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9 Mistakes Most People make when filing Taxes

When you fill details into your tax forms, it's important not to make mistakes. Mistakes in your tax form could cost you dearly in terms of time and money. Mistakes in your tax form would slow down the processing of your forms and delay your refund as well. Here are the 9 most common mistakes people make when filing taxes.

1. Mistakes in Social Security numbers

This is when you enter a Social Security number in error that is different from the person's Social Security card. The other common error having to do with Social Security numbers is forgetting to fill in the number when required.

2. Mistakes in dependent's name

When entering a dependent's name, you might misspell it, especially the last name. This is very common, so when entering your dependent's name, make sure it is spelled exactly like it is in their Social Security card.

3. Mistakes in filing status

There are five filing statuses – single, married filing jointly, married filing separately, head of household, and qualifying widow(er) with dependent child. Many people make the mistake of categorizing themselves under the wrong filing status. To get your own filing status right, refer to Publication 501, Exemptions, Standard Deduction and Filing information

4. Mistakes in computation

There are many tax breaks and credits you may qualify for so you should make sure you include them in your tax submission correctly.

When computing your taxable income, check that you have correctly calculated your withholding and estimated tax payments, earned-income tax credit, standard deduction for age 65 or over or blind, the taxable amount of Social Security benefits, and the child and dependent care credit and so on.

5. Mistakes in adjusted gross income information

You should not use an adjusted gross income from an amended tax submission, Form 1040X, or a math error correction by the IRS. If you file your tax returns electronically, you must sign the form electronically with your Personal Identification Number (PIN). You will be prompted to enter your AGI from your originally filed 2009 income tax return or the PIN you used to file electronically last year (if any).

6. Mistakes in math

This is another all too common mistake. To avoid such errors, take the electronic filing option. The software will do the calculation for you.

7. Mistakes in bank account number

Many taxpayers who request for direct deposit often fill in wrong bank account numbers into their tax forms.

8. Mistakes in 'making work pay' tax credit

It is common to make mistakes in the 'making work pay' credit because it can be confusing at times. If you fill up Form 1040 or 1040A, you would need to complete Schedule M to determine the amount of 'making work pay' credit you can claim. If you file Form 1040-EZ, you should use the worksheet for Line 8 on the back of the 1040-EZ to figure the amount of your credit.

9. Forgetting to sign and date your tax return

An unsigned tax form is invalid so make sure you avoid this costly mistake. Also remember that if you are filing jointly, both you and your spouse should sign the form.