

## **End-of-Year Tax Planning**

**Getting ready for the 2010 tax season...**



**by Mark Christensen**

At this busy time of year, most of us are thinking about our mission, deployments and redeployments, winterizing our homes and vehicles, and of course the holiday season. Filing our 2009 income tax returns is the furthest thing from our minds.

But a little advance planning now will help you be prepared in the new year when you receive your W-2 and 1099 forms in the mail (or electronically). Whether you prepare and file your return on paper (using a pencil and calculator), with a program on your home computer or an on-line service, or with the help of the professionals at your local tax assistance center, you will want to have everything in order to ensure your return is properly prepared.

Last tax season, the 21<sup>st</sup> TSC tax assistance centers on Kleber Kaserne and at Landstuhl prepared 2,930 federal state income tax returns at no charge, saving our filers almost \$400,000 in filing fees while generating over \$5.2 million in direct-deposit refunds. Most returns can be prepared quickly and accurately if you have the following information when you are ready to complete your return:

- ⇒ A Social Security card or number for each family member
- ⇒ All W-2 and 1099 forms, and any child care expense information
- ⇒ Direct deposit information (routing and account number) for your bank
- ⇒ All other information concerning your tax situation

Taxpayers with complicated returns should take extra time to ensure their documents are in order, and should always have a copy of their prior year tax return available so their tax preparer can make sure their income is reported properly and consistently. A tax return is “complicated” when it includes any of the following types of income:

- ⇒ Capital gain or loss from sale of stock, mutual funds or other capital asset (Form 1099-B)
- ⇒ Rental real estate income or loss, or sale of a rental property
- ⇒ Foreign earned income received or foreign taxes paid
- ⇒ Multiple state return situations

The 21<sup>st</sup> TSC tax assistance centers on Kleber Kaserne and at Landstuhl will open again in January to assist taxpayers in preparing and electronically filing their 2009 federal and state income tax returns. The Kaiserslautern Legal Services Center Legal Assistance Office continues to be available year round to assist with prior year tax issues and other tax matters. Watch the “Kaiserslautern American” and the next edition of this newsletter for more information on tax center opening dates and operating hours. Anyone with a tax question can always send an e-mail to [tax@eur.army.mil](mailto:tax@eur.army.mil) and one of our income tax specialists will reply. In the meantime, take some time here, at the end of the year, to ensure all your tax information is accurate and can easily be located.