

United States Taxpayers Living Abroad

Electronic Filing

We have recently heard from U.S. citizens and residents living abroad that they have been unable to file their tax returns electronically. However, we have recently been informed that there are currently (8) eight software companies that can eFile 1040 returns with foreign addresses. When the foreign address is input, it automatically converts it into a format that the software can accept. The following is a list of these software companies. (Note: The IRS cannot endorse any specific tax preparation product or software package)

Online Taxes

TaxSlayer

H&R Block

TaxAct

eSmart Tax powered by CCH (currently does not include the form 2555)

FileYourTaxes.com

Tax Simple

1040Now

Five of the companies listed above also offer Free File for Taxpayers with an AGI of \$58,000 or less. Companies offering Free File include: Online Taxes, TaxSlayer, H&R Block, TaxAct, and eSmart.

IRS Free File

U.S. citizens and resident aliens living outside the United States may use IRS Free File to prepare and electronically file their federal tax returns, according to the Internal Revenue Service.

IRS Free File is brand-name software that does the hard work for taxpayers. It's offered exclusively at IRS.gov, through a partnership with the tax software industry.

To be eligible, taxpayers' adjusted gross income in 2010 must be \$58,000 or less. Some overseas taxpayers may exclude \$91,500 of their 2010 foreign earnings, which would make more people eligible for IRS Free File.

Free File software generally asks questions, taxpayers supply the answers. The software completes the proper tax forms, does the math and allows for free electronic filing through IRS e-file. By filing electronically, taxpayers due refunds and who have U.S. bank accounts can opt for direct deposit and get their refunds in as few as 10 days.

To get started with IRS Free File, go to www.irs.gov/freefile and select "Pick a Free File Company."