

113TH CONGRESS  
1ST SESSION

# S. 669

To make permanent the Internal Revenue Service Free File program.

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IN THE SENATE OF THE UNITED STATES

APRIL 9, 2013

Mr. PRYOR (for himself, Mr. ISAKSON, and Mr. PORTMAN) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To make permanent the Internal Revenue Service Free File program.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Free File Program  
5 Act of 2013”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds the following:

8 (1) The Internal Revenue Service (IRS) Free  
9 File program as established by the IRS pursuant to  
10 public rulemaking and set forth in the Federal Reg-  
11 ister, Vol. 67, No. 213, Monday, November 4, 2002,

1 pages 67247–67251, and in implementing agree-  
2 ments and governing rules and requirements be-  
3 tween the IRS and the tax software and electronic  
4 industry between 2003 and 2012, has been success-  
5 ful and significant in the efforts of the Federal Gov-  
6 ernment to increase the electronic filing of individual  
7 income tax returns of low and moderate income tax-  
8 payers.

9 (2) By the end of the current tax return filing  
10 season more than 36,000,000 Federal individual in-  
11 come tax returns will have been prepared and filed  
12 electronically for free over the life of the IRS Free  
13 File program.

14 (3) The IRS Free File program offers Federal  
15 individual income tax return preparation and elec-  
16 tronic filing services to more than 70 percent of tax-  
17 payers, approximately 100,000,000 taxpayers at the  
18 end of the current tax filing period, with tax soft-  
19 ware and electronic filing provided at no cost to the  
20 taxpayers who use the service or to the Federal Gov-  
21 ernment from tax software and electronic filing com-  
22 panies participating in the program.

23 (4) By the end of the current tax return filing  
24 season, it is estimated that the IRS Free File pro-  
25 gram will have saved taxpayers approximately

1        \$1,000,000,000 and will have saved the Federal  
2        Government about \$125,000,000 in processing costs.

3        **SEC. 3. INTERNAL REVENUE SERVICE FREE FILE PRO-**  
4        **GRAM.**

5        (a) The Secretary of the Treasury, or the Secretary's  
6        delegate, is authorized and directed to continue to operate  
7        the Internal Revenue Service (IRS) Free File program as  
8        established by the IRS in the public rulemaking of Novem-  
9        ber 4, 2002, and subsequent agreements and governing  
10       rules.

11       (b) The IRS Free File program shall continue to pro-  
12       vide free online individual income tax preparation and  
13       electronic filing services to the 70 percent of taxpayers  
14       with the lowest income, determined using prior year tax-  
15       payer adjusted gross income. The number of taxpayers re-  
16       ceiving such services each year shall be adjusted for each  
17       filing season based on taxpayer population and income  
18       changes, but the percentage specified in the preceding sen-  
19       tence shall not change.

20       (c) The IRS shall continue to work cooperatively with  
21       the private sector through the Free File Alliance to pro-  
22       vide free individual income tax preparation and electronic  
23       filing services and shall not compete with the private sec-  
24       tor in providing these services to taxpayers, nor shall the

1 IRS acquire, develop, or deploy enabling systems to dupli-  
2 cate or replace private sector tax preparation services.

3 (d) The Secretary of the Treasury, or the Secretary's  
4 delegate, shall not establish, develop, sponsor, acquire, or  
5 make available individual income tax preparation software  
6 or electronic filing services except through the IRS Free  
7 File program and the Internal Revenue Service's Taxpayer  
8 Assistance Centers, Tax Counseling for the Elderly, and  
9 volunteer income tax assistance (VITA) programs.

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