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Statement from Economic Security California Action on the California Budget

The budget includes funding to integrate IRS Direct File with CalFile

Sacramento, CA - Last night, the California Legislature voted to pass the 2024-25 state budget. It is expected to be signed by Governor Newsom in the coming days. **Teri Olle, Director of Economic Security California Action**, issued the following statement:

In this difficult budget year, Economic Security California Action applauds Gov. Newsom and the legislature for making a smart and strategic investment that will bring free and simple online tax filing to millions of Californians by integrating the IRS's Direct File tool with our state filing tool, CalFile. This small yet significant investment will reap big returns for the people of California.

The IRS Direct File pilot allowed California taxpayers to file their federal and state taxes for free with an easy to use online tool, saving them hundreds of dollars in filing fees and giving them back hours of time. Direct File was a smashing success, and the IRS just announced the pilot has been extended permanently and expanded to all states that choose to participate. Now that the Franchise Tax Board will fully integrate Direct File with CalFile, Californians stand to gain even more. The allocation of funding for this integration ensures workers and caregivers do not have to pay outlandish fees to private tax preparers and instead will see more money in their pockets, including the hundreds of millions in unclaimed tax credits.

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Economic Security California Action is an affiliate of Economic Security Project Action. [Economic Security Project Action](#) mobilizes resources and people behind ideas that build economic power for all Americans. As an ideas advocacy organization, we legitimize our issues by supporting cutting edge research and elevating champions, win concrete policy victories for the communities that need to see change now, and provoke the conventional wisdom to shift what's considered possible. Our team of academics, organizers, practitioners and culture makers disburse grants, run issue campaigns, develop creative interventions and research products to support the field, and coordinate events to encourage investment and action from others.