

THE TAX PICTURE

Expert Tax Tips For Saving Time And Money

(NAPSA)—Although you have a few extra days to file this year's tax return, experts encourage you to file sooner rather than later. Whether you're getting a refund or owe taxes, there's incentive for everyone to file now.

"Taxes are an important part of your personal finances and rushing could cost you a lot of money this year and in the long run," says Jessi Dolmage, spokesperson for TaxACT. "Luckily, you don't have to go it alone and doing your taxes doesn't have to be painful. Today's solutions make tax preparation and filing easy for everyone."

Dolmage shared her top tax tips:

1. **Get organized.** Put all your W-2s, 1099s and other tax documents in one place. Have last year's return handy as well for comparison and your AGI that can be used for e-filing.

2. **Double-check your data.** The IRS rejects millions of returns each year because of very minor errors involving transposed characters and incorrect math or filing status. Verify names, addresses and birth dates. Be sure you're using Social Security numbers as they appear on the cards. Using import features offered by software or an online solution can help decrease these errors.

3. **Choose smart.** Not all tax preparation solutions are created equal, especially free ones. Many free solutions exclude forms for complex returns with itemized deductions, investment income, and capital gains and losses. Others provide minimal help and tools. TaxACT Free Federal Edition includes all the forms you need to e-file, unlimited e-mail help, maximum refund and accuracy guarantees and the ability to import last year's tax data from PDFs prepared by 11 solutions—all free.

4. **E-file.** Nearly 70 percent of taxpayers e-filed their federal returns last year. Unlike paper filers, you'll know when the IRS accepted or rejected your return within 48 hours. Combined with



Saving money on taxes may be simpler than many people realize.

direct deposit, you can have your refund in as few as eight days. If you owe, e-file now and pay later via credit or debit card or a scheduled automatic withdrawal anytime before or on April 18.

5. **Save time on your state return.** The solution you use for your federal return likely offers a state solution, so let the software transfer your information to state forms to save time and reduce possible data entry errors. Most state returns are due April 18 but a few states did not change their deadlines. Even if your state changed the filing date, it may not have changed estimated tax payment dates.

6. **An extension to file does not mean more time to pay.** Get an automatic six-month filing extension by filing Form 4868, free, with TaxACT Free Federal Edition and pay as much as possible by April 18 to minimize interest and penalties. When you're ready to file, log back into TaxACT to prepare, print and e-file your federal return free before October 17, 2011.

7. **Plan ahead.** Adjust your withholding via Form W-4 if needed, and take advantage of the tips and tools your tax preparation solution offers for minimizing next year's taxes. Finally, save a printed copy of your return with all of this year's tax documents.

For more tax tips and information, visit www.IRS.gov and www.taxact.com. TaxACT Free Federal Edition allows everyone to prepare, print and e-file a federal return free.