

New Tax Law Could Delay the Beginning Date for When You Can File Taxes

The start of the 2011 filing season will begin in January for the majority of taxpayers. However, Internal Revenue Service will need to reprogram their processing systems for three provisions that were extended in the Tax Relief and the Unemployment Insurance Reauthorization and Job Creation Act of 2010 that became law on December 17, 2010.

People claiming any of these three items – involving the “State and Local Sales Tax Deduction”, “Higher Education Tuition and Fees Deduction” and “Educator Expenses Deduction” as well as those taxpayers who itemize deductions on Form 1040 Schedule A will need to wait to file their tax returns until mid to late February.

Taxpayers claiming itemized deductions on Schedule A. Itemized Deductions include mortgage interest, charitable deductions, medical and dental expenses and the “State and Local General Sales Tax Deduction” extended in the Tax Relief.

For parents and students claiming the higher education “Tuition and Fees Deduction” that covers up to \$4,000.00 of tuition and fees paid to a post-secondary institution – is claimed on Form 8917 will need to wait until February. However, the IRS emphasizes that there will be NO delays for parents and students who claim other education credits, including the “American Opportunity Tax Credit” or “Lifetime Learning Credit.”

The majority of taxpayers will be able to fill out their tax returns and file them as they normally do, but they should not submit their return until the IRS has reprogrammed the new tax law changes. The IRS urges taxpayers to use e-file instead of paper tax forms to minimize the confusion over the recent tax changes and ensure accurate tax returns.

The Fort Polk Tax Center at 1881 23rd Ave, will continue with tax articles that keep everyone informed of tax issues.