

Beyond the Bustle – Taxes

Tips for Busy People and Families Who Pay Taxes

January 31st is just around the corner which means that April 15th is closely approaching too! **Whether** you view your tax return with fear and loathing or as another Christmas present, you know they have to get done. I am not a CPA and do not claim to have the ultimate knowledge regarding tax returns. I did minor in accounting (so many years ago) which gives me a slight edge compared to the average Joe. I want to share some tips I have learned over the years that will hopefully save you a headache and time too.

Don't File Early

Employers have until January 31st to mail your W-2 so you may not get it until a week or two later. Some forms can be mailed as late as February 14th including (but not limited to) your 1099-B, 1099-S, 1099-Misc, and K-1. I know how frustrating this is especially when I get a letter from a broker telling me the forms won't even be ready by the 31st of January. I get so angry! I am one of the people who usually gets a small return and am happy to have it. It is illegal for a tax professional to file your tax returns without having the actual forms present. If your forms vary from the amounts that you enter into your 1040 then you are likely to get audited.

Have Everything Handy

I know this sounds silly, but you would be amazed at how many times tax professionals have to stop preparing a return midway through due to lack of a form or missing information. Such information includes everyone's birthdays, correct spelling of name (there are at least 7 ways to spell Mikayla), W-2 and other forms that have been mailed to you, plus any receipts you have accumulated over the year. I have made a checklist that will hopefully aid you in your endeavors.



Set Aside a Block of Time

Do your taxes when you have time. If you are doing your own taxes with [online software](#), like me, that means after the children are in bed and I have no distractions. If you take them to a professional, make sure you have set aside the time required for them. Treat it as any other important appointment, and schedule it into your calendar. If your tax information

1040 Checklist

Commonly used items on most tax returns, this is just a reminder list and each individual will have separate needs.

- Last Year's tax return
- Birthday and correct spelling of spouse and dependents
- Significant life changes (birth of child, married, divorced, new house, new job, retired)

Income

- W2 (income from jobs)
- 1099Int (interest)
- 1099Div (dividends)
- 1098B (stock brokerage forms)
- 1099R (retirement income)
- 1099G (unemployment income)
- SSA (social security income)

Adjustment to income

- Educator Expense (if you are a teacher)
- 1098E (student loan interest)
- 1098E(tuition and fees)

Taxes and credits

- Day care expenses
- 1098 (mortgage interest expense)
- Metal and dental expense (has to be over above 10% of your adjusted gross income. Save your receipts)
- Property Taxes (tags on cars)
- Real Estate taxes (summer and winter taxes on your home)
- Gifts to Charity (need your receipts)
- Job expenses (has to be over 2% of your AGI, bring your receipts)
- Sales Tax (if they exceed a combination of other credits you may get a bigger credit, typically only applies if you have a large purchase and you have to save a lot of receipts!)

and just drop everything off to them, still allow for at least 30-minutes or so of face time to ensure they understand all the materials and explain any unusual circumstances or anomalies. Make sure you give them ample time to prepare before April 15th, too (call the professional ahead of time to find out how much that is). If for some reason you are not going to get your taxes finished within the time constraints remember you can file an extension. It is *simple*, will only take you a few minutes, and save you a giant headache in the future. If you do file an extension then make sure you don't then forget to file your taxes; the IRS will be looking for you and there is no such thing as a minimal penalty with them.

Hopefully the insight I have shared with you will help you put together a stress free tax return.

Happy Filing!

Sources:

<http://www.forbes.com/sites/kellyphillipserb/2012/01/12/where-the-heck-are-my-tax-forms/>

<http://irs.gov>

This article is part of a series designed to help families with small children (and other busy people) get to those activities that never seem to fit on the calendar.

Head to the blog

<http://www.beyondthesippycup.com>
for more on this topic and to share your own time-saving ideas with the community there.