

This Tax Season,

Keep Your Fair Share.

Remember these helpful tax tips and deductions for many happy returns.

- A first-time homebuyer's tax credit is available until July 1, 2009. The credit is up to \$3,750 for qualifying individuals and \$7,500 for eligible joint-filing couples.
- Deductions for hospital bills and doctors visits are well-known, but tax relief is also available for medical expenses ranging from insurance premiums to prescription eyeglasses and contacts.
- Capital losses on stocks deemed worthless—generally, those that are no longer traded—are deductible.
- Unreimbursed losses incurred due to theft, fire or another form of casualty can be claimed if the sum is more than \$100 and more than 10 percent of your adjusted gross income.
- Educators can receive a \$250 above-the-line deduction for classroom expenses.

It's Tax Season—Time to Find Every Deduction.

Tax season is approaching. Each year, additional tax deductions and credits are available to people who know where to look. From college tuition to helping out the environment, chances are you are eligible for several tax breaks and you might not even know it.

Let Your Home Work for You

Your home can provide you with several tax deductions. Each year, you can deduct interest accrued on your home loan. You can also deduct points on closing costs for the year of the transaction. Green additions to your home, such as energy-efficient appliances and renewable energy systems, will also earn you tax credits, which are even more valuable than deductions because they reduce the actual tax amount due.

Get the Most Out of College

College tuition can be costly, but it does offer some tax relief. For each year you pay tuition to an accredited institution, you are eligible for up to \$4,000 in deductions. You can also deduct up to \$2,500 of interest on a student loan, as long as the loan is used on educational expenses, such as housing and supplies.

Relief for Out-of-Pocket Expenses

Miscellaneous personal costs, such as investment expenses, safe-deposit box fees, and certain legal fees, can be deducted if the total expenses are more than two percent of your adjusted gross income. Work-related expenses that were not reimbursed by your employer can be similarly deducted.

A HOME OFFICE MAY LOWER YOUR TAX BILL.

The IRS states that if you use a portion of your home for business purposes, you may be able to deduct expenses, including the business portion of real estate taxes, mortgage interest, rent, utilities, insurance, depreciation, painting and repairs. In addition, travel costs between your home office and the first and last appointment of the day become deductible. To qualify:

- You must regularly use part of your home exclusively for a trade or business.
- You must be able to show that you use your home as your principal place of business.
- You must be able to show that you meet patients, clients or customers at home or that you use a separate structure on your property exclusively for business purposes.

Tax laws are complicated. Talk with your accountant or financial service provider to figure out what can be deducted given your unique circumstances.

Source: <http://www.irs.gov/newsroom/article/0,,id=108138,00.html>



THE PROVIDENCE GROUP

RE/MAX Greater Atlanta
5591 Chamblee Dunwoody Road
Bldg. 1300
Atlanta, GA 30338

Office 770-394-0100

info@tpgatlanta.com
www.tpgatlanta.com





GET FREE TAX ADVICE FROM THE IRS

Trained community volunteers are available throughout the country to offer free tax assistance and even file your tax return electronically. There are three government-sponsored tax assistance programs:

- **Volunteer Income Tax Assistance (VITA) Program:** Offers help to low-to-moderate-income people unable to prepare their taxes on their own.
- **Tax Counseling for the Elderly (TCE):** Assists people age 60 and over with a special emphasis on the tax needs of senior citizens.
- **Armed Forces Tax Council (AFTC):** Members of the armed forces and their families can have their returns prepared for free, often on-site.



Protect Yourself. It's Open Season on ID Theft.

Identity theft is the fastest growing crime in America, and the average victim spends 175 hours and \$1,000 repairing the damage. Tax time presents an even greater risk for ID theft because your personal information is everywhere. Below are tips to avoid becoming a victim this tax season.

Watch Your Mailbox

When income tax forms start coming in the mail, a potential ID thief can easily gain access to personal information such as your Social Security number and how much you make. If you don't have a locking mailbox, now is a great time to invest in one. You should also consider dropping your tax returns into a USPS collection box or taking it directly to the post office.

Destroy Sensitive Material

Use a cross cut paper shredder to ensure that your documents are properly destroyed; information can still be retrieved from documents shredded with low-end paper shredders. If you have used your computer to prepare any part of your tax return, a savvy identity thief could recover this information from your hard drive, even if you seemingly deleted the file. There is software available that will perform a "secure delete" of your sensitive files to ensure that they cannot be recovered.

Choose the Right Tax People

Find a tax preparation service that is dedicated to providing year-round financial services to its clients, and beware of companies that hire seasonal workers with minimal training (thieves can easily acquire these jobs). This way, you can ensure your personal information is in the hands of professionals.

Be Careful Online

If you plan to use an online tax service, ensure the site is reputable. Type the Web site URL directly, and never follow an e-mail link. Also, ensure all information is sent via a secure connection. Look for their security information. What encryptions do they use? What other measures do they take to ensure added security?

Source: <http://www.myidfix.com/identity-theft-cases-statistics.php>

*All information is general in nature, not legal advice and not warranted or guaranteed. Readers are cautioned not to rely solely on this information. Because tax laws change, it is imperative that you consult a professional tax adviser—such as an accountant—in your area regarding tax matters.

TAX DEDUCTIBLE CHARITABLE DONATIONS (That You Probably Didn't Know About)

You probably know about tax deductions for donating your automobile or writing a check to the Red Cross. However, there are several donations you may be eligible for that you might not realize.

Arriving From	Flight	Partner
Calgary/Banff, AB, Canada	NW 1540	CO 954
Mincon, Mexico	NW 1810	CO 961
Reder Rapids, IA	NW 0801	CO 958
Charlotte, NC	NW 1873	CO 967
Chicago-Midway, IL	NW 1291	KL 838
Chicago-Midway, IL	NW 1298	KL 838
Chicago-O'Hare, IL	NW 1943	CO 964
Chicago-O'Hare, IL	NW 1148	CO 914
Cincinnati, OH	NW 8620	CO 789
Cincinnati, OH	NW 1205	CO 858
Cincinnati, OH	DL 1174	NW 895

- **Travel expenses** – Volunteer work isn't deductible, but the travel required is. You can keep track of gas expenses or write off 14 cents per mile.
- **Out-of-pocket expenses** – If you paid out-of-pocket for expenses related to a qualified charity and weren't reimbursed, these expenses act as charitable donations.

- **Student lodging** – If a non-related or non-dependent student in grade K–12 is staying with you, such as an exchange student, you can deduct up to \$50 a month.
- **Appreciated property** – You can avoid paying capital gains on items you have sold or donated that have appreciated in property, such as stock, and get a deduction.

If you're looking for unusual ideas, consider:



or endangered animal and claim a tax deduction (two examples are www.snowleopard.org and www.orangutan.org).

- **Paying down the national debt** – If you are feeling particularly patriotic, sending money to help pay down the national debt will get you a charitable tax donation.
- **Adopting an endangered animal** – There are many non-profit organizations that will allow you to adopt a threatened