

## You Will Be Surprised, But This Is A Normal IRS Audit Flag

IRS audits can be avoided if you take care of your financial well-being. Remember which red flags lead to an audit by the IRS.

In an audit, the accuracy of your tax returns is determined by the IRS. Particular deductions should be proven.

Some IRS audit flags to know:

- \* One flag for IRS auditors is claiming too much donations to charity. If the standard charitable donation is \$500 and you list \$2000, this puts you out of the standard, which raises the likelihood that you'll be flagged for an audit. You should be able to prove the entire amount by saving your receipts.
- \* Those who are self-employed may be flagged for too much deductions. The IRS carefully watches these deductions.
- \* You'll be closely scrutinized if you earn over \$100,000.
- \* Inconsistencies between this year's return and last year's. These can be as easy as a name change due to marriage, but inconsistencies do stand out and are going to be noticed.
- \* Your income drastically changes. For instance, the IRS will flag you for an audit if you just made \$20,000 this year when you earned \$20,000 last year. Your income may have changed for plenty of reasons. Proving it is required.
- \* The IRS flags incomplete tax returns. If an IRS employee has to decipher your tax return because of incomplete answers or illegible handwriting, they are more prone to flag you for an audit.
- \* Your federal and state returns are inconsistent.

The key to steering clear of an IRS audit is to declare your income and deductions accurately and to stay under the radar. You must also save documentation for at least three years. If you find yourself among the 1.66 million Americans who are being audited, how can you survive with minimal stress and damage? Take a look at these tips to keep this IRS issue manageable:

- \* Know that you can settle in installments, conduct the audit by mail without meeting the IRS, question its accuracy, and other rights.
- \* By saving documentation, you are prepared to show receipts.
- \* Consult a professional if you think the issue too complex.
- \* If it's an honest error, you have nothing to fear.
- \* Do not reveal more information than needed.
- \* You're not being accused of anything, so don't panic because they're merely checking accuracy.

Keep calm if you're ever selected for an audit. A tax lawyer can assist you.

Darrin T. Mish is a Nationally recognized Attorney whose practice focuses on representing clients across the United States with IRS Problems. He is AV rated by Martindale-Hubbel and is a member of the American Society of IRS Problem Solvers and the Tax Freedom Institute. He has been honored by a listing in Martindale-Hubbel's Bar Register of Preeminent Lawyers. His passion is providing IRS help to taxpayers with both individual and payroll tax problems. He also spends a great deal of time traveling the nation providing training to attorneys, CPAs and Enrolled Agents on how to handle their toughest cases with the IRS. If you would like more information about his services please visit <http://getirshelp.com>.