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## **No More Tax Booklets from IRS**

The IRS has decided not to mail the usual federal income tax booklets for 2010 in efforts to encourage taxpayers to file their income tax returns electronically and cut down an estimated \$10 million in costs. In not printing the forms and instructions, the IRS also aims to save trees.

Many industry players expect e-filing to become mandatory in future. But for now, there are other ways taxpayers can file their income tax returns including over the phone if they have a simpler form like the 1040 EZ.

Another way to do so would be to use paid tax preparer services like that offered by H&R Block or Jackson-Hewitt. People like senior citizens and those on limited incomes may be eligible to receive free tax help and e-filing through various no-cost tax service programs. These factors have also contributed to the reduced use of the tax booklets by taxpayers.

98.7 million out of 141.5 million people or nearly 70% of taxpayers filed their taxes electronically this year. This increasing proportion of people filing their tax returns electronically has prompted the IRS to take the step of discontinuing the printing and posting of tax booklets.

In early October, the IRS sent postcards to taxpayers who filed their tax returns manually without engaging paid commercial tax preparers or tax preparation software. Last year, only 8% of taxpayers who filed tax returns received a tax package through the mail.

Organizations and businesses can opt to receive tax booklets and instructions in their local communities through the Tax Forms Outlet Program (TFOP). Currently some of the organizations who are part of the TFOP include libraries, post offices, schools and military installations. However, there have been fewer requests for participation in the TFOP due to the ease of obtaining IRS forms from the IRS website nowadays.

Nevertheless some libraries and schools have decided to continue providing paper tax returns forms and instructions for the coming tax year. Most institutions will make the forms available from January onwards until supplies last.

The AARP Tax Aide program also offers free tax counseling and tax submissions for low and middle income taxpayers who are 60 years and older. This program has also seen a reduction in the number of people seeking to file their tax returns through it. Last year, the program only filed 47 paper tax returns, most of which were people re-filing tax returns from the previous year.