

Some Helpful Tips for Tax Season



The IRS has extended the tax deadline for individuals from April 15 to May 17, but that does not mean you should procrastinate when it comes to gathering necessary documents for filing your taxes.

Here are a few key pointers to remember when it comes to being prepared and organized with your tax documents.

The IRS will sometimes grant credit for necessary purchases made over the course of the year. These are called deductions and they reduce the amount of income required to be reported. When income is reduced, people may have to pay less in taxes or receive a higher refund. Gather receipts or other proof of purchase for expenses that may be able to deduct for itemizations.

Possible sources of itemizations:

- Cost of running a business, such as rent, business supplies, etc.
- Charitable donations
- Medical expenses, including the cost of health insurance
- Childcare expenses
- Educational expenses

- Retirement savings
- Energy-efficient home improvements

If you do not feel like filling out your taxes by hand and mailing them in, they can also be filed online using tax preparation software. Many small business owners often use accountants to help prepare tax documents, as accountants are well-versed in tax law and can help people properly file and be smart about deductions and tax preparation. However, many local organizations help people prepare taxes. Volunteers in the community often can help with taxes for little or no cost. Filing early means the work is finished and stress is reduced. Refunds will be deposited sooner, and the taxes are complete for the year. Saving records after taxes are filed, keeping the documents together, including receipts and other paperwork, is a good idea. Store all documents in a secure location, along with the tax returns, for safe record keeping. Next year at this time, the process will be even more simple!