

IRS Features Recovery Tax Credits on YouTube, iTunes

The IRS has launched a YouTube video site and an iTunes podcast site to better serve taxpayers and help them take full advantage of 2009 tax provisions in the American Recovery and Reinvestment Act.

People can visit the video site at www.youtube.com/irsvideos to view information about the Recovery, tax tips and how-to videos in English, Spanish, American Sign Language (ASL) and other languages.

The YouTube focus will be on the provisions of the American Recovery and Reinvestment Act. Videos will highlight the \$8,000 first-time homebuyer's credit for those who purchase a house this year, the sales or excise tax deduction on new car purchases and the expanded credits for education and energy conservation. There will also be a video on using the IRS Withholding Calculator. Many workers received the Making Work Pay tax credit in April through their tax withholding at work, but those with more than one job or working spouses should especially use the calculator to ensure neither too much nor too little is being withheld.

People can visit the audio site at iTunes to listen to IRS podcasts about ARRA tax credits. People without an iTunes account can hear those same podcasts. in English and Spanish, on IRS.gov's Multimedia Center. .IRS

Learn More Online (click on the following links)

- IRS Video Site at www.youtube.com/irsvideos
- iTunes.
<http://www.apple.com/itunes/affiliates/download/?itmsUrl=itms%3A%2F%2Fax.itunes.apple.com%2FWebObjects%2FMZStore.woa%2Fwa%2FviewPodcast%3Fi%3D57368213%26id%3D294852616%26ign-mscache%3D1>
- IRS Multimedia Center at
<http://www.irs.gov/newsroom/article/0%2C%2cid=167993%2C00.html>

An e-Filing Checklist to Prepare for Tax Season

Tax filing season is just a few weeks away. This year, employees who e-file their return will find the process to be much easier and quicker than paper filing. Many software companies now allow e-filing at no additional cost, and many states encourage e-filing as well.

Here's a handy checklist to help employees get ready to e-file this tax season:

1. **Gather and organize supporting tax documents.** For taxpayers who itemize deductions (Schedules A & B), these will likely include records of:

- Home mortgage interest payments
- Real estate tax payments
- Medical and dental expenses
- Contributions to charitable organizations
- Refunds from the previous year's state and local taxes
- Unreimbursed employee expenses
- Tax preparer fees from the previous year, if applicable

Place receipts in large envelopes or file folders with the amounts totaled and written on the front.

2. **Secure the computer on which the return will be prepared:**

- Use anti-virus and anti-spyware software. Remind employees to perform regular virus scans, download updates and install firewalls, especially before beginning their online tax preparation.
- Avoid shareware or peer-to-peer (P2P) software, such as that used to share music files or videos across the Internet. If employees choose to run this software, they should make sure that their personal data is in an encrypted directory or one that the peer-to-peer community can't access.
- Use software programs and vendors approved by the IRS. See the list maintained at IRS.gov.

3. **Check out two options on IRS.gov to e-file for free:**

- Employees may qualify to use Free File. (Check the IRS website for the latest information.) This program accessed only at IRS.gov or they may be charged a fee-is convenient, free, fast and accurate, and provides step-by-step help in filling out and submitting online forms. Free File covers the most commonly filed federal tax forms and schedules and is also available in Spanish.
- Free File Fillable Forms allow anyone to prepare and file their federal tax return online for free. This option is best suited if employees can successfully prepare their own return without the assistance of a tax preparer. The most commonly used federal tax forms are available, although state forms and state e-file are not.

Both options are safe and secure. Plus, employees can e-file at any time and get an emailed confirmation within 24 hours stating that their return was received by the IRS. Those who are due a refund can get it within 10 days using Direct Deposit. If they owe money, they can e-file the return first and make their payment separately before the April 15 deadline.

For employees who work with a tax professional:

- Ask the preparer to e-file the return. Many offer this service, but taxpayers may need to ask. Even if they have to pay a fee, most find the benefits worthwhile. They should bring their previous year's adjusted gross income as a means of electronically signing their return.
- Make an appointment as early as possible. Those who wait until April may find that their returns have to be extension filed.
- Bring all organized documents. This will reduce the preparer's time, saving the employees money. Also, collect and bring tax-related forms received in the mail, such as the W-2, 1099-INT, etc.

This year, help employees get a head start on tax season. By using this checklist, they should be well prepared when they sit down to e-file their returns.

Learn More Online (click on the following links)

- Free File at <http://www.irs.gov/efile/article/0%2C%2Cid=118986%2C00.html?portlet=8>
- IRS e-file at <http://www.irs.gov/efile/>