



## Tax Filing Tips

Filing your taxes can be... well, taxing. So, it's best to be as prepared as possible before the deadline approaches. While it's true that most money-saving options to defer income or accelerate deductions are limited after December 31<sup>st</sup>, there are still many ways to make your tax-filing experience easier and less expensive.

According to the Internal Revenue Service (IRS), an estimated 85 million people pay professionals to complete and file their tax returns. If you decide to hire a tax preparer, make sure you are using a trusted individual, so you don't end up with someone trying to scam you. Ensure that whomever you use has a Preparer Tax Identification Number (PTIN) showing they are certified to prepare federal income tax returns. There is an [IRS directory of preparers](#) allowing you to search by credentials and location for the best person to handle your taxes. Ask up front how much they plan to charge and if there are any additional fees you can expect. If you're anticipating a refund, avoid companies that take a portion of it, to ensure you'll receive as much back as possible. Visit the [IRS website](#) for additional tips and resources on choosing the right tax preparer.

To avoid late fees, [Turbo Tax](#) urges people to file their taxes before April 18, 2023. If you need more time, complete and file Form 4868 to extend the deadline until October 16, 2023. On Form 4868 you must include a reasonable estimate of your tax liability for 2022 and pay any outstanding balance due with the request. Note that if you file and pay late, you could be charged with a late-filing penalty and a late-payment penalty.

If you are expecting a refund once your tax forms are completed, you have a few options on how to receive it. You may choose to apply your refund towards next year's taxes, if you're planning to have a balance. You may opt for a paper check to come in the mail, or receive your funds through a direct deposit into your savings or checking account. You can even contribute a portion or all of your refund to certain accounts, like IRAs, health savings accounts, and education savings accounts. If you complete Form 8888, you can even split your refund among multiple direct deposit choices.

Here are five additional tips to keep you on track this tax season:

**Organize Your Records.** Print out a tax checklist to help you stay organized with the tax documents you need. Hang on to all of the paperwork you've received, like W-2s, 1099s, and mortgage interest statements. Save time by grouping similar documents together as they arrive. This way, you won't have to search for your paperwork when it comes time to file.

**Find the Right Tax Forms.** Search the IRS website for documents by number or by date. The IRS also has a list of state forms and publications for all of your tax filing needs.

**Itemize Your Tax Deductions.** While it is easier to accept the standard deduction, you could be missing out on extra cash if you don't itemize your deductions – Especially if you are self-employed, own a home, or live in a high-tax location. Some qualifying deductions include mortgage interest and charitable donations, but you can also deduct a portion of medical expenses, if they exceed 7.5% of your adjusted gross income for 2022.

**Provide Dependent Taxpayer IDs on Your Tax Return.** Make sure to include the Taxpayer Identification Numbers (or Social Security Numbers) of your children or other dependents on your return. If you miss this step, the IRS may deny any dependent credits you might be owed. If you are divorced, only one of you can claim your child as a dependent. If you have a new child, fill out their Social Security card immediately, so the number is available during tax season. If the number is not available in time, the IRS advises you to file for an extension while you get these documents sorted out.

**File Electronically.** Instead of printing and mailing a physical copy of your tax return to the IRS, consider filing electronically. The IRS processes electronic forms faster than paper ones, so if you're expecting a refund, you may receive it three to six weeks sooner. You can benefit from filing electronically if you owe money, too. You may pay the amount owed with a credit or debit card, or through an electronic withdrawal, but be aware there may be fees associated with these methods.

Whatever you decide to do, make sure to do it quickly – There's only one month left to file before the deadline!