



## Michigan Free File

### → Tax Year 2002

- Issued Request for Proposal
- Contracts with two software developers
  - Offers published on Treasury Web site
- 4% of total e-file returns



## Michigan Free File

### → Tax Year 2003

- Eliminated contract requirement - Free File Alliance (FFA) members automatically qualify
- Communicated with developers through FFA
- Four developers participated
  - Same offer as for federal filers
  - Published on Treasury Web site
- 2.4% of total e-file returns to date
- Michigan has no intention of developing their own direct file program.





## Michigan Free File

### ⇒ On-line e-file growth

#### ⇒ Tax year 2002

⇒ 34% growth

⇒ 80% of growth due to free file

#### ⇒ Tax year 2003

⇒ 24% growth to date

⇒ 69% of growth to date  
due to free file





STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

JENNIFER M. GRANHOLM  
GOVERNOR

JAY B. RISING  
STATE TREASURER

January 23, 2004

Name  
Company Name  
Address  
City, State ZIP

Dear \_\_\_\_\_:

Michigan is very excited about the opportunity to partner with \_\_\_\_\_ to offer free e-file services to Michigan taxpayers.

We understand that \_\_\_\_\_'s free e-file offer is as follows:

*Details of free offer listed here.*

We will publish this information on our Web site, along with the company logo you provided. We will also promote free e-file in our radio, television and print advertisements.

In return, we would appreciate \_\_\_\_\_ providing a link to the Michigan Department of Treasury Web site ([www.michigan.gov/treasury](http://www.michigan.gov/treasury) or [www.MIfastfile.org](http://www.MIfastfile.org)) from its Web page. If possible, we would also like to receive statistics on the number of Michigan taxpayers that choose \_\_\_\_\_ to e-file their income tax returns for free. Thank you for your cooperation in this matter.

Sincerely,

Floyd A. Schmitzer, Administrator  
Return Processing Division



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

JENNIFER M. GRANHOLM  
GOVERNOR

JAY B. RISING  
STATE TREASURER

September 8, 2003

Dear Free File Alliance Members:

The Michigan Department of Treasury (Treasury) would like to partner with the Free File Alliance members to offer free, on-line income tax return preparation and electronic filing (e-file) services. Michigan is interested in marketing free services offered by Alliance members.

To simplify the process for software developers, Treasury is eliminating the requirement for a formal Request for Proposal/Invitation to Bid agreement. Membership in the Free File Alliance qualifies the developer for participation in *free e-file* offerings for Michigan taxpayers. Simply send an e-mail to Annette Olivier-Wolfe, Manager of our Alternative Filing Programs at [MIefile2D@michigan.gov](mailto:MIefile2D@michigan.gov) confirming your participation and the same offers for the federal *free e-file* will be available to Michigan taxpayers.

Treasury will also market e-file in the following ways:

- Provide links to the free services through its Web site at [www.MIfastfile.org](http://www.MIfastfile.org).
- Radio, television and print advertising directed at the youth market and general public.
- Promotion in our Michigan Income Tax Instruction booklet, on our Web site and CD-ROM.
- Promotion on Treasury envelopes and correspondence.

Michigan ranks in the top four states in the nation in the number of taxpayers who e-file their individual income taxes. Further, for the 2003 tax year Michigan will be increasing the volume of e-file by 1 million returns. As a leader, Treasury intends to promote the benefits of e-file and communicate with other states about our successes with *free e-file* partnerships.

Beginning with tax year 2003, Michigan has mandated that tax preparers with 200 or more clients must e-file all eligible income tax returns. Michigan expects this mandate will result in an increase of over 1 million e-file returns from tax preparers, and as a result an increase in your customer base.

Treasury is excited about the opportunity to partner with the software developer industry to promote *free e-file* services to Michigan taxpayers. Please feel free to contact me if you have any questions about this opportunity.

Sincerely,

Floyd A. Schmitzer, Administrator  
Return Processing Division  
(517) 636-4280