

Sample article for organizations to use to reach customers

Customize and post the following article on your websites and/or use in other communication vehicles to help your customers prepare for tax filing season.

Make taxes easier - Start planning today!

Don't wait until the last minute to start tax planning. Mid-April will be here soon enough and there are many things you can do to ensure a stress-free tax filing season.

The first thing you should do is consider any changes in your life that happened in 2010 and that might affect your taxes. Ask yourself a few questions:

- Did my marital status change due to marriage or divorce?
- Did my kids move out?
- Did I buy or sell a home?
- Did my employment situation change? Did I lose my job? Did I retire?
- Did a disaster – like a hurricane, tornado or flooding – cause a hardship for me and my family?
- Do I qualify for tax credits?

Here are a few more things to think about before you sit down to fill out your tax return:

Determine the amount of tax withheld.

Use the [IRS Withholding Calculator](#) to determine whether you've had the correct amount of federal income tax withheld from your pay. If you find that you need to change your withholding, give your employer a new [Form W-4, Employee's Withholding Allowance Certificate](#), to avoid having too much or too little tax withheld from your pay. Don't be surprised come April!

Organize your records.

In addition to the Forms W-2, Forms 1099 or other statements you need to support deductions or credits you claim on your tax return, you might also need bills, credit card and other receipts, invoices, mileage logs, canceled, imaged or substitute checks, proofs of payment and other records. Refer to Publication 552, *Recordkeeping for Individuals*, [Table 1, Proof of Income and Expense](#), for more information.

Did you move, have a new name or address?

Use Form 8822, *Change of Address Form*, to notify the IRS if you changed your name, home or business mailing address or the location of your business. If this change also affects the mailing address for your children who filed income tax returns, complete and file a separate [Form 8822](#) for each child.

Have you taken advantage of all available 2010 credits?

It's not too late to take advantage of the benefits from the American Recovery and Reinvestment Act of 2009.

Are you a student or do you have students in your household?

You may qualify for the American Opportunity Credit. It is worth up to \$2,500 toward the cost of qualified tuition and expenses, and a portion of the credit may be refundable. The term, *qualified tuition and related expenses*, has been expanded to include expenditures for course materials. For this purpose, the term, *course materials*, means books, supplies and equipment needed for a course of study whether or not the materials are purchased from the educational institution as a condition of enrollment or attendance.

Did you buy a new computer for college use in 2010?

ARRA added computer technology to the list of college expenses that can be paid for by a Qualified Tuition Plan, also called a 529 Plan. Qualified higher education expenses include expenses paid or incurred for the purchase of computer technology equipment and Internet access used by the student and their family while enrolled at an eligible education institution.

Considering home improvements?

You may qualify for the credit offered for making energy efficient improvements to your home. The credit applies to improvements such as adding insulation, replacing exterior windows or replacing an old furnace or air conditioning unit with new energy efficient systems. Be sure the products you buy qualify for a tax credit. For detailed information about qualifying improvements, visit the U.S. Department of Energy's and the Environmental Protection Agency's joint [Energy Star website](#) and the [Energy Star Frequently Asked Questions](#) page.

Did you go green with a new vehicle this year?

A new plug-in electric drive vehicle qualifies for various credits based on its battery capacity. Certain low-speed vehicles and two or three-wheeled vehicles that draw electricity from a battery may also qualify for a credit based on their battery capacity.

Don't forget the Making Work Pay Credit.

The Making Work Pay Credit provides a refund of up to \$400 for working individuals and up to \$800 for married taxpayers filing joint returns. The credit is based on earned income and is taken on your 2010 tax return when you file your taxes in 2011.

Check out the [American Recovery and Reinvestment Act Information Center on IRS.gov](#) — for provisions that are still available for 2010.

Do you qualify for other tax credits?

There are temporary increases in the [Earned Income Tax Credit](#), a credit for individuals and families. You may be able to take the credit if you earned less than \$43,352 (\$48,362 for married couples filing their taxes jointly). Working families with three or more qualifying children may be entitled to a maximum credit of \$5,666. Visit the [EITC Home page](#) and use the EITC Assistant to find out if you qualify for EITC.

If you have children, you can also benefit from the increase in the [Additional Child Tax Credit](#) that changed in 2009 and 2010 to allow more people to get the benefit. ARRA reduces the minimum earned income amount used to calculate the additional child tax credit to \$3,000. This is a refundable credit, which means you may receive refunds even if you don't owe any tax.

Remember, a little planning *now* can save you a lot of frustration and surprises *later*.