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service, but its future is up in the air.

Jason Bramwell • Apr. 26, 2024

IRS | Direct File



With the [2024 filing season](#) in the rearview mirror, the IRS provided an update Friday on how well its [Direct File pilot program](#) fared this year but said little about what the future holds for its prized tax-filing service.

“From the very beginning of the Direct File pilot, we wanted to test new ways to give taxpayers an easy, accurate, and free way to file their taxes online directly with the IRS,” IRS Commissioner Danny Werfel said on April 26. “We saw a strong response from the pilot, and Direct File’s users generally found it fast and easy to use. This is an important part of our effort to meet taxpayers where they are, give them options to interact with the IRS in ways that work for them, and help them meet their tax obligations as easily and quickly as possible.”

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of filing season.

- The states that filed the most accepted returns were California (33,328), [Texas](#) (29,099), Florida (20,840), New York (14,144), and Washington (13,954).
- \$90 million in tax refunds were claimed by taxpayers across the 12 states, and \$35 million in tax balances due were reported.
- A survey of more than 11,000 Direct File users found that 90% of respondents ranked their experience with Direct File as “excellent” or “above average.” When asked what they particularly liked, respondents most commonly cited Direct File’s ease of use, trustworthiness, and that it was free, according to the IRS.
- 86% of survey respondents said that their experience with Direct File increased their trust in the IRS, and 90% of survey respondents who used customer support responded that their experience was “excellent” or “above average.”
- \$24.6 million was the total amount spent by the IRS, which includes its report to Congress—in which the agency studied the interest in and the feasibility of creating a direct e-filing tool for taxpayers—as mandated by the Inflation Reduction Act.
- \$2.4 million was the total operational cost for Direct File, including customer service, cloud computing, and user authentication.

“Direct File provided important lessons for us,” Werfel said. “A team of experts from across government worked together—alongside private-sector partners with critical expertise—to build and test Direct File. This team designed and built Direct File from the beginning with taxpayers’ help, and we worked with taxpayers to refine the system throughout the pilot. We will consult a wide variety of stakeholders to understand how lessons from Direct File can help us improve the entire tax system as well as assess next steps.”

In a news release, the IRS said no decision has been made about the future of Direct File at this time. In the coming days, the agency said it plans to release a report about

the pilot's scope, technology and taxpayer experience, customer support, state

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determine our future course involving Direct File,” Wertel said. “We anticipate making an announcement about future plans later this spring.”

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