

Tax Tips

IRS Encourages Filers To Plan Ahead

Use A Simple Checklist To Avoid The Last-Minute Filing Crunch



More and more people are filing their taxes online—a quick and convenient option.

(NAPS)—All taxpayers know that April 15 is D-Day to file their taxes. However, many Americans wait until the last minute to begin thinking about the process, making it even more of a bear. By planning ahead today, taxpayers can relieve stress and simplify this year's filing experience.

Millions of taxpayers are turning to the Internet to utilize tax tools and services to help with the preparation and filing process. Resources such as the IRS Web site (www.irs.gov) and the Yahoo! Finance Tax Center (<http://taxes.yahoo.com>) help consumers searching for information on how to help prepare, file and pay their taxes. In 2001, taxpayers downloaded more than 220 million forms, publications and a variety of topic-oriented tax information from the IRS Web site.

"We strongly encourage people to avoid waiting until the last minute to do their taxes. Instead, they should be organized and get an early start," said IRS Commissioner Charles O. Rossotti. "Our advice to taxpayers is easy—start early, get organized and try e-filing."

Taxpayers can use the following checklist to get organized and file well before the April 15 deadline:

► **Employer tax forms (W-2s)**—Keep an eye out for tax forms and information from employers for the previous calendar year. All of these forms are necessary to prepare taxes, and should have arrived in the mail by the end of January.

► **Obtain federal and state filing forms**—Tax forms vary from state to state but can be

easily downloaded from various Web sites.

► **Be aware of recent tax law changes**—Hundreds of new laws were passed last year, many of which will benefit consumers directly. Read up on just how these new laws will affect your filing and refund or debt amount.

► **Know what you owe**—Online tax calculators offer easy-to-read tables and require no paper or guess work. With just a few clicks, tax calculators accurately crunch numbers and provide you with an estimate of your refund or debt.

► **Choose the best way to file**—According to the IRS, more than 6.8 million taxpayers—an increase of 36 percent from 2000—e-filed their returns from home in 2001. Using an online tax filing service enables taxpayers to prepare and submit tax returns electronically to the IRS quickly and easily. Taxpayers answer a series of easy-to-understand questions and the program automatically completes required IRS tax forms, double checks for errors and missed deductions, and even guarantees accurate calculations.

► **Keep accurate records**—It's never too early to start thinking about next year's returns. Online tax filers can automatically store their returns on their personal computer for quick reference, but should always keep a hard copy on hand, just in case.

To learn more about tax deadlines, filing procedures, and e-filing options, visit the Yahoo! Finance Tax Center at <http://taxes.yahoo.com> or the IRS Web site at www.irs.gov.