



# U.S. Department of the Treasury Announces Wisconsin Will Join IRS Direct File for Filing Season 2025

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*More than 600,000 Wisconsinites Eligible to Use Free Tax Filing Tool Next Year Made Possible by President Biden's Inflation Reduction Act*

WASHINGTON – Today, the U.S. Department of the Treasury and Internal Revenue Service (IRS) announced that Wisconsin is the next state to join IRS Direct File for Filing Season 2025. IRS Direct File was made possible by President Biden's Inflation Reduction Act, which provided new resources for the IRS to improve customer service and ensure taxpayers claim the benefits and deductions for which they are eligible.

Following a successful Pilot Program in 12 states that saw 140,000 taxpayers claim more than \$90 million in refunds and save an estimated \$5.6 million in filing costs using the new free online filing tool, Treasury and the IRS announced the expansion of Direct File as a permanent offering. Treasury and the IRS have been working with interested states to offer Direct File to their taxpayers with Wisconsin becoming the latest new state to join the 12 pilot states, following Oregon, New Jersey, Pennsylvania, New Mexico, Connecticut, and North Carolina. More than 600,000 Wisconsinites will be eligible to use the free online tax filing tool this coming Filing Season.

“Thanks to President Biden's Inflation Reduction Act, more than 600,000 Wisconsin taxpayers will be able to file their taxes online for free, directly with the IRS this coming Filing Season. Direct File will save Wisconsinites time and money and help ensure they receive the tax benefits they are owed,” said **U.S. Secretary of the Treasury Janet L. Yellen**. “After a successful pilot this Filing Season, we are pleased to expand the program as a permanent offering and welcome Wisconsin as the latest new state to offer this free option to taxpayers.”

“Thanks to the efforts of our federal partners like Sen. Baldwin and the Biden-Harris Administration, next year, Wisconsin taxpayers will be able to file their taxes securely, easily,

and for free directly with the IRS with no surprise fees through the new Direct File Program,” said **Governor Tony Evers**. “This is going to save hardworking folks time and money, and we look forward to seeing how the Direct File and new WisTax programs will work together to better serve Wisconsinites when tax season comes around in 2025.”

“Filing your taxes should be easy and free, but right now the system is rigged to line the pockets of giant third-party tax-prep companies, and Wisconsinites are left wasting hours and hundreds of dollars each year,” said **Senator Tammy Baldwin**. “I voted for the Inflation Reduction Act to put money back into the pockets of hardworking families, not pad the profits of these big third-party companies that charge exorbitant junk fees. I’m thrilled to be working with Gov. Evers so Wisconsinites can save time and money by filing their taxes directly with the IRS.”

The Treasury Department’s goal in the coming years is to expand the reach and tax scope of Direct File to provide an option for working-and middle-class taxpayers nationwide. Direct File is central to the Biden-Harris Administration’s efforts to deliver modern, world-class customer service using Inflation Reduction Act resources. Direct File also advances a goal of the IRS’s Strategic Operation Plan (SOP) to ensure that taxpayers receive tax credits that they are eligible for, including the Child Tax Credit and Earned Income Tax Credit. The IRS will continue to improve the product over time and ensure that it remains free, secure, and easy to use.

## BACKGROUND ON THE DIRECT FILE PILOT PROGRAM

The average American spends \$270 and 13 hours filing their taxes. (Taxpayer Burden Survey) President Biden’s Inflation Reduction Act required the IRS to study the potential for an IRS-run Direct e-File System that would allow taxpayers to file taxes for free, directly with the IRS. After reviewing the report, which showed strong taxpayer interest in a free IRS filing option, the Treasury Department initiated a pilot of IRS Direct File during the 2024 Filing Season.

In Filing Season 2024, Direct File was available to taxpayers with simple tax situations in 12 states. The Pilot exceeded expectations with more than 140,000 Americans successfully filing in the five weeks the program was widely available following extensive product testing. These filers claimed more than \$90 million in refunds and saved an estimated \$5.6 million in tax preparation fees on their federal returns alone.

Direct File users also reported a high degree of satisfaction and quick answers to their filing questions. In a GSA Touchpoints survey of more than 11,000 Direct File users, 90 percent of respondents ranked their experience with Direct File as “Excellent” or “Above Average.” A

majority of survey respondents who filed taxes in the prior year reported having to pay to prepare their taxes last year. Among survey respondents, 47 percent of users paid to file their taxes last year and 16 percent did not file last year at all.

In Treasury and IRS engagements with Direct File users, taxpayers relayed that Direct File was straightforward to use, and they valued features that allowed them to learn more about different tax situations, credits, and deductions. Taxpayers emphasized their appreciation for the fact that Direct File is always free and there are no hidden fees or attempts to upsell users as they moved through the filing process. Taxpayers also shared that filing directly with the IRS gave them confidence and that they were able to quickly fix mistakes and get their taxes filed accurately.

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