Dear Fellow Nebraskans

By Gov. Dave Heineman

It is time to begin thinking about filing your tax returns for tax year 2011 and I want to encourage every Nebraskan to consider filing their individual income taxes electronically. E-filing is a convenient and secure way to file state and federal taxes. I also want to encourage taxpayers who are making state income tax payments, including estimated income tax, to use the state's electronic payment program located at www.revenue.ne.gov.

Last year, we achieved our 85 percent e-file goal. This compares to an e-file rate of 62 percent in 2008, and a 78 percent e-file rate in 2009.

Nebraska had the number one ranking for percentage of income tax returns e-filed for tax year 2010. Our goal this year is to continue to be a leader in electronic filing.

E-filing allows taxpayers to submit both their federal and state tax returns together. Taxpayers can go online, purchase software or visit a participating tax preparer to file their returns using the federal and state e-file programs. Some software providers allow free federal e-filing, but may charge a fee for state e-filing. Visit www.irs.gov for more information.

NebFile allows Nebraska residents the opportunity to file their Nebraska individual income tax return online at no charge with the Nebraska Department of Revenue at www.revenue.ne.gov. Nebraskans have embraced e-filing at much higher rates than most taxpayers across the country.

In addition to being quicker and more efficient, filing tax returns online reduces the risk of errors, provides confirmation that a return has been received, and allows tax refunds to be received much sooner. Those taxpayers entitled to a refund who e-file and choose to have their refund returned via direct deposit typically receive their refund in seven to 10 business days.

The ability to file and pay taxes online is another way our state is providing the services Nebraskans want, while helping ensure greater efficiency in government. The switch to e-filing has reduced the number of temporary workers at the Department of Revenue. No temporary workers were hired again this year, compared to the approximately 150 temporary workers hired in years past before e-filing became an option.

Our progress is due in part to the cooperation of the professional tax preparation community who have embraced the speed and convenience of e-filing coupled with the cooperation of individuals and families who converted to this faster, more convenient option in the last several years.

Every single taxpayer choosing to file online saves the staff time needed to open envelopes, remove staples or paper clips, and review the enclosed documents to ensure everything is in order before each tax return can be processed.

For more information on new developments and other electronic options available, visit the Nebraska Department of Revenue website at www.revenue.ne.gov.