

The Basics of Back Taxes Filing

People do not file their taxes for several reasons. But while some reasons are acceptable, the IRS still requires that late and back taxes be filed. Late taxes include those that should have been filed for a particular year and back taxes are those due since the mid 1980s. Doing so will definitely help you lessen and avoid possible problems with the IRS.

There may be situations when all tax records are unavailable. This is especially true in cases of fire, flood and other natural calamities when all of a person's belongings are destroyed. The wonderful news is that a tax attorney or an accountant can help in the reconstruction or retracing of a client's tax records dating as far back as 15 to 20 years ago. This then makes the filing of back taxes very possible.

A number of circumstances, including simply not having enough funds to settle the amount due on their returns, cause many taxpayers to have accumulated back taxes. Filing a missing tax return or back taxes is most probably, one of a client's best options. Among the major benefits of this move is avoiding a substantial penalty of 25%, which is the charge for late tax returns. Some states, however, penalize you with larger dues if you fail to file your income tax return.

In the case where you have complete tax records of previous years, all you need to do now is prepare your tax returns. Most people see that it is in this stage that professional help is very much needed to avoid IRS issues. It will be heavy for an individual not to know if he/she owes back taxes or to realize that such have not been paid yet. Simply making an appointment with a tax professional significantly eases this inconvenience.

People must, on the other hand, recognize that they cannot file back taxes through e-file or other electronic filing systems. These must be submitted through hand delivery or mail. When they are mailed, they must be sent using certified mail in order to document that the IRS received your tax returns.

For those who are aware that they owe the IRS any amount of money, they will most probably be obliged to pay interest and other penalties. In this case, forms of IRS assistance, like payments plans, are available.

Depending on a person's specific situation and other aspects of his/her case, filing back taxes may be a relatively quick and easy procedure. Matters only get more complicated when you prolong to deal with the issue and you do not file or pay your back taxes at all. Increase in the amount of money due and worsening of penalties imposed on you are just few of the outcomes of such action.

Darrin T. Mish is a Nationally recognized Attorney whose practice focuses on representing clients across the United States with IRS Problems. He is AV rated by Martindale-Hubbel and is a member of the American Society of IRS Problem Solvers and the Tax Freedom Institute. He has been honored by a listing in Martindale-Hubbel's Bar Register of Preeminent Lawyers. His passion is providing IRS help to taxpayers with both individual and payroll tax problems. He also spends a great deal of time traveling the nation providing training to attorneys, CPAs and Enrolled Agents on how to handle their toughest cases with the IRS. If you would like more information about his services please visit <http://getirshelp.com>.