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SIIA Praises Virginia's Adoption of Free File Tax Program

Gov. McDonnell Signs Bill Giving Free Online Tax help to Most Virginians

Washington, DC – April 13, 2010 – The Software & Information Industry Association (SIIA), the principal trade association for the software and digital content industries, today commended Virginia Governor Robert McDonnell for signing HB 1349, "The Virginia Free File Act," a bill that will make Virginia the 21st state to adopt the IRS Free File Program and provide free electronic tax preparation and e-filing services for state tax returns.

With the signing of the bill, the Free File Program – a partnership between the IRS and top tax software providers – will enable eligible Virginians to use simple, state-of-the-art tax software services beginning next tax season to prepare and file both state and federal tax returns at no cost. Since 2003, the Free File program has helped all low- and middle-income Americans prepare, complete and e-file their federal tax returns online. Starting next year, the Free File Program will also give most Virginians access to the same software normally sold for up to \$50, and make it easy for these citizens to electronically prepare and file their taxes online.

"In these difficult economic times, Virginia's adoption of the Free File Program is good news for taxpayers, the state government and the state budget," noted Ken Wasch, SIIA President. "Electronic software provided through Free File walks taxpayers through each step of the filing process, making sure taxpayers can get every deduction they deserve."

"Replacing costly government tax department systems with state-of-the-art private sector products and services at no cost to either the public treasury or the taxpayer is good government. Unlike traditional government contracts, such as the previous Virginia 'iFile' program, participating Free File companies are not paid to provide their tax services. Rather, Free File software and services are donated under the terms of a negotiated public rulemaking entered into by the IRS eight years ago, which the Federal Government recently renewed and extended through 2014," Wasch said.

Since 2003, the IRS Free File Program – a partnership between the Free File Alliance's 19 industry-leading private tax software companies and the IRS – has helped more than 25 million low- and middle-income Americans safely prepare and e-file federal tax returns at no cost. Millions more have been prepared and delivered by the State Free File programs that have been established across the country on the basis of the national

Free File agreement governed by the IRS. This tax season, all taxpayers making \$57,000 or less are eligible to use the program to prepare and e-file federal returns. More than 70 percent of American taxpayers—approximately 98 million households—are eligible.

In 2009, SIIA presented the Free File Program with the first Special Award for Innovation in Public Service. The Award exemplifies public service initiatives that utilize information technology in an innovative and collaborative way.

About SIIA

The Software & Information Industry Association (SIIA) is the principal trade association for the software and digital content industries. SIIA provides global services in government relations, business development, corporate education and intellectual property protection to 500 leading software and information companies. For further information, visit www.siiia.net.

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