

Free Federal Tax Filing Options for WI Residents

Each year, millions of Wisconsinites file individual federal and state taxes. Some people hire a tax accountant and others file taxes on their own, often using a software program to complete the task. For the upcoming tax filing season, the Internal Revenue Service (IRS), which is responsible for collecting federal taxes from U.S. taxpayers, will offer two free filing options for federal taxes to Wisconsin residents who qualify—the IRS Free File program and the Direct File program.



The IRS Free File program is available to tax filers with income in 2024 of \$84,000 or less. This program is a partnership between the IRS and tax preparation & filing software companies who provide online filing services for free. To find free guided tax software available to you under this program, visit the following website: https://apps.irs.gov/app/freeFile/.

Wisconsin tax filers who use this program may also consider using <u>WisTax</u>, Wisconsin's electronic tax filing system, to file state taxes.

Starting in the 2025 tax filing season, the Direct File program is a new option for more than 600,000 qualifying Wisconsin residents. This program, which was available to residents in just 12 states for 2023 taxes, is meant to help Americans with simple tax situations file their federal taxes directly with the IRS. After more than 140,000 people used the Direct File program for 2023

taxes, the program expanded to more states including Wisconsin.



<u>Direct File</u> will be available to Wisconsin tax filers who have any of the following:

- income from an employer
- unemployment compensation
- social security benefits,
- and/or \$1,500 or less in interest income.

Filers using Direct File must also take the standard deduction and can only claim deductions for student loan interest and educator expenses. After using Direct File, users will be taken to the WisTax website to file their state taxes.

Filing your taxes each year is important because it can help you get money back and avoid penalties and fees for not filing your taxes. It can help to take advantage of these programs, so you have a smooth and easy tax preparation and filing experience.

To talk about other important family and financial topics, contact a UW-Extension educator in your county. Visit https://counties.extension.wisc.edu/ for more information.