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IRS Attorney in 33606 With a Friendly Reminder (Part 2)

As April 15 gets closer, you might be starting to rush to compile your income tax documents together. The more you rush, the likelier the possibility for human error. In this article, I will share more reminders of mistakes you could possibly make in filing your tax returns.

1. Forgetting your Making Work Pay credit

In the economic stimulus program last year, you would have had your withholding tax adjusted to give you more take home pay. But when you submit your taxes, you still need to formally make your claim for this credit. Especially since this credit was taken every month, it is easy to forget to make the claim. If you fail to do so, it would delay your refund. Already, IRS figures show that 2 million taxpayers have omitted to make this claim.

2. Failure to Report the Economic Recovery Payment

For senior citizens who do not work, the government has given each one a \$250 one time Economic Recovery Payment (ERP). This payment is not taxable, so you do not have to declare it. However, if you are one of those senior citizens who still work, you would have earned an income and received the Making Work Pay credit. In such a case, you need to deduct the \$250 Economic Recovery Payment from your Making Work Pay credit. To do so, you need to declare your ERP. If you do not, it could delay your refund.

Again, when a payment is received through direct deposit, it can be easily overlooked. So to confirm you have received the ERP, you should check your bank statements. And if it shows you have received the ERP, you need to declare it in your tax returns.

3. Not Deducting Eligible Medical Expenses

Certain medical expenses like unreimbursed medical and dental costs, mileage costs and parking charges to see a doctor, co-payments and the cost of spectacles are deductible provided they exceed 7.5% of your adjusted gross income. But in order to claim for this, you must itemize them.

4. Mistakes in Unemployment Benefit Taxes

Unemployment benefits are generally taxable. However in legislation set last year, up to \$2,400 of your unemployment benefits are tax free. Therefore, do not forget to deduct this amount from your unemployment benefit total when calculating your taxable income.

5. Not Making a Deductible Contribution to Your Individual Retirement Account

Certain workers are qualified to make full deductions for their contributions to their Individual Retirement Account (IRA) whereas others can make partial deductions. If you are eligible you can reduce your taxable income by up to \$5,000 (or \$6,000 if you are 50 and older), if you make your contribution to the IRA before April 15.

6. Forgetting to Sign Your Form

Lastly comes the perennial mistake of forgetting to sign your tax return form. Whether you prepared it yourself or you used a preparer, you have to sign your own form.

Darrin T. Mish is a veteran, nationally recognized tax attorney who has focused on providing IRS help to taxpayers for over a decade. He regularly travels the country training other attorneys, CPAs and enrolled agents on how to handle their toughest cases with the IRS. He is highly ranked among the top attorneys in the country, with an AV rating from Martindale-Hubbell and a perfect 10 on Avvo.com. Martindale-Hubbell has also honored him with a listing in their Bar Register of Preeminent Lawyers. He is a member of the American Society of IRS Problem Solvers and the Tax Freedom Institute. With clients on every continent but Antarctica, he has what it takes to solve your IRS problems no matter where you live in the world. If you would like more information about his practice and how he can help you, please call his office at (813) 229-7100 or toll free at 1-888-GET-MISH.