

Tax Tips

How To Shake Those 1040 Blues

(NAPSA)—Every spring, many people are consumed by a condition even the healthiest cannot avoid. The symptoms include temporary anxiety, fear and confusion brought on by the daunting task of filing a personal income tax return.

Dr. Kathleen Gurney, an expert in the psychology of money management, has studied the phenomenon for years and refers to the condition as “taxitis.” While not an actual clinical condition, approximately 133 million Americans who filed last year experienced some, if not all, of the symptoms of taxitis.

The good news is that the symptoms of taxitis can be controlled. Here are some helpful tips from Dr. Gurney:

Determine Your Financial Personality. It helps to alleviate taxitis by understanding how you respond to situations involving your finances. Once you learn how specific views toward money shape your life, you can begin to prepare for the stressors associated with taxes. Dr. Gurney’s weblog, available online at www.kathleengurney.com, provides detailed information on how to determine your financial personality and focus on your strengths and weaknesses. In addition, Dr. Gurney’s newsletter, also available online, offers insight on how to apply unique money management, life planning and relationship skills to achieve financial success.

It’s Not A Race, But You Don’t Want To Finish Last. The tax deadline is more like a starting point for many, with 9 million Americans requesting extensions beyond April 15 last year. An extension can give you extra time to pay Uncle Sam, but it can also

Tips On Avoiding “Taxitis”

- Start by determining your financial personality.
- Avoid filing an extension.
- Get organized. Consider using financial software to identify deductions and reduce the amount of paper.



delay any refund to which you may be entitled. Remember: The earlier you complete your tax form, the sooner you get control of the money you lent the government.

Get Organized. You may love the beach, but swimming in a sea of receipts and documents is no vacation. Investing in a financial management program such as Microsoft Money 2006 can help eliminate the paper chase, allowing you to sort out important tax information from day-to-day expenses, make educated tax investments and minimize capital gains taxes. The software can also help identify deductions and minimize disorganization.

Learn From Experience. Just because you owed thousands of dollars to the IRS in past years, doesn’t mean it has to happen in the future. You can use the Tax Estimator in Microsoft Money to quickly estimate what you will owe in June, so that you can make the necessary changes to your claims and avoid any surprises in April. The goal is to receive neither a refund nor a bill from the government.

For more of Dr. Gurney’s insights into money management, visit www.kathleengurney.com. For information on Microsoft Money, visit <http://www.microsoft.com/money>.