

Working with Treasury to Encourage Electronic Payments for Federal Benefits

Each year, tens of thousands of low-income and elderly taxpayers visit tax preparation sites. As a trusted source for financial information, volunteers and site coordinators have the opportunity to help taxpayers select the safest payment option for their federal tax refunds or benefits – electronic payments.

Over the past two years, thousands of tax preparation sites partnered with **Go Direct**[®], a national campaign sponsored by the U.S. Department of the Treasury and the Federal Reserve Banks, to encourage taxpayers who receive federal benefits to make the switch from paper check to direct deposit.

New this year, Treasury and the IRS are working together to encourage use of the **Direct Express**[®] Debit MasterCard[®] for federal benefit payments. The **Direct Express** card is a prepaid debit card that provides a safe, user-friendly way for people without bank accounts to receive their federal benefit payments.

The IRS supports Treasury's efforts and encourages tax preparation sites around the country to incorporate information about **Go Direct** and the **Direct Express** card into tax preparation activities.

Partnership in action

Over the past two years, volunteers, site coordinators and regional leaders have played a key role in driving seniors and other federal beneficiaries to choose a safer, easier way to get their money:

- VITA and TCE sites in nearly 45 states displayed and distributed **Go Direct** materials at their sites, including fliers, posters, buttons and a video.
- Site coordinators, volunteers and regional leaders received training on the importance of **Go Direct** and how to use the program at their sites.
- Volunteers and financial institutions proactively highlighted the benefits of **Go Direct** when speaking with taxpayers about using direct deposit for tax refunds.

Treasury and IRS are working together to encourage tax preparation sites to incorporate the **Direct Express** card in 2009.

Why electronic payments?

Electronic payments – like direct deposit and the **Direct Express** card – are easier, safer and more convenient than paper checks and offer taxpayers more control over their money:

- In 2007, nearly 60,000 Treasury-issued checks were forged, totaling \$56 million in estimated value.
- The government mails more than 150 million benefit checks each year. If every federal check were converted to electronic payments, about \$130 million would be saved each year.



What can you do to help?

Getting involved is easy. You can:

- Distribute **Go Direct** and **Direct Express** card materials.
- Train intake coordinators to identify taxpayers who receive federal benefits. This will make it easier for preparers to discuss electronic payment options and encourage taxpayers to sign up for **Go Direct** and the **Direct Express** card.
- Help taxpayers sign up for direct deposit or the **Direct Express** card onsite.
- Invite financial institutions to attend your site and encourage them to help taxpayers open checking or savings accounts and enroll in direct deposit onsite.

Signing up is easy!

- Direct deposit – Taxpayers can call the toll-free number at (800) 333-1795, go online to www.GoDirect.org or visit their local bank or credit union.
- **Direct Express** card – Taxpayers can call toll-free at (877) 212-9991, go online to www.USDirectExpress.com or visit their local Social Security office.

As you prepare for the upcoming tax season, please spread the word about **Go Direct** and the **Direct Express** card and encourage eligible taxpayers to make the switch. For more information, visit the Partners sections of www.GoDirect.org and www.USDirectExpress.com.

About **Go Direct**[®]

Go Direct[®] is a national campaign sponsored by the U.S. Department of the Treasury and the Federal Reserve Banks to motivate people who get Social Security and other federal benefits by check to switch to direct deposit.

About the **Direct Express**[®] card

The **Direct Express**[®] Debit MasterCard[®] card is a prepaid debit card for Social Security and Supplemental Security Income (SSI) payments. Cardholders can make purchases, pay bills and get cash at thousands of locations nationwide. Sign up is free and no bank account is required.



The **Go Direct**[®] campaign is sponsored by the U.S. Department of the Treasury and Federal Reserve Banks.

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