

Last-minute tips for income tax procrastinators

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As Tuesday's income-tax deadline looms, experts have a word of caution for procrastinators: Filing your return at the last minute can be hazardous to your financial health.

Rushing to file leaves taxpayers especially vulnerable to making math errors, overlooking key deductions and even falling for fly-by-night tax-preparation scams.

"It can be very stressful. People forget important things when they're in a rush," said Lee Anne Acosta, a Winter Park tax accountant. "Believe me, I've even had a client forget to tell me they had a baby last year."

Even though the deadline to file is midnight Tuesday, there are still steps you can take to ensure your return is accurate and results in the largest possible refund — or lowest amount due. Central Florida tax experts offer these suggestions:

Apply for an extension. This late in the game, your best move may be to apply for a six-month extension by midnight Tuesday and buy some time with the Internal Revenue Service — especially if you don't have all your paperwork together.

You can file for the extension at irs.gov. Click on "Freefile," which provides a list of tax software sites — such as TurboTax and 1040.com — that will help you file the request.

You can also file a paper form. Go to irs.gov, click on "Forms and Pubs" and then "Find Current Forms or Publications." Type "4868" where it asks for the document you want. Print the form, fill it out and send it to the IRS. Your request for an extension still has to be postmarked April 15.

Even though an extension buys you some filing time, you still have to pay up by April 15 if you expect to owe taxes for 2013. Using your 2012 return, make an estimated tax payment with your extension request. With online filings, you can make a payment using a credit card.

"If you pay something on your tax liability, it will save you big time in interest and penalties on the taxes owed," said Catherine Tucker, an Orlando lawyer who coordinates volunteer tax assistance for the Legal Aid Society of Orange County. "An extension won't get you off the hook, but it will help you deal with the issues."

Consider filing online. Taxpayers who want to file by Tuesday have several options. Those with an annual adjusted gross income of \$58,000 or less can use IRS Freefile (freefile.irs.gov), which connects you to commercial tax-software services. Though they are designated as free, look carefully at the services and be wary of sales pitches for certain "value added" products that come at a price.

If you're a more traditional do-it-yourself filer, you also can print out the 2013 tax forms from irs.gov and fill them out.

Choose the right filing status. Many taxpayers don't realize the implications of the filing status they choose, said Bill Daniel, coordinator of the student-based tax assistance program at Boone High School. Preparers often find people have lost hundreds of dollars because they use the wrong status, he said.

"We had one client recently who was in her mid-40s, who took care of her mother who lived with her," he said. "She showed us the last three tax returns she had paid to have done; all were done with her as single with a dependent. But she was actually eligible to file as head of household. That would have added \$300 to her refund alone."

Don't overlook credits. One of the newer ones is the Child Tax Credit, which provides \$1,000 for each qualifying child who was under age 17 as of Dec. 31, 2013. This credit comes on top of the conventional credits for child and dependent-care expenses, though it phases out for higher-income taxpayers. One of the most widely overlooked benefits for taxpayers is the Earned Income Tax Credit, which is provided per child in the household and can be claimed by parents who together earned less than \$51,567 or by single parents who earned less than \$46,227.

A single parent with one child, with an adjusted gross income of \$20,000, for example, is eligible for a credit of \$2,850, according to BankRate.com.

About 25 percent of eligible taxpayers still don't claim the Earned Income Tax Credit, said Mark Batchelor, financial services manager for the Orlando-based Heart of Florida United Way, which works with more than 50 volunteer tax assistance sites in Orange, Seminole and Osceola counties.

Contribute to an IRA. A frequently overlooked benefit is the "extended" deadline for tax-deductible contributions to an Individual Retirement Account. Such contributions can be made right up until April 15 and still be counted for tax year 2013, though there are annual limits. By reducing your taxable income at the last minute, you might also be able to reduce your tax bill.

Check out tax services. Many last-minute filers who go to commercial tax-preparation services such as H&R Block and Jackson Hewitt should be ready to pay by the form, tax experts said. The cost of a return often runs \$150 to \$300. Tax software such as TurboTax can be downloaded for around \$40. Free help is available Tuesday to all taxpayers at volunteer sites in downtown Orlando such as the Beardall Senior Center and Marks Street Senior Center.

Taxpayers should be especially wary of unfamiliar tax services that suddenly appear in a local shopping center during tax season, said Judy Pepper, executive director of the Better Business Bureau of Central Florida. She said consumers should check out any tax preparation service's complaint record by looking them up at bbb.org.

"They should make sure these places have been here for a while and have a good track record," she said.

"They should also look at irs.gov and make sure these services have qualified tax preparers on staff."

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Post offices open late

These post offices will be open late on Tuesday to accept last-minute income-tax returns:

Orlando Main Office, 10401 Post Office Blvd., off Tradeport Drive near Orlando International Airport.

Open till 11 p.m.

Alafaya Branch, 650 N. Alafaya Trail, Suite 101, Orlando. Open till 7 p.m.

Sand Lake Branch, 10450 Turkey Lake Road, Orlando. Open till 7 p.m.

South Creek Branch, 1701 W. Wetherbee Road, Orlando. Open till 7 p.m.

SOURCE: U.S. Postal Service