

IRS Extends Filing Deadline to April 18;

Taxpayers Impacted by Recent Tax Breaks Must Wait to File

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The Internal Revenue Service has issued release 2011-1 and announced that taxpayers have until April 18, 2011 to file their 2010 income tax returns because Emancipation Day, a holiday observed in the District of Columbia, falls on Friday, April 15, 2011. By law, District of Columbia holidays impact tax deadlines in the same way that federal holidays do; therefore, all taxpayers will have three extra days to file this year. Taxpayers requesting an extension will have until October 17, 2011 to file their returns.

The IRS also reminded tax professionals preparing returns for a fee that they must have a Preparer Tax Identification Number (PTIN). Tax return preparers should register immediately using the new PTIN sign-up system available through www.IRS.gov/taxpros.

Some Taxpayers Must Wait to File

Tax law changes enacted by Congress and signed by President Obama

in December will cause some taxpayers to wait until mid- to late February to file their tax returns in order to give the IRS time to reprogram its processing systems. These taxpayers include individuals who itemize deductions on Form 1040 (including, for example, mortgage interest, charitable deductions, medical and dental expenses, as well as state and local taxes), taxpayers claiming the higher education tuition and fees deduction, and taxpayers claiming the educator expense deduction. This deduction is for kindergarten through grade 12 educators with out-of-pocket classroom expenses of up to \$250. (The educator expense deduction is claimed on Form 1040, Line 23 and Form 1040A, Line 16). The IRS emphasized that there will be no delays for parents and students who claim other education credits, including the American Opportunity Tax Credit extended last month and the Lifetime Learning Credit.

The IRS will announce a specific date in the near future when it can start processing tax returns impacted by the recent tax law changes. In the interim, taxpayers affected by these tax law changes can start working on their tax returns, but they should not submit their returns until IRS systems are ready to process the new tax law changes. Except for those facing a delay, the IRS will begin accepting e-file and Free File returns on January 14, 2011. Additional details about e-file and Free File will be announced by the IRS later this month.