

Tax Filing Errors to Avoid

The dawn of 2017 brings opportunities to create new resolutions or plans for the next 12 months — and also marks the beginning of tax season. While tax day on April 18th can seem far off, this year's deadline will be here before you know it.

As you start the process of gathering your tax documents and completing your return, we want to provide a reminder of common filing errors to look out for. Whether you hire a professional or go it alone, avoiding these mistakes can help ensure your taxes are correct and prevent unnecessary delay or feedback from the IRS.

Tax Filing Errors to Avoid

1. HAVING INCORRECT OR MISSING SOCIAL SECURITY NUMBERS

The IRS processes millions of tax returns each year, and they need correct identifying information in order to address yours correctly. Transposing numbers when writing your Social Security Number (SSN) or accidentally recording your spouse's or children's SSN incorrectly is easy when you're writing or typing quickly. Before you submit your taxes, check each SSN against the Social Security card to make sure the numbers are accurate.

2. CHOOSING THE WRONG FILING STATUS

Your filing status determines many aspects of your tax responsibilities — from your standard deduction to applicable credits. So, ensuring you select the right option is crucial. Because you may be eligible for more than one filing status, this year's best choice could be different than in the past. To explore which filing status is right, visit <https://www.irs.gov/uac/what-is-my-filing-status> and complete a five-minute survey to determine which choice fits your circumstances and will result in the lowest tax liabilities.

3. NOT ADDRESSING LIFE CHANGES

Life is full of transitions, and many of them affect your tax liabilities. When you begin to work on your taxes or meet with your tax preparer, identify any changes that impact your financial life. Marriage, divorce, and house buying are common life events to address, but the list extends much further:

- Do you have a child who started daycare?
- Did a parent move in with you?
- Did you turn a spare room into a home office?

Take an inventory of your life in 2016 and look for changes that could matter to your taxes.

4. MISSING OR MISCALCULATING CHARITABLE DONATIONS

Contributing to nonprofits is a powerful way to promote your values — and lower your tax bill. So, make sure you receive the greatest benefit by capturing all of your charitable donations in 2016. Gather your records for all donations to qualified, tax-exempt organizations, including:

- Cash
- Tax-deductible event tickets
- Clothing
- Household goods
- And more

Remember: When calculating your donations, use the fair-market value (what someone would pay for the item now) not your original purchase price.

5. MAKING TYPOS

Tax returns are long and filled with data — especially if you have other forms or worksheets to complete along with your standard Form 1040. Each entry creates an opportunity to make a mistake. Before filing your return, comb through your answers and cross-reference to make sure you or your tax preparer has:

- Spelled each name correctly
- Input the right numbers from each form
- Listed your bank account numbers correctly if you're using direct deposit

6. FILING BY MAIL

Completing hard copies of your tax documents and sending them by mail is still a valid option, but the IRS recommends you file electronically. The e-file system will often find common errors in your return and reject it for you to correct them — so you can fix any mistakes now rather than experiencing potential filing delays with a paper return.¹

Few people enjoy doing their taxes, but if you take the time to slow down and avoid these filing errors, you can help simplify your experience and keep Uncle Sam off your back. If you have any questions about your financial life or would like advice on finding the right tax professional, we are always here to talk.

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¹<https://www.irs.gov/taxtopics/tc303.html>