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## Tax Attorney Near 33607 Debunks Tax Myths (part 2)

Let's continue with a few more common tax myths that you may mistakenly believe.

### Myth #5

If I have children or elderly parents staying with me, I can claim for dependents deductions

Not every case of child and parent staying with you entitles you to dependents deductions because there are certain conditions to be met. If your child who lives with you is over 19 years old and studies part time, you may not be entitled to claim child dependency. Likewise, to be eligible to claim for parents dependency, your parent must be dependent on you for more than half of his or her support and must not earn an income more than \$10 a day or \$3,650 the entire year. This income must not include Social Security benefits or tax-free income but does include some pensions income.

To determine whether you can claim on your children and/or parents, call us at (813) 229 7100 for a free consultation.

### Myth #6

All Social Security benefits are not taxable

This is a common myth for most people. These days, people are increasingly opting for early retirement to withdraw their Social Security benefits especially with the economic slowdown. But you must realize that your Social Security benefits are taxable unless most of or all of your retirement money comes from Social Security.

But if you also draw from other sources like pensions and retirement plans, then up to 85% of your benefits could be taxable.

For more information on this, go to [www.ssa.gov/planners/taxes.htm](http://www.ssa.gov/planners/taxes.htm) or call us at (813) 229 7100.

## Myth #7

The IRS sends notice of refunds through email

This is a dangerous myth. The IRS never informs you of a refund through email. It is always through the postal service. Any email purportedly from the IRS, no matter how official it may look, is from a fraudulent source aimed at phishing for your identity and other personal particulars. You are advised to delete such emails immediately.

## Myth #8

Wages earned from US sources are not taxable

In the past, some people have suggested that the tax law states that earnings from a US source by a US citizen are not taxable. This is also known as the 861 argument. But this theory has been rejected by the IRS as a misinterpretation of the tax code. In fact, actor Wesley Snipes was sentenced to 3 years jail for not filing his tax returns based on the 861 argument.

## Myth #9

The bigger your refund, the better it is

On the surface it might seem so but in reality a refund only means that you are loaning that amount to the government interest-free. So far, the average refund has been \$3,036, up by about \$200 from last year at this time. A refund is not as useful as actual money in your pocket for your expenses.

## Myth #10

Paying taxes is voluntary

In the instruction book on how to fill your tax form 1040, it says that the tax system is voluntary. This has led some to believe that it is up to you whether to fill your tax returns or not. But contrary to this belief, this term 'voluntary' refers to the fact that you are given the opportunity to determine your own taxes and fill out the appropriate forms instead of receiving a bill from the government. It does not mean that you do not have to file your taxes if you choose not to.

Another variation of this belief is that taxes are unconstitutional. There have been sufficient legal precedents in court rulings that dispel this notion, so do not fall for these theories.

As you file your own tax returns for 2009, remember these 10 myths and make sure you file your taxes accurately and appropriately.

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.