



The Healthy Families Tax Credits Coalition is deeply concerned by the Trump Administration's reported decision [to end the Direct File program](#), a simple, free online tax filing service provided by the Internal Revenue Service (IRS). If terminated, it will be more complicated and expensive for working families across the nation to file their taxes and access the [health-boosting credits](#) they are eligible for.

This tax season, nearly 1 million Massachusetts residents were eligible to use Direct File to file their taxes online for free. Fully implemented, Direct File could save Massachusetts families an estimated [\\$168 million](#) in tax filing fees annually, and return up to [\\$272 million](#) in federal tax credits.

During the piloting of Direct File in 2024, [90% of users rated their experience as "excellent" or "above average"](#). Despite implementation challenges this tax season due to withdrawn resources from the Administration, participation in Direct File doubled and [user satisfaction rates were overwhelmingly positive](#).

The average American [spends \\$290 a year on tax preparation services](#); with Direct File, that cost dropped to \$0. With Direct File, families were able to keep their money in their pockets and receive the full amount of their credits, which could be [put toward food, rent, utilities, and other necessities](#) that protect their families' health and well-being. In a country where [citizens' trust in the government is already eroded](#), ending a program that is a strong example of efficient government working well and one that is favored by the public is a mistake. Instead of expanding the program to the entire country, the government is regressing to the previous system of hidden fees, confusing guidelines, predatory tax preparation services, and overall inaccessibility and inequity.

This decision goes against the best interests of all taxpayers and will undoubtedly harm the health and economic well-being of the nation's most vulnerable families. For many, filing taxes is the most meaningful contact they have with the government every year. Showing taxpayers that a better system exists only to take it away will further dismantle the public's trust in government institutions.

We urge the Department of Treasury to permanently reinstate Direct File ahead of the 2026 tax season.