



Easy Tips To Cut Tax-Time Stress

(NAPSA)—The mere thought of income taxes can send taxpayers' blood pressure through the roof, even for those with simple returns. Whether your blood pressure rises a little or a lot, you can decrease tax-time stress with eight easy tips.

1. Good record keeping cuts down time spent doing your taxes and may be required if you receive an Internal Revenue Service notice or are audited. Records should include information that impacts your federal tax return, including a copy of last year's return.

2. Don't procrastinate. Rushing encourages errors that can result in lost time and money, and ultimately a rejected return. If you haven't kept good tax records, you may need extra time to find documents.

3. Hundreds of changes are made to federal tax law every year. Dedicating a few minutes to learning about major changes can save you money and time. At minimum, learn about the tax breaks still available in the American Recovery and Reinvestment Act, including credits for energy improvements to your home and "green" cars. Start with the IRS' website at www.irs.gov and click on "Individuals." You don't have to be an accountant to understand the information. Do-it-yourself tax preparation solutions also offer helpful information; the "Tax Information" tab at www.taxact.com summarizes key changes for 2010 returns.

4. File and pay on time, or pay late fees and interest. While state deadlines vary, 2010 federal returns are due April 18, 2011 (April 15 is a federal holiday). Can't file by then? File Form 4868 for a six-month filing extension and pay as much of your taxes as possible by April 18 to minimize interest and penalties. If you can't pay all of your tax bill totaling \$25,000 or less, apply for a monthly payment agreement via Form 9465.

5. Do your taxes online or download tax preparation software. "Tax law can be complicated, but doing your own taxes doesn't have to be," says TaxACT spokesperson Jessi Dolmage. "Top solutions go well



Filing taxes can be easier than many people realize.

beyond completing tax forms and doing the math for you. They're affordable, easy, identify potential tax-saving opportunities, alert you of possible errors and missing data, and provide answers if you have questions. They even help you strategize for next year."

6. Do comparison shopping before choosing a tax preparation solution. Check out the free products. Are there fees for certain forms or to e-file? What help is free and what help do you have to pay for? Will it walk you through tax implications of life changes? Can you import data? Are you guaranteed accuracy and a maximum refund? Can you try it risk-free? If using a paid product, at what point in the process do you have to pay?

7. Electronically file. Nearly 70 percent of all federal returns were e-filed last year. Unlike paper filers, you'll receive e-mail confirmation when the IRS processes your return, usually within 48 hours. You'll need last year's adjusted gross income or your five-digit self-select PIN used last year to e-file. If you're claiming the First-time Homebuyer or Adoption Credit, the IRS requires you to mail certain documentation with your return.

8. Want your federal refund in as few as eight days? E-file and select direct deposit. You can track your refund status and receive your refund at least one week earlier than those requesting checks.

More tax tips and information can be found at www.irs.gov. TaxACT Free Federal Edition allows all taxpayers to prepare, print and e-file an IRS return free and offers free tax help via e-mail at www.taxact.com.