



**April 6, 2011**

## **5 Tax Tips you should Know**

As we approach the April 18 deadline for tax submissions, these 5 tips may come in handy and save you some money.

### **1. File or Lose Your Refund**

If you do not file your income tax, you have only a 3 year period to claim any refund you may be entitled to. Statistically it has been shown that half of claimants would receive more than \$706. This is a fair amount of money for most people so don't miss out on your refund just because you did not file your return. If you have not filed your 2007 return yet, it is not too late but you have to do so by April 18, 2011.

### **2. Free Tax help if you Qualify**

If you are disabled, a senior citizen or a non-English speaking taxpayer, you qualify to receive free tax filing assistance from the many free IRS volunteer tax help sites located at convenient centers such as public libraries, college campuses, senior centers etc. Find out more by calling 1-800-906-9887.

### **3. Free Tax Filing if you Qualify**

If you earn below \$58,000 per annum, you are entitled to file your taxes for free under the IRS Free File program in the IRS website, [www.irs.gov](http://www.irs.gov).

Through this program, you can e-file your tax return free, a process that is safe and fast.

However, if you earn more than \$58,000 per annum or if you are conversant with filing your own tax return, you can access the Free File Fillable Forms. These forms are very handy as they do all the basic calculations for you. There is no software to be used, either.

### **4. Earned Income Tax Credit**

You should check if you are eligible for the Earned Income Tax Credit and find out if you qualify for tax relief. This credit could put as much as \$5,666 into your pocket. The IRS estimated that 4 out of 5 taxpayers who were eligible applied for the Earned Income Tax Credit last year.

### **5. How to Obtain an Extension**

If you need an extension for submission of your tax return, you need to fill up Form 4868. This will grant you an automatic 6 month extension until October 17. Alternatively, you can e-file Form 4868 or use either one of the IRS Free File options to file an extension. But you should include your payment for the estimated tax you are liable for.