

Congress of the United States

Washington, DC 20515

July 16, 2024

The Honorable Glenn Youngkin
Governor of the Commonwealth of Virginia
Office of the Governor
P.O. Box 1475
Richmond, Virginia 23218

Dear Governor Youngkin:

On May 30th, the Department of Treasury and Internal Revenue Service (IRS) announced that Direct File, a free tax filing tool operated by Treasury and the IRS, will continue as a permanent option for taxpayers. All 50 states are invited to partner with the IRS to provide Direct File as an option to their residents next year. We urge you to take the necessary steps to provide Virginia taxpayers with the option to use this service in the future.

The IRS piloted a Direct File program during Filing Season 2024. The pilot allowed taxpayers with simple tax situations in 12 states to file taxes for free, directly with the IRS. The results of the pilot indicate the program was well received by taxpayers. 140,803 taxpayers utilized the tool to claim more than \$90 million in refunds and save an estimated \$5.6 million in tax preparation fees.¹ For Filing Season 2025, the IRS is working to broaden the base of taxpayers eligible for Direct File by including more complex tax situations and inviting all 50 states to participate.

For this year's pilot, the IRS offered Direct File to eligible taxpayers in states that either entered Memorandums of Understanding (MOU) with the IRS or have no generally applicable state income tax. The MOUs allowed IRS to guide taxpayers to state-supported tools for filing stand-alone state tax returns once their federal return was complete. In inviting remaining states to partner with Direct File for 2025, it is understood that states choosing not to participate will eliminate access to Direct File for their residents.

Virginia taxpayers deserve access to this free and simple filing option. For many, the tax filing season can be time consuming, expensive, and confusing, even though most taxpayers have relatively simple returns. The IRS aims to enhance the tax filing experience by offering Direct File as an additional option for taxpayers to utilize, alongside existing free filing options like Free File, the Volunteer Income Tax Assistance program, and the Tax Counseling for the Elderly program. Virginians should have the same opportunity to access Direct File as they do any other taxpayer assistance program offered by the IRS.

We ask that your administration work with the IRS, the Treasury Department, and the General Assembly to take the necessary steps for Virginia to join the program as soon as possible. Our offices stand ready to assist in this effort to expand filing options for Virginians.

Sincerely,

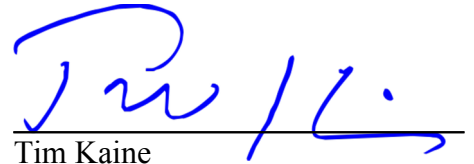
¹ U.S. Department of the Treasury, "IRS Direct File Pilot Exceeds Usage Goal, Receiving Positive User Ratings and Saving Taxpayers Money", press release, April 26, 2024, <https://home.treasury.gov/news/press-releases/jy2385>.



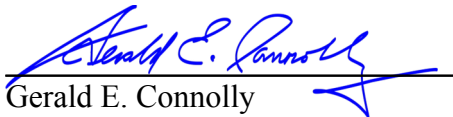
Donald S. Beyer Jr.
Member of Congress



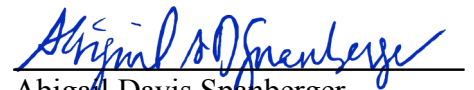
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United States Senator



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United States Senator



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