

Congress of the United States

Washington, DC 20515

January 15, 2025

Scott Bessent
Secretary-Designate, U.S.
Department of the Treasury
Trump-Vance Transition Team
1800 F Street NW
Washington, DC 20405

Billy Long
Commissioner-Designate, Internal
Revenue Service
Trump-Vance Transition Team
1800 F Street NW
Washington, DC 20405

Dear Mr. Bessent and Mr. Long:

We write to highlight the success of the Internal Revenue Services' (IRS) Direct File pilot program and stand ready to work with you to use this common-sense tool to put money back in American taxpayers' pockets. Press reports indicate that Mr. Musk and Mr. Ramaswamy, "[t]he leaders of President-elect Donald Trump's Department of Government Efficiency have discussed trying to create a mobile app for Americans to file their taxes free with the Internal Revenue Service."¹ Direct File fits the bill.

In 2024, in red and blue states, Direct File helped thousands of taxpayers file accurately and securely, received excellent reviews, and is set to expand this year.² Public interest in a tool to directly file taxes with the IRS prompted the Department of Treasury and the IRS to develop the Direct File pilot, which went live on March 8, 2024.³ Direct File is making the process of interacting with the government more efficient, a goal we all can agree on.

Americans spend \$160 and eight hours on average to file their taxes,⁴ often losing a chunk of their sorely-needed refund to do so. Giving taxpayers the option to file for free through Direct File program has saved filers approximately \$5.6 million in federal tax preparation fees in just its

¹ "Musk's 'DOGE' commission eyes new app for Americans to file taxes," Jeff Stein, November 19, 2024, <https://www.washingtonpost.com/business/2024/11/19/taxes-irs-musk-ramaswamy/>.

² Letter from Senator Elizabeth Warren, et al. to Department of the Treasury Secretary Janet Yellen and Internal Revenue Service Commissioner Daniel Werfel, May 15, 2024, <https://www.warren.senate.gov/imo/media/doc/2024.05.15%20Letter%20to%20IRS%20and%20Treasury%20on%20Direct%20File.pdf>; Internal Revenue Service, "IRS Direct File set to expand availability in a dozen new states and cover wider range of tax situations for the 2025 tax filing season," press release, October 3, 2024, <https://www.irs.gov/newsroom/irs-direct-file-set-to-expand-availability-in-a-dozen-new-states-and-cover-wider-range-of-tax-situations-for-the-2025-tax-filing-season>.

³ Internal Revenue Service, "IRS Direct File Pilot Program Filing Season 2024 After Action Report," May 3, 2024, p. 2, <https://www.irs.gov/pub/irs-pdf/p5969.pdf>; Internal Revenue Service, "Direct File officially opens in 12 pilot states following positive early reviews; eligible taxpayers can file online directly with the IRS for free," press release, March 12, 2024, <https://www.irs.gov/newsroom/direct-file-officially-opens-in-12-pilot-states-following-positive-early-reviews-eligible-taxpayers-can-file-online-directly-with-the-irs-for-free>.

⁴ Internal Revenue Service, "1040 (and 1040-SR)," Tax Year 2024, p. 107, <https://www.irs.gov/pub/irs-pdf/i1040gi.pdf#page=107>.

pilot year and is projected to save filers \$11 billion a year at scale.⁵ This program is efficient and effective, providing a vital service for millions of Americans, while also keeping their data safe from misuse.⁶ Congress does not need to pass legislation to continue this progress. If confirmed, we urge you to maintain and expand it.⁷

Direct File was created to save taxpayers time and money – and it worked. In the 2024 Direct File pilot, used by more than 140,000 taxpayers, nearly 90 percent of surveyed filers said Direct File *increased* their trust in the IRS and nearly 90 percent had “above average” or “excellent” experiences with the program.⁸ Three out of four filers reported that Direct File was “easy” or “much easier” in comparison to previous filing experience,⁹ with many reporting filing took less than an hour.¹⁰ Many others echoed this sentiment:

- “It was the fastest I’ve ever done my taxes,” said one Californian taxpayer. “I didn’t have to worry about someone upselling me.”¹¹
- “It was one of the greatest experiences I have had doing [my taxes],” said an Arizonan taxpayer.¹²
- “It was the most convenient way I’ve ever filed my taxes,” said a taxpayer in Washington State. “I got to be honest, it surprised me how simple it was.”¹³

In 2024, Direct File “issued more than \$90 million in tax refunds and collected \$35 million in tax balances due.”¹⁴ The system proved it could withstand a high volume of traffic, especially in the final days of tax season.¹⁵ Indeed, the pilot was so successful that, when the IRS announced it would make Direct File a permanent program, 13 additional states elected to offer this option to their taxpayers.¹⁶ During the 2025 tax filing season, more than 30 million taxpayers in 25 states will be eligible to file their taxes using Direct File — with nearly half of these taxpayers in states

⁵ American Progress, “The Direct File Pilot Shows That a Public Tax Filing Option Saves Money, Improves Customer Service,” Jean Ross, June 18, 2024, <https://www.americanprogress.org/article/the-direct-file-pilot-shows-that-a-public-tax-filing-option-saves-money-improves-customer-service/>; Economic Security Project, “The Impact of Direct File—by the Numbers,” Gabriel Zucker and Bharat Ramamurti, https://economicsecurityproject.org/wp-content/uploads/Full-Report_-The-Impact-of-Direct-File-by-the-Numbers.pdf.

⁶ The Markup, “Tax Filing Websites Have Been Sending Users’ Financial Information to Facebook,” Simon Fondrie-Teitler, Angie Waller, and Colin Lecher, November 22, 2022, <https://themarkup.org/pixel-hunt/2022/11/22/tax-filing-websites-have-been-sending-users-financial-information-to-facebook>.

⁷ *Id.*; Institute on Taxation and Economic Policy, “Defunding the IRS Would Cost Taxpayers,” Joe Hughes, December 12, 2024, <https://itep.org/defunding-the-irs-would-cost-taxpayers/>.

⁸ *Id.*, pp. 45-6, 3, 16.

⁹ *Id.*, p. 47.

¹⁰ *Id.*, p. 3

¹¹ MarketWatch, “Early reviews of the IRS Direct File free tax-prep tool are in. Here’s what taxpayers say so far,” Andrew Keshner, March 26, 2024, <https://www.marketwatch.com/story/early-reviews-of-the-irs-direct-file-free-tax-prep-tool-are-in-heres-what-taxpayers-say-so-far-3a2c4a3a>.

¹² *Id.*

¹³ *Id.*

¹⁴ Internal Revenue Service, “IRS Direct File Pilot Program Filing Season 2024 After Action Report,” May 3, 2024, pp. 2-3, <https://www.irs.gov/pub/irs-pdf/p5969.pdf>.

¹⁵ *Id.*, p. 3

¹⁶ Internal Revenue Service, “IRS announces Jan. 27 start to 2025 tax filing season; agency continues historic improvements to expand, enhance tools and filing options to help taxpayers,” press release, January 10, 2025, <https://www.irs.gov/newsroom/irs-announces-jan-27-start-to-2025-tax-filing-season-agency-continues-historic-improvements-to-expand-enhance-tools-and-filing-options-to-help-taxpayers>.

that President-Elect Trump carried.¹⁷ Direct File will be available across the nation, in red and blue states: Alaska, Arizona, California, Connecticut, Florida, Idaho, Illinois, Kansas, Maine, Maryland, Massachusetts, Nevada, New Hampshire, New Jersey, New Mexico, North Carolina, New York, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Washington State, Wisconsin and Wyoming.¹⁸

Launching an innovative technology product is challenging under any circumstance, even more so in government. Direct File's initial success is indicative of the IRS' ongoing commitment to work collaboratively with states to improve service on behalf of taxpayers. Taxpayers should have options for how they wish to meet their obligations, including options that are transparent, easy, and free, like Direct File. IRS efforts in this regard are demonstrative of the agency's commitment to reducing burden, cutting costs, and providing taxpayers an option for filing that does not require them to turn their private tax information over to third parties.

Taxpayers' embrace of Direct File is indicative of their interest in a free, easy, private, and secure method of filing. Most Americans have simple tax returns, yet filing is still arduous and frustrating. The complexity of the tax code makes it difficult for average Americans to ensure they get it right, while also protecting their sensitive financial and personal data.¹⁹ Providing another option to file taxes accurately, securely, and for free does not undermine existing filing options, rather it creates healthy competition to ensure Americans are well-served, as they meet their obligations.

The Direct File pilot program has proved that it is efficient, cost effective, user friendly, and secure – a pilot program that already meets the DOGE leaders' goals. On this issue, Mr. Musk and Mr. Ramaswamy and the Republican majorities who supported the IRS Restructuring and Reform Act of 1998 are correct.²⁰ We disagree with our colleagues who are calling on the President to pull the plug,²¹ harming taxpayers and undermining the work that two dozen state

¹⁷ U.S. Department of the Treasury, "U.S. Department of the Treasury, IRS Announce 30 Million Americans in 24 States Eligible For Direct File in Filing Season 2025," press release, October 3, 2024, <https://home.treasury.gov/news/press-releases/jy2629>; Illinois.gov, "Gov. Pritzker and IDOR Announce IRS Direct File Service," press release, January 10, 2025, <https://gov.illinois.gov/news/press-release.30812.html>; Internal Revenue Service, "IRS announces Jan. 27 start to 2025 tax filing season; agency continues historic improvements to expand, enhance tools and filing options to help taxpayers," press release, January 10, 2025, <https://www.irs.gov/newsroom/irs-announces-jan-27-start-to-2025-tax-filing-season-agency-continues-historic-improvements-to-expand-enhance-tools-and-filing-options-to-help-taxpayers>.

¹⁸ *Id.*

¹⁹ Letter from Senator Elizabeth Warren, et al., to Department of Justice Deputy Attorney General Lisa Monaco, October 18, 2024, https://www.warren.senate.gov/imo/media/doc/final_-_letter_to_doj_re_tax_prep_companies_data_sharing.pdf; Offices of Senators Elizabeth Warren, Ron Wyden, Richard Blumenthal, Tammy Duckworth, Bernie Sanders, and Sheldon Whitehouse, and Representative Katie Porter, "Attacks on Tax Privacy: How the Tax Prep Industry Enabled Meta to Harvest Millions of Taxpayers' Sensitive Data," July 2023, p. 4, https://www.warren.senate.gov/imo/media/doc/Attacks%20on%20Tax%20Privacy%20Report_7.12.2023.pdf.

²⁰ Internal Revenue Service Restructuring and Reform Act of 1998, H.R.2676, <https://www.congress.gov/bill/105th-congress/house-bill/2676/cosponsors>; The Washington Post, "Musk's 'DOGE' commission eyes new app for Americans to file taxes," Jeff Stein, November 19, 2024, <https://www.washingtonpost.com/business/2024/11/19/taxes-irs-musk-ramaswamy/>.

²¹ Letter from Representative Adrian Smith, et al. to President-Elect Donald Trump, December 10, 2024, <https://adriansmith.house.gov/sites/evo-subsites/adriansmith.house.gov/files/evo-media-documentttter%20to%20President-Elect%20Trump%20re%20IRS%20Direct%20File%20-%20Version%20%232%20-%2012-10->

governments in red and blue states have done to support taxpayers for the upcoming 2025 tax filing season. As Mr. Musk and Ms. Ramaswamy have said, Americans deserve a simple and free way to meet their tax obligations online. Ending Direct File would hurt everyday Americans.

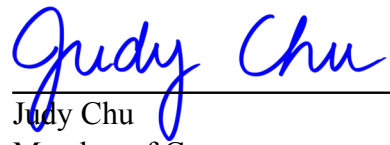
As your nomination comes before the Senate, and if you are confirmed and take office, I hope you will work with us to maintain and expand the Direct File program.

Thank you for your attention to this important matter.

Sincerely,



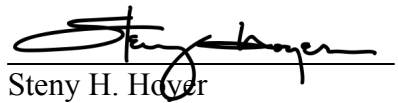
Elizabeth Warren
United States Senator



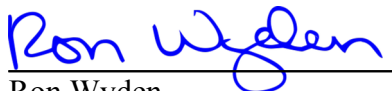
Judy Chu
Member of Congress



Christopher A. Coons
United States Senator



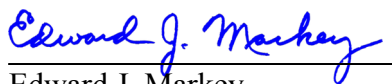
Steny H. Hoyer
Member of Congress



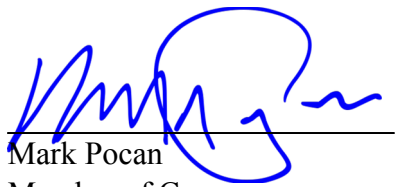
Ron Wyden
United States Senator
Ranking Member, Committee
on Finance



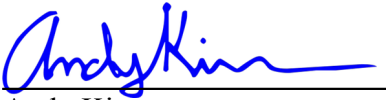
Brad Sherman
Member of Congress



Edward J. Markey
United States Senator



Mark Pocan
Member of Congress



Andy Kim
United States Senator



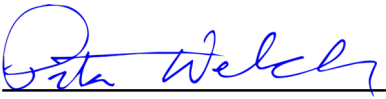
John Garamendi
Member of Congress



Kirsten Gillibrand
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David Scott
Member of Congress



Peter Welch
United States Senator



Kevin Mullin
Member of Congress



Jeanne Shaheen
United States Senator



Seth Moulton
Member of Congress



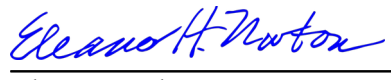
Tina Smith
United States Senator



Jonathan L. Jackson
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Richard Blumenthal
United States Senator



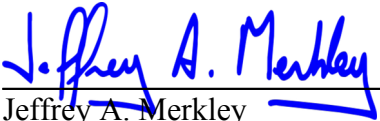
Eleanor Holmes Norton
Member of Congress



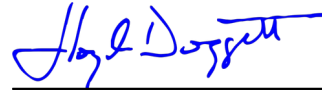
Michael F. Bennet
United States Senator



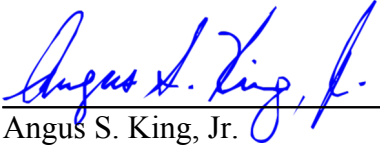
Bonnie Watson Coleman
Member of Congress



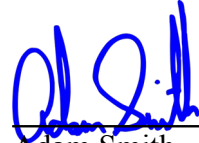
Jeffrey A. Merkley
United States Senator



Lloyd Doggett
Member of Congress



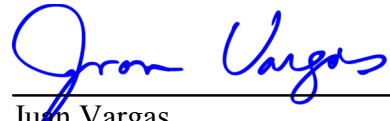
Angus S. King, Jr.
United States Senator



Adam Smith
Member of Congress



Adam B. Schiff
United States Senator



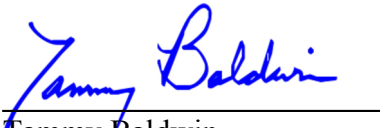
Juan Vargas
Member of Congress



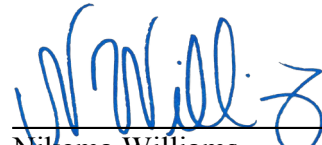
John Hickenlooper
United States Senator



Paul D. Tonko
Member of Congress



Tammy Baldwin
United States Senator



Nikema Williams
Member of Congress



Cory A. Booker
United States Senator



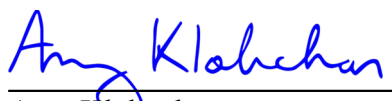
Rashida Tlaib
Member of Congress





Christopher S. Murphy
United States Senator




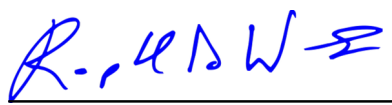
Joaquin Castro
Member of Congress

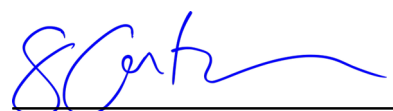

Amy Klobuchar
United States Senator

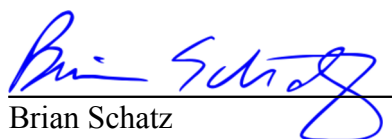

Delia C. Ramirez
Member of Congress



Richard J. Durbin
United States Senator

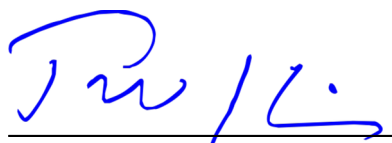

Chrissy Houlahan
Member of Congress



Raphael Warnock
United States Senator



Sean Casten
Member of Congress

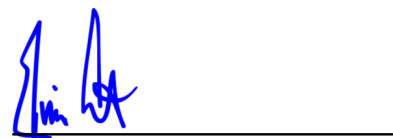

Brian Schatz
United States Senator


Steve Cohen
Member of Congress

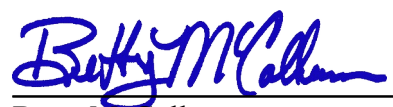

Tim Kaine
United States Senator


Frederica S. Wilson
Member of Congress


Chris Van Hollen
United States Senator

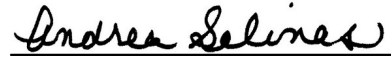

Jim Costa
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Betty McCollum
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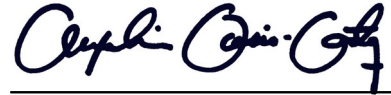
Alex Padilla
United States Senator



Andrea Salinas
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Madeleine Dean
Member of Congress



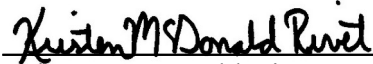
Alexandria Ocasio-Cortez
Member of Congress



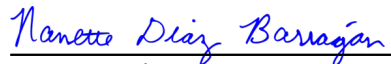
Eric Swalwell
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Dina Titus
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Kristen McDonald Rivet
Member of Congress



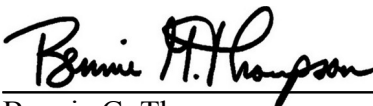
Nanette Diaz Barragán
Member of Congress



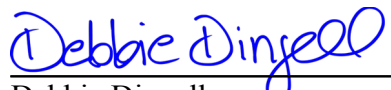
Val Hoyle
Member of Congress



Bill Foster
Member of Congress



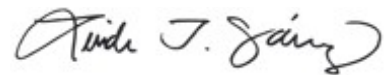
Bennie G. Thompson
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Debbie Dingell
Member of Congress



Jahana Hayes
Member of Congress



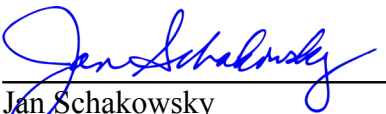
Linda T. Sánchez
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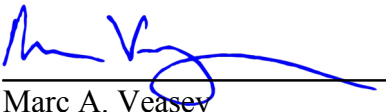
Dan Goldman
Member of Congress



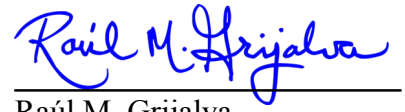
Jan Schakowsky
Member of Congress



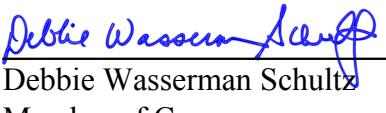
Kathy Castor
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Marc A. Veasey
Member of Congress



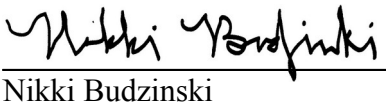
Raúl M. Grijalva
Member of Congress




Debbie Wasserman Schultz
Member of Congress



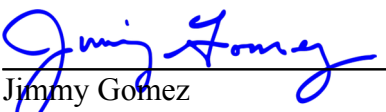
Jamie Raskin
Member of Congress



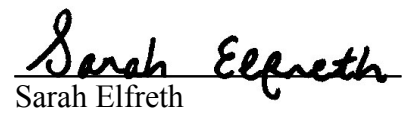
Nikki Budzinski
Member of Congress



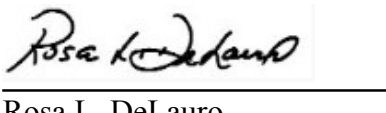
Jesús G. "Chuy" García
Member of Congress



Jimmy Gomez
Member of Congress



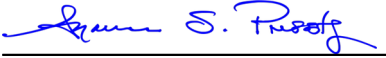
Sarah Elfreth
Member of Congress



Rosa L. DeLauro
Member of Congress



Frank Pallone, Jr.
Member of Congress



Ayanna Pressley
Member of Congress



Raul Ruiz, M.D.
Member of Congress



Jim Tokuda
Member of Congress



Shri Thanedar
Member of Congress



Diana DeGette
Member of Congress



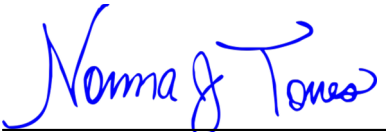
Stephen F. Lynch
Member of Congress



Gabe Amo
Member of Congress



Julia Brownley
Member of Congress



Norma J. Torres
Member of Congress



Valerie P. Foushee
Member of Congress



Chris Deluzio
Member of Congress



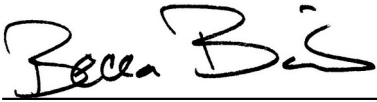
Chellie Pingree
Member of Congress



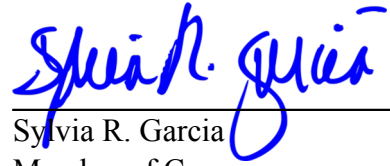
Danny K. Davis
Member of Congress



Mark DeSaulnier
Member of Congress



Becca Balint
Member of Congress



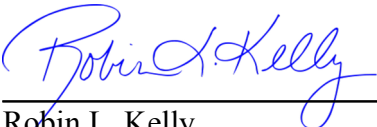
Sylvia R. Garcia
Member of Congress



Lori Trahan
Member of Congress



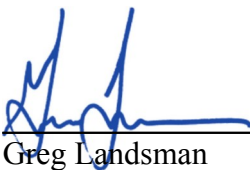
Pramila Jayapal
Member of Congress



Robin L. Kelly
Member of Congress



Alma S. Adams, Ph.D.
Member of Congress



Greg Landsman
Member of Congress



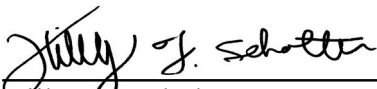
Maggie Goodlander
Member of Congress



Summer L. Lee
Member of Congress



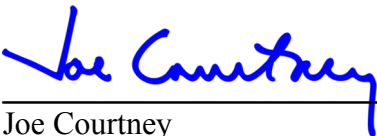
Dwight Evans
Member of Congress



Hillary J. Scholten
Member of Congress



Maxine Dexter
Member of Congress



Joe Courtney
Member of Congress



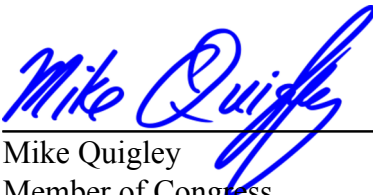
James P. McGovern
Member of Congress



Cleo Fields
Member of Congress



Darren Soto
Member of Congress



Mike Quigley
Member of Congress



Doris Matsui
Member of Congress



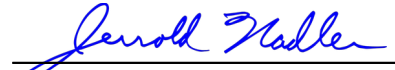
Maxwell Alejandro Frost
Member of Congress



Donald Norcross
Member of Congress



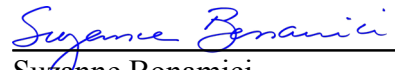
Henry C. "Hank" Johnson, Jr.
Member of Congress



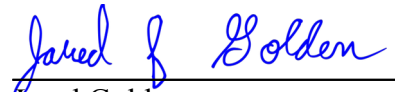
Jerrold Nadler
Member of Congress



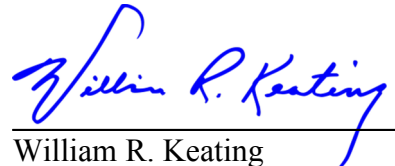
Veronica Escobar
Member of Congress



Suzanne Bonamici
Member of Congress



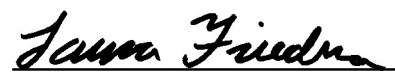
Jared Golden
Member of Congress




William R. Keating
Member of Congress




Kim Schrier, M.D.
Member of Congress




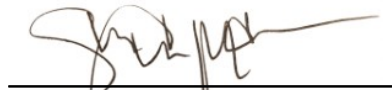
Laura Friedman
Member of Congress



Lateefah Simon
Member of Congress

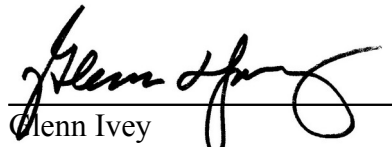

Al Green
Member of Congress

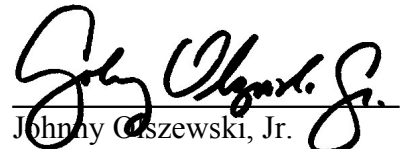

Melanie Stansbury
Member of Congress



Gerald E. Connolly
Member of Congress



Sheila Cherfilus-McCormick
Member of Congress



Robert C. "Bobby" Scott
Member of Congress


Glenn Ivey
Member of Congress

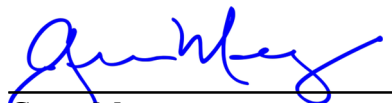

Johnny Ciszewski, Jr.
Member of Congress



Robert Garcia
Member of Congress

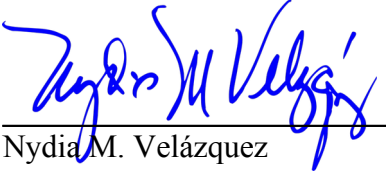

Mary Gay Scanlon
Member of Congress


Chris Pappas
Member of Congress

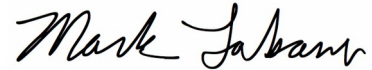

Rick Larsen
Member of Congress


Grace Meng
Member of Congress


Jasmine Crockett
Member of Congress



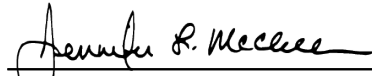
Nydia M. Velázquez
Member of Congress



MARK TAKANO
Member of Congress



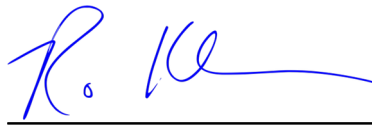
Lois Frankel
Member of Congress



Jennifer L. McClellan
Member of Congress



Troy A. Carter, Sr.
Member of Congress



Ro Khanna
Member of Congress



George Latimer
Member of Congress