

IRS Electronic payment mandate now in effect



In accordance with President Trump's executive order signed March 2025, the US Treasury is advancing the transition to fully electronic federal payments. This includes the complete phase out of paper tax refund checks beginning September 30, 2025. The purpose is to defend against financial fraud and improper payments, reduce costs and enhance security.

What this means for you:

- **No more paper refund checks**
 - Confirm that we have your current bank information on page 3 of the organizer. For security, only the last 4 digits of your bank account are included. Blank lines have been provided on this page to enter new bank information.
 - Alternatively, you can provide a voided check (with your tax package or uploaded to Sharefile), or you can call or text our office at (510) 794-7555.
 - If you are unable or refuse to receive your refund via direct deposit, other options will include prepaid debit cards or digital wallets. At this time, there is no guidance on how this will be handled for the 2025 tax season.
- **We will not be providing ANY IRS vouchers unless you absolutely insist!**
 - While penalties will not be imposed for the 2025 tax season, it is our professional responsibility to encourage and assist all clients to transition to electronic payments NOW before it does become mandatory, which is expected to happen within the next year.
 - **Your options:**
 1. We can schedule all payments for you using your bank account information. This includes balances due, estimates, and/or extension payments. The payments will be automatically withdrawn on their respective due dates or earlier if you choose.
 2. IRS Direct Pay: A safe, easy way to make one-time payments using your bank account. **No registration is required.** <https://www.irs.gov/payments/direct-pay-with-bank-account>
 3. IRS Online Account: We cannot recommend this enough! It is a **one-time tedious security/registration** process that does require waiting for a PIN in the mail (so don't wait until the last minute) but is well worth it. You can look up account balances, make payments, review notices, retrieve transcripts, communicate with the IRS, etc. <https://www.irs.gov/payments/online-account-for-individuals>

(over for state information)

California and other states:

Currently there have been no changes to California electronic payment mandates or any other states that we are aware of. However, if you are not currently making your state payments electronically, this is the ideal time to transition. As a result, we will not be providing any state vouchers going forward (unless you absolutely insist). Since your IRS refund will be direct deposited, we will set up your state refund, if applicable, for direct deposit as well.

- **California options for paying electronically:**

1. FTB WebPay: A safe, easy way to make one-time payments using your bank account. **No registration is required.** <https://www.ftb.ca.gov/pay/bank-account/index.asp>
2. FTB Online Account: Like the IRS online account, this is a one-time registration process that does require waiting for a PIN in the mail (so again, don't wait until the last minute). It is also an invaluable tool; you can look up account balances, make payments, review notices and payment history, communicate with the FTB, etc. <https://www.ftb.ca.gov/myftb/index.asp>

We will always provide detailed payment instructions with your completed tax returns. This will include step-by-step instructions for making your payment(s) online.

The instructions will include:

- Website links
- Tax years to apply payments to
 - Payment types
 - Due dates
- Payment amounts