

The Tax Man Cometh...

*“What is the difference between a taxidermist and a tax collector?
The taxidermist takes only your skin...”*

~ Mark Twain, *Notebook*, 1902

by Lauren Pope

If retailers can bring out the Christmas displays before Halloween, I can talk about tax season before W-2 forms come out in January. Dreaded tax season...it strikes fear in the heart. What do I need? Where do I go? How much will I have to pay? You needn't worry. Your friendly Legal Assistance Office is here to help.

Let's talk about what you should be doing now... yes... NOW.

First, if your child is entitled to a social security number and does not have one yet, get one now. This can be done in conjunction with the birth registration process through the Passport Office [Kleber Kaserne, Bldg. 3245, Room 103. DSN 483-8892 or Civilian 0631-411-8892] or by calling the Federal Benefits Unit at the American Consulate in Frankfurt [Civilian 069-7535-2440]. If your child does not have a social security number by tax time, you will not be able to claim that child on your tax return. You may get the number later and then amend your return, but that is double the work for

you, us, and the IRS. Plus, you may be allowing the government to hold on to more of your money for longer simply because you didn't plan ahead.

Second, if you plan to itemize deductions, own a rental property, or have your own business, you should be gathering and organizing your records now. The more organized you and your records are, the less time you will spend in our office and the more accurate your return will be. Additionally, since it is still 2008, your expenses are fresh in your mind and hopefully the receipts are still lying around somewhere.

Third, if you have not yet filed your tax return for 2007 or any other year, make an appointment with us to have that done now. You can make an appointment by calling DSN 483-8848 or Civilian 0631-411-8848. Our tax program coordinator, Mr. Donald Davis, and I are available to prepare your taxes or answer your tax questions. As a general rule, you must file a tax return every

year, regardless of whether you expect to owe or be owed money. So come see us and we will help you “get right with the Government.”

Fourth, if you will be deployed or unavailable during tax season and you would like your spouse to be able to file a tax return in your absence, have a power of attorney prepared now allowing that. A power of attorney can be created on a walk-in basis anytime our office is open. It must specifically say that the person to whom you give power of attorney can file taxes on your behalf. Or you can fill out IRS Form 2848, which can be downloaded from the IRS website: www.irs.gov. That form requires no notarization.

Fifth, if you wish to make contributions to an IRA for tax year 2008, work on that now. If you don't already have an IRA, talk to your preferred financial institution about setting one up. If you already have an IRA, check to see how much you have contributed, and how much you want to contribute. Re-

member that the maximum contribution for 2008 is \$5,000 per person (\$6,000 if you are over 50) and you have until April 15, 2009, to make the deposit. The contribution limit may vary depending upon your individual situation, so don't hesitate to ask us if you have questions, before transferring the money.

Sixth, if you believe you will owe money, start saving now. **An extension to file does not equal an extension to pay.** All amounts due must be paid by April 15th or interest and penalties will begin accruing. The IRS does not mess around when it comes to “collections.”

I can hear it now... “I have too much to do this time of year to worry about my taxes.” Just keep in mind that a little effort now may go a long way toward making the upcoming tax season much brighter for you and your family. Legal Assistance is here to help, and is free, so come see us if you have tax questions or need help preparing returns or responding to “friendly” IRS notices.