

How Could We Improve the Federal Tax System?

RETURN-FREE TAX FILING

Would return-free filing raise taxes?

Q. Would return-free filing raise taxes?

A. Not for those who pay what they owe now.

While some antitax groups have suggested otherwise, a return-free system would not raise taxes for households already paying all the taxes they owe. Nor would anyone need to share more information with the IRS than they do now.

Some members of Congress, along with some antitax groups including Americans for Tax Reform and the American Conservative Union, oppose return-free filing on the grounds that it would shift the burden of contesting tax liability from the IRS to the taxpayer. They have other concerns, too. Americans for Tax Reform argues that implementing return-free filing would be dangerous because it “would create a conflict of interest where the Internal Revenue Service would become both tax preparer and enforcer.” These groups further argue that return-free filing shields taxpayers from awareness of the costs of paying taxes and, consequently, is a means of implementing tax increases without taxpayers’ knowledge.

These seem weak objections. Return-free filing should be viewed as a taxpayer tool, not a shield from information. Taxpayers could still file returns as they did before but would be given the option of filing “return free” if their taxes are simple enough to qualify. All taxpayers would retain the right to challenge their tax liability as calculated by the IRS.

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Further Reading

Americans for Tax Reform, 2005, [“Senate Conservatives Speak Out against Return-Free Tax Filing Scheme.”](#) Press release, October 26. Washington, DC: Americans for Tax Reform.

Goolsbee, Austan. 2006. [“The Simple Return: Reducing America’s Tax Burden through Return-Free Filing.”](#) Washington, DC: Hamilton Project.

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