



August 31, 2011

6 Tax Tips for Newlywed Taxpayers

If you just got married or are preparing for your marriage soon, congratulations on entering a new and exciting phase of your life. You are probably not thinking about taxes, but you should sooner or later (better sooner than later) because you need to consider a few things to ensure tax compliance as a couple. The IRS has 7 tips for you:

1. Inform the Social Security Administration of your name change (if any). This is very important for the IRS to track your tax submission. If your name and Social Security number do not tally, your tax submission will not be tracked properly. To update your Social Security details, fill in Form SS-5, Application for a Social Security Card, at your local SSA office. The form is available on Social Security Administration's Web site at www.ssa.gov or by calling 800-772-1213 or at local offices.
2. Inform the IRS and US Postal services of any change of address. This is to ensure you do not miss any IRS correspondences with you. The US Postal service will also know where to forward your mail to after you inform them of your change. To update your address with the IRS, fill in Form 8822, Change of Address. Alternatively, you may download Form 8822 from www.IRS.gov or get it by calling 800-TAX-FORM (800-829-3676).
3. Inform your employer of your marriage, name change and change of address. This will ensure you receive your Form W-2 Wage and Tax statement after the end of the year.

4. Determine your tax filing status as at December 31 this year. If you are married as at December 31, it means you can opt for either separate or joint filing. You must decide based on your individual earnings and tax obligations and see whether separate or joint filing will now allow you to pay the least amount of taxes. If you are not sure, call us at (813) 229 7100 for a free consultation.

5. Work out your withholding. As a newly married couple, your combined salaries may put you in a higher tax bracket if you choose to file jointly. So you need to determine your correct withholding amount. Use the Withholding calculator available on the IRS website www.IRS.gov to calculate it. Then fill in a new Form W-4, Employee's Withholding Allowance Certificate. Print it out from the website, complete the form and give it to your employer so they withhold the correct amount from your pay.

6. Choose the right tax form. This can save you money on taxes because usually as newlyweds, you have enough items to itemize and claim your tax deductions. To claim your itemized tax deductions, fill up Form 1040 (not 1040A or 1040EZ).