THE COALITION FOR FREE AND FAIR FILING

Today, America's tax filing system is not working for all families.

- Americans spend <u>1.7 billion hours and \$31 billion annually</u> to file their taxes, even though the overwhelming majority should be able to file in mere minutes and for free.
- Millions more find it too hard or expensive to file taxes at all, including <u>over five million</u> <u>households</u> who qualify for the Earned Income Tax Credit (EITC) but do not receive it.
- An estimated 87 million taxpayers lose as much as \$13 billion of their refunds to tax prep fees annually because the industry makes it difficult to access the free file system.
- <u>72% of taxpayers are "very" or "somewhat" interested</u> in an IRS direct file tool, including 83% of taxpayers who self-prepare their returns.

The tax preparation industry has a long and well-documented history of taking advantage of American taxpayers.

- Intuit agreed to pay \$141 million to 4.4 million Americans across the country to resolve a claim that it steered millions of low-income Americans away from free tax-filing services.
- More than <u>150,000 individual arbitration claims</u> had also been filed against the company "by people seeking money back after they paid for software that, they said, should have been free."
- A recent Congressional investigation found that tax prep companies have <u>shared taxpayers'</u> <u>personal financial information</u> with Meta, Google, and other tech firms in potential violation of taxpayer privacy laws.