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TaxLogic provides prompt, professional, personal, one-on-one tax preparation from the comfort of your home. We are competitively priced and offer a lot of additional information on our web site - <http://www.taxlogic.com>. Just 3-1/2 weeks until April 15th!

PRIOR YEAR RETURNS? It's never too late to file and we can prepare them for you. We are one of the only sites that still do prior year tax returns.

Continuing our series on Helpful Tax Tips, they can help you with this years tax return preparation if you still haven't filed, but will also help you in your tax planning for future years. Not all these tips will be applicable to your personal situation but feel free to ask questions where some of these items may be applicable to your individual circumstances.

- 1) Reporting all interest and dividends: Interest and dividend payments are reported to the IRS by banks, brokerage houses and other financial institutions, and are crosschecked in about 96% of the cases. The IRS attempts to match almost 100% of the returns that they receive on computer tape and more than 50% of those that are on paper. Not reporting one of these items is like asking the IRS to audit you.
- 2) Social Security Lump-Sum Election: If you receive social security benefits for an earlier year, you can do a calculation to see if the tax on the benefits would have been lower if you had actually received them in the earlier year. If that's the case, you can make an election to pay that lower prior year tax.
- 3) Coverdale Education Savings Accounts: In case you are not self-employed, you can still gain some tax advantage by using the new Coverdale Education Savings Account as part of your child's college savings plan. You can make a non-deductible contribution of \$2000 per designated child and the earnings on the contribution will grow and be distributed tax-free.
- 4) Special Assessments on Real Estate: Interest on permanent special assessments for sidewalks, sewers, curbs, etc. is deductible as real estate tax. Principal and interest on assessment for the maintenance or repair of sidewalks or streets is also deductible as real estate tax.
- 5) Timeshare Homes: These are considered second homes for mortgage interest deductions are also 100% deductible.

Thanks for choosing TaxLogic!

<http://www.taxlogic.com>

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Services we offer:

- Personal Income Tax Preparation
- Year-round Personal Financial Consultation
- Corporate Federal and State Preparation
- Quickbooks® Consulting
- Annual Minutes for your company
- Internet based Bookkeeping course
- Internet based Payroll Preparation Service