

Fact Sheet

Module 13: Electronic Tax Return Preparation and Transmission

Tax preparation is the completion of the forms and schedules needed to compute and report the tax. Tax returns can be prepared and transmitted manually or electronically. Transmitting a tax return means sending the return to the taxing authority. Electronic filing (e-file) options include: online, self-prepared; authorized IRS e-file Provider; Volunteer Income Tax Assistance (VITA) sites; Tax Counseling for the Elderly (TCE); AARP Foundation Tax-Aide (Tax-Aide); and paid tax preparers. Personal Identification Numbers (PINs) ensure that the taxpayer, and not someone else, transmitted the tax return. A PIN allows the taxpayer to “sign” the return electronically. Electronic preparation and transmission of tax returns have numerous benefits.



Tax Return Preparation

- Manual
- Electronic

Benefits of Electronic Preparation

- Increased accuracy
- Ease of use
- Ability to prepare federal and state tax returns at the same time

Tax Return Transmission

- By mail
- By using electronic filing (e-file) options:
 - a. online, self-prepared
 - b. authorized IRS e-file provider
 - c. Volunteer Income Tax Assistance (VITA) sites
 - d. TCE (Tax Counseling for the Elderly)
 - e. AARP Foundation Tax-Aide (Tax-Aide)
 - f. paid tax preparers

Benefits of Electronic Transmission

- Direct deposit (you can receive your refund within 20 days)
- Electronic funds withdrawal for payment
- File early and pay later
- Secure
- Paperless
- Electronic acknowledgment
- Avoids lost or delayed returns
- Avoids trips to the post office
- Ability to transmit federal and state taxes at the same time