



How Technology Can Help You Save Money

(NAPSA)—If April is the cruelest month, then April 15 is the cruelest day (for taxpayers, at least). There are more than 400 changes to tax laws due to take effect over the next several years. This year's crop of tax software has been designed to take some of the agony and worry out of filing taxes and offers plenty of assistance. Better yet, using software can save you time and money. These 10 tips from Roy Santos and Mick Lockey, software analysts for TechTV (www.techtv.com) are designed to help ward off common mistakes when using tax software.

1. Choose the right software so you don't pay for more than you need. If you're filing a 1040EZ form, use one of the cheaper alternatives or basic versions of the TurboTax or TaxCut software, the two industry leaders. Another option, TaxAct 2001, won't provide many bells and whistles, but it's free and works well.

2. Double-check numbers, particularly your Social Security number. Statistics show that this number is the one most prone to error. Many tax returns are sent back because Social Security numbers have been transposed or incorrectly entered.

3. Consider doing Web-based filing, especially if you have a broadband connection. All of the major software companies, such as Intuit and H&R Block, offer online ways to file, and you don't have to install software. It's also generally cheaper, and you can access your information from almost anywhere via a Web browser.

4. If you're using tax software and filing electronically, don't be in a rush to file too early. There may be updates to tax software that could make a difference in your calculations. Check the company's tax software site for updates before you file.

5. On the other hand, don't wait to prepare your taxes too late because tax software is generally quicker than visiting your neighborhood tax office. You'll be more prone to mistakes if you rush through tax forms, software or no software.

6. Instead of using the fee-based tax advice that software packages offer, try calling the IRS first. Over the last few years, it's

made big strides in being consumer-friendly. It may have an answer for your particular situation, free. If your question is too difficult, it may require research, but the IRS promises that someone will call you back with an answer.

7. The well-worn homily, "A good beginning makes for a good ending," applies especially to tax software. Instead of lumping statements and receipts in one big pile, organize them first by separating them into income items and items for which you can claim deductions, since this is the way software is broadly organized.



8. As you're using tax software, save your work frequently. H&R Block's TaxCut Deluxe offers this feature, but not every software package does. In the event of a system crash, it will be easier to return to the form you were working on if you've saved it.

9. When you complete your return, double-check the numbers you've entered against the statements you've received. Even though tax software usually comes with a guarantee of accuracy, it doesn't cover data entry mistakes.

10. If this year's tax filing was a disaster even with preparation software, resolve now to keep better records of your finances. Consider investing in a financial management software application, such as Intuit's Quicken or Microsoft Money. Transactions you enter into the software can be imported into next year's tax forms.

For more information on the latest trends in tax software, go to www.techtv.com, or contact your cable provider for the local TechTV offering. TechTV is the 24-hour cable television network dedicated to showcasing the impact technology has on our everyday lives and the world at large.