



Ten Tax Tips For 2011



(NAPSA)—Here are 10 tips to help take the guesswork out of tax season:

1. Put your 2 percent raise to work—Taxpayers get a 2 percent raise in 2011 from the Tax Relief Act of 2010, giving workers who earn \$50,000 a year an extra \$1,000 in their paychecks.

2. Unemployed required to file—All unemployment benefits will be taxed this year, unlike last year, when the first \$2,400 was tax-free.

3. Sandwich generation gets tax relief—“Sandwich generation” taxpayers—those supporting their parents and their own children—may be able to claim a \$3,650 qualifying relative exemption.

4. Health insurance for adult children starts—Children under 27 who do not have access to employer-provided insurance may be added to their parents’ health insurance policies. This benefit is not taxable.

5. Education benefits extended—The American Opportunity Credit allows taxpayers to claim \$2,500 for a student’s first four years of college. The tuition and fees deduction could reduce taxable income up to \$4,000.

6. 2008 Homebuyer Credit repayment starts, but not for

2009 and 2010—The 2008 First-time Homebuyer Credit must be repaid, starting with 2010 tax returns. In general, taxpayers must repay \$500 a year for 15 years.

7. Homebuyer Credit extension for military—Military personnel on extended leave outside the U.S. for at least 90 days between Jan. 1, 2009 and May 1, 2009 may claim the credit if they close on a house before May 1, 2011.

8. Energy credit reduced—For 2011, the lifetime maximum for the Energy Property Credit is reduced from \$1,500 to \$500 for improvements meeting specific energy guidelines.

9. Adoption Credit fully refundable in 2010 and 2011—The Adoption Credit can be claimed for qualified expenses up to \$13,170 for 2010 and \$13,360 for 2011. For 2010 and 2011, this credit is fully refundable.

10. 2011 federal filing deadline is April 18—Due to the April 15 observation of Emancipation Day in the District of Columbia, the filing deadline for federal tax returns is April 18 this year. Some state filing deadlines remain April 15.

For more information about tax season 2011, visit the H&R Block website at www.hrblock.com or call 800-HRBLOCK.