

Wow. Here it is Monday and I am behind. I am behind in getting some dropped off returns done, returning calls and then of course this weeks articles.

I am amazed when my new clients have come to me after doing this on their own, and I am done within an hour (usually sooner), and I get the “That’s it? We’re done?” question. This year, I decided to see what other people see when it come time to do their own tax return.

The 1040- something that most people will file, according to IRS statistics, takes 23 hours to prepare. Wow. 23 hours. No wonder people are nervous and over it. I looked at the instructions. 179 pages of fun filled reading, with no fewer than 6 worksheets (I lost count) and references to at least 3 different publications. Good Night!! This stuff seems complicated, doesn’t it? Well, fortunately, not for all of us.

I know why some people put off doing the tax thing now. Not only is it inundating, it’s scary. People hear of what can go wrong with mistakes, or that they might owe.

I would think that if you think you owe, you would want to see it early enough to know how much money is needed by the dreaded last day of the filing season. Even when you file for an extension, you still need to send in what you think you owe before April 15<sup>th</sup> (18<sup>th</sup> this year).

If you do owe, please file. Send in as much as you can, wait for the bill and repeat. If it is a rather large amount, you will need to make payment arrangements with the IRS. They will work with you. Also, look to see what caused the shortage in payments. If it was a one time distribution or fluke, OK. If not, and it was because you had too little taken out of your check- go into work the next day and CHANGE YOUR WITHHOLDINGS to some lower number- the lower the number of exemptions, the more they withhold. The higher the number, the less they withhold.

Getting a refund? Want to have some of it go right to your IRA or a savings account? You can split the refund into several different accounts for direct deposit. Pretty cool.

Getting tired of fighting for something and going round and round with the IRS? You have sent what they want, still nothing, or sending again, and still again, nothing? Call the Taxpayer Advocate at 1-877-777-4778. They are great. They will be the bridge between you and the IRS, and sometimes the plunger to make things go through the pipeline faster. I have used them and they are great.

Shades of gray are a beautiful thing. Just don’t take liberties on your tax return if you cannot cover a check when the letter comes.

Keep your records for at least 4 years. Your records include everything that you have used to prepare your return and the return itself. No, you don’t need to keep it forever, unless you bought some equipment for your business or farm that required depreciation. Keep those records for at least 7 years, if not longer.