

TAX TIPS

Money-Saving Opportunities On This Year's Taxes

(NAPSA)—Though preparing and filing your income tax return may not be “fun,” you may be consoled by the fact that Uncle Sam is literally offering hundreds of credits and deductions this year. Though you won't qualify for all of them, you may qualify for some of the more common tax breaks, including:

A Few Of This Year's Tax Breaks

- The Child Tax Credit is worth up to \$1,000 per eligible child and is refundable for taxpayers with an earned income of over \$3,000.

- Parents who work or attend school and pay for child care may qualify for the Child and Dependent Care Credit. The maximum amount is \$3,000 per qualifying dependent or \$6,000 for two or more qualifying dependents under the age of 13.

- The Earned Income Credit is for working taxpayers with low to moderate income. The refundable credit amount is based on filing status, number of qualifying children and income level. Families with three or more qualifying children could qualify for up to \$5,891.

- The refundability of the Adoption Credit has expired but the credit is still available and worth up to \$12,650 in qualified expenses for 2012.

- You could deduct up to \$4,000 for college tuition and fees paid in 2012.

- Paying off student loans? You may be able to deduct up to \$2,500 in interest paid during 2012.

- The American Opportunity Tax Credit is worth up to \$2,500 per student for postsecondary tuition, fees and course materials.

- Contributing to a Coverdell Education Savings Account? You can exempt a maximum of \$2,000 per student in annual contributions.

- If itemizing your deductions, you may be able to deduct mortgage insurance premiums paid in 2012.

Expert Tips

Now that you have these down,



Maximizing your refund with these tax breaks is even easier with do-it-yourself tax solutions.

use these tips from TaxACT spokesperson Jessi Dolmage to make tax time easier:

- Get organized. Gather all your tax forms (W-2, 1099, 1098, etc.), receipts and a copy of last year's return. Make sure you don't forget important information by using TaxACT's free return checklist at www.taxact.com/checklist.

- You can prepare, print and e-file your federal tax return free with TaxACT Free Federal Edition. It includes all e-fileable forms and offers instant, personalized help every step of the way.

- According to the IRS, more than nine out of 10 refunds were issued in fewer than 21 days last year. For the fastest possible refund, e-file and choose direct deposit. You can even track your federal refund with Where's My Refund at www.irs.gov.

- Don't miss the filing deadline if you want to avoid late-filing penalties and interest fees. If you need more time to file, e-file Form 4868, an automatic six-month extension, by the deadline. Just remember, an extension to file is not an extension to pay. Be sure to pay all the taxes you owe by April 15th.

Learn More

Learn more about TaxACT Free Federal Edition and start your free return at www.taxact.com.