Security! Electronic Signatures! Proof of Acceptance! Fast Refunds with Direct Deposit! Electronic Payment Options! Federal/State *e-file*! Only IRS *e-file* offers these advantages.

**3 Q. Do I really get my refund faster?**

**A.** Yes, you do. If you e-file and select direct deposit, you can get your refund back in as little as ten days. Ask your ERO for the estimated date of deposit. For more information about Direct Deposit, go to the Financial Management Service (FMS) Web site, [www.fms.treas.gov/efr](http://www.fms.treas.gov/efr).

**4 Q. Is there a fee for IRS *e-file*?**

**A.** The IRS does not charge a fee for you to e-file. Your Authorized IRS *e-file* Provider (Providers) will be glad to explain their fees for tax preparation and e-filing. However, Providers may not base their fees on a percentage of the refund amount or compute their fees using any figure from tax returns.

**5 Q. What Federal individual income taxes can I pay by electronic funds withdrawal?**

**A.** Payments can be made for (1) current year Individual Income Tax Returns (1040 series), (2) Form 4868, *Application for Automatic Extension of Time to File U.S. Individual Income Tax Return*, (3) Form 2350, *Application for Extension of Time to File U.S. Individual Income Tax Return*, and (4) Tax Year 2010 Form 1040-ES, *Estimated Tax for Individuals*.

You can schedule up to four quarterly estimated payments while e-filing your individual return, regardless of whether your individual return has a balance due or not.

Optionally, the Form 1040 series payment can also include penalty and interest.

**6 Q. How can I pay by electronic funds withdrawal and what are the benefits?**

**A.** Most tax preparation software allows you to e-file a balance due return and, at the same time, authorize an electronic funds withdrawal from your checking or savings account. The withdrawal cannot be authorized after the return is transmitted. A payment can be scheduled to be withdrawn on a future date beginning January 15, 2010. For a 1040 series payment to be considered timely, the payment should be scheduled for withdrawal on or before the return due date. The software includes instructions on the information needed to complete the payment, including your bank account number and the routing transit number of your financial institution. Check with your financial institution to be sure that electronic fund transfers can be authorized from your designated bank account (money management accounts, money market accounts, passbook savings accounts, certificate of deposit accounts and some credit union savings accounts do not allow for such transactions). Your tax payment will be reflected as a "United States Treasury Tax Payment" on your bank statement as proof of payment. Additionally, you receive an electronic acknowledgement once your electronic return is received and accepted.

**Note:** Regarding fees, see Question/Answer 4 above; there are no additional transaction charges for electronic funds withdrawals.

**Note:** Only authorized withdrawals can be made. No other funds can legally be withdrawn.

## 7 Q. What types of payments can taxpayers make by credit or debit card?

**A.** Payments can be made for (1) current year Individual Tax Returns (1040 series), including Balance Due Notices; amended return payments for tax years 2006-2009, (2) Form 4868, *Application for Automatic Extension of Time to File U.S. Individual Tax Return*, (3) Tax Year 2010 Form 1040-ES, *Estimated Tax for Individuals*, (4) past due taxes including Installment Agreement and prior tax years payment, (5) Tax Years 2007-2009 Form 1040 advanced payment of a determined deficiency, (6) Trust Fund Recovery Penalty, (7) Form(s) 940, 941, 943, 944 and 945 series balances, including current and prior year, Installment Agreement and amended or adjusted return payments, (8) Current year Form 5329, *Return for Individual Retirement Arrangement Taxes*, (9) Form 1041, *U.S. Income Tax Return for Estates and Trusts* current and prior tax years, and (10) Form 1065, *U.S. Return of Partnership Income* current and prior tax years.

Check with your software provider regarding the availability of a card payment option when you e-file.

Service providers charge a convenience fee for payment transactions. You are informed of the convenience fee amount before you authorize the payment.

**Note:** The IRS does not receive or store credit or debit card numbers. The service providers verify the validity of the card and line of credit, and forward the appropriate tax payment information to the IRS.

## 8 Q. How can I pay by credit or debit card and what are the benefits?

**A.** Card payments must be made electronically. You can e-file and electronically pay by card if the tax software you use includes this option. You may also make a credit card payment by calling a toll-free service (1-888-9-PAY-TAX, 1-888-UPAY-TAX or 1-888-PAY-1040); or accessing the Internet ([www.payUSAtax.com](http://www.payUSAtax.com), [www.officialpayments.com](http://www.officialpayments.com) or [www.PAY1040.com](http://www.PAY1040.com)). All major credit cards (American Express® Card, Discover® Card, MasterCard® card, and Visa® card) are accepted. To use an ATM/debit card, you may call (1-888-972-9829, 1-888-872-9829 or 1-888-729-1040) or access the Internet ([www.payUSAtax.com](http://www.payUSAtax.com), [www.officialpayments.com](http://www.officialpayments.com) or [www.PAY1040.com](http://www.PAY1040.com)). You can make partial payments by phone or Internet, but there is a limit to the number of payments for each type of tax.

If you pay by credit card, you delay out-of-pocket expenses and may earn miles, points, rewards or money back from your

credit card issuer. You will be provided a confirmation number at the end of the payment transaction and your account statement will provide proof of your payment. The payment and return data are reconciled by the IRS based on the social security number entered and the type of tax selected during the transaction.

## 9 Q. Can I pay my balance due by phone or Internet with a credit or debit card if I'm a "married filing joint" filer?

**A.** Yes. Just be sure to enter the social security number of the first taxpayer listed on the return's pre-printed mailing label, postcard or form.

## 10 Q. Is there another way I can pay my balance due by phone or Internet?

**A.** Take the easy way to pay ALL your business and individual federal taxes by enrolling in Electronic Federal Tax Payment System. EFTPS is a separate electronic system that is free, secure, easy, and offered by the U.S. Department of the Treasury. The enrollment process takes 7-10 days, so enroll now! Then pay 24/7 from anywhere there is a phone or Internet connection. Refer to Publication 3611 for details, or visit [www.eftps.gov](http://www.eftps.gov) to enroll in EFTPS. You may also call EFTPS Customer Service at 1-800-555-4477 to receive an Enrollment Form.

## 11 Q. What if I owe and cannot pay the full balance due?

**A.** Taxpayers who fail to pay the full tax due by April 15, 2010 are subject to penalties and interest. If you are unable to pay the total tax owed, you should make the largest possible partial payment with your return by April 15, 2010. If you cannot resolve your tax debt immediately, an approved installment agreement allows you to fully pay your tax debt in smaller, more manageable amounts. You may submit [Form 9465, Installment Agreement Request](#), to the IRS. This form can be transmitted electronically with your return, if supported by your tax professional's software. If you owe a Form 1040 series balance that is \$25,000 or less in combined taxes, interest and penalties you may use the [Online Payment Agreement \(OPA\)](#) application to request an installment agreement. If an installment agreement is accepted, the IRS charges a user fee for setting up the installments. For more information, see [Publication 594, Understanding the Collection Process](#).





## 12 Q. What happens if my return is filed electronically, I am due a tax refund but I owe other public debts?

**A.** If you are due a refund but you owe past-due federal income tax, other federal debts (such as student loans), state income tax, and child or spousal

support payments, all or part of your refund may be used to pay all or part of these debts. You will be notified if the refund you claimed has been offset against your debts.

## 13 Q. What happens when a joint return is filed and only one spouse owes the past-due debt?

**A.** When a joint return is filed and only one spouse owes the past-due amount, the other spouse can be considered an injured spouse. If the injured spouse wants a refund of his or her share of the joint overpayment shown on the joint return, the injured spouse should file [Form 8379, Injured Spouse Allocation](#).

## 14 Q. If my return is electronic, how do I sign it?

**A.** The only way for you to sign your electronic return is to use a Personal Identification Number (PIN). It's completely paperless! You have two methods of electronic signatures to choose from: Self-Select PIN method or Practitioner PIN method. With both methods you may select the PIN. If you file your tax return online you must use the Self-Select PIN method to sign your return. If your return contains certain forms that are required to be submitted to the IRS, you must use Form 8453, *U.S. Individual Income Tax Transmittal for an IRS e-file Return* to submit those attachments.

## 15 Q. What is the Self-Select PIN method?

**A.** The Self-Select PIN method allows you to personally sign your electronic tax return using a five-digit number. You can either sign your own return with your PIN electronically, authorize the ERO to sign the return with your PIN, allow the ERO to assign you a PIN, or allow the software to generate a PIN.

The Self-Select PIN process includes entering a five-digit PIN; your Date of Birth; and from your prior year (Tax Year 2008) originally filed income tax return, the Adjusted Gross Income (AGI) amount, or PIN if you signed electronically. You may use either your original prior year AGI or prior year PIN, or your software may allow the capability to enter both. The original AGI amount is not the amount from an amended tax return (Form 1040X) or a math error correction made by IRS. Your prior year AGI amount is on Line 37 of Form 1040, Line 21 of Form 1040A, or Line 4 of Form 1040EZ of

your Tax Year 2008 return. Prior to e-filing, you should also ensure your Date of Birth is accurate and matches the information in the Social Security Administration's (SSA) files by checking your SSA statement entitled "Your Social Security Statement."

Since tax preparation software packages may vary, consult your particular package for more details. For additional information on qualifications and required taxpayer information on the Self-Select PIN Method, please visit IRS Web site at [www.irs.gov](http://www.irs.gov); search PIN.

## 16 Q. What is the Practitioner PIN method?

**A.** The Practitioner PIN method is an additional electronic signature option for taxpayers who use an Authorized IRS *e-file* Provider to file their taxes electronically. Taxpayers using the Practitioner PIN method also use a five-digit PIN to sign their electronic tax return. Taxpayers choosing to use this method must complete Form 8879, *IRS e-file Signature Authorization*. Unlike the Self-Select PIN method, the Date of Birth and prior year's Adjusted Gross Income or PIN are not required with the Practitioner PIN method. Please visit the IRS Web site at [www.irs.gov/efile](http://www.irs.gov/efile) for additional information.

## 17 Q. Who else can use the Practitioner PIN Method?

**A.** Taxpayers who are eligible to file Forms 1041, 1065, 1065-B, 1120, 1120-F, 1120-S, 720, 2290, 8849 and Exempt Organization returns can use the Practitioner PIN. The taxpayer must use the applicable Form 8879 as follows:

- Form 8879-F for Form 1041 return
- Form 8879-PE for Form 1065 return
- Form 8879-B for Form 1065-B return
- Form 8879-C for Form 1120 return
- Form 8879-I for Form 1120-F return
- Form 8879-S for Form 1120-S return
- Form 8879-EO for Exempt Organization returns
- Form 8879-EX for Forms 720, 2290 and 8849 returns



## 18 Q. How do I know that the IRS really has my return?

**A.** The IRS notifies your Authorized IRS *e-file* Provider within 48 hours of transmission that your return information was received. Your Authorized IRS *e-file* Provider must provide, at your request, the Declaration Control Number (DCN) and the date the IRS accepted your electronic individual income tax return. Your Authorized IRS *e-file* Provider may use Form 9325, *Acknowledgment and General Information for Taxpayers Who File Returns Electronically* for this purpose. Your Authorized IRS *e-file* Provider must also, if requested, supply the electronic postmark (the date the return was considered filed) if the Transmitter provided one for the return.

## 19 Q. Is there a paperless method for filing an extension?

**A.** For your convenience, you can get an automatic extension of time to file your tax return by filing Form 4868 electronically. You can authorize an electronic funds withdrawal from your checking or savings account. To be considered timely, a payment should be scheduled to be withdrawn on or before April 15, 2010. Also, you can get an extension if you pay part, or all, of your estimate of income tax due by credit or debit card.

## 20 Q. Is it possible to split my direct deposit refund into more than one account?

**A.** Yes. The easiest way to split your refund is to electronically file Form 8888, *Direct Deposit of Refund*. Form 8888 allows you to deposit your refund in up to three designated accounts, such as checking and/or savings. Please see Form 8888 instructions for additional information.

## 21 Q. Do I have a greater chance of getting audited by the IRS if I use IRS e-file?

**A.** No. The chance of an audit of an e-filed return is no greater than with a paper return.

## 22 Q. Can my state tax return be e-filed with my Federal return at the same time?

**A.** Yes. There are 37 States and the District of Columbia participating in the IRS e-file program. To see if your state participates, please visit [www.irs.gov/efile](http://www.irs.gov/efile) or ask your ERO for additional information.

## 23 Q. Can my state return be e-filed without my Federal return?

**A.** Yes, you can e-file your state return with a "dummy" State Only Form 1040 attached. Visit [www.irs.gov/efile](http://www.irs.gov/efile) for the names of the states participating in State Only Filing.

## 24 Q. Where can I get additional information about IRS e-file?

**A.** Visit the IRS Web site at [www.irs.gov/efile](http://www.irs.gov/efile).

