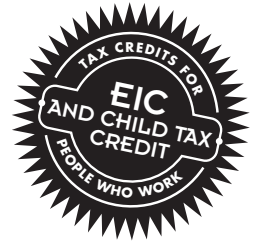


Why Pay When You Can Get Your Taxes Done for Free?



More than half of all taxpayers pay a tax preparer to file their tax return. Before using a commercial tax preparer, find out if there is a **Volunteer Income Tax Assistance (VITA)** site nearby that can help you prepare your taxes for free.

- Commercial tax preparers charge an average of \$100 to prepare a return claiming the Earned Income Credit (EIC). You may pay as much as \$100 more if you get a Refund Anticipation Loan (RAL). Sometimes RALs are advertised as “fast cash” or a “quick tax refund.” RALs are loans with extremely high interest rates. If there is an error on the return and the IRS doesn’t send the refund, you will be stuck having to repay the loan.
- RALs are sometimes promoted through car dealerships, furniture outlets or jewelry stores that offer to prepare your taxes and try to convince you to use refund loans for in-store purchases.
- RALs provide a fast cash loan (1 to 2 days) on your tax refund, but having the IRS refund deposited directly into a bank account takes only about 7 to 12 days. Is it worth paying \$200 or more?

If you earn under about \$35,000, you can get free tax filing help through the IRS-sponsored VITA or Tax Counseling for the Elderly (TCE) programs. Both programs can provide fast electronic tax filing. Community volunteers receive IRS-approved training to assist individuals with tax returns. Some VITA sites can help you open a bank account if you don’t have one. **Call the IRS at 1-800-829-1040 to find the nearest VITA location and its days and hours of operation.**

Guidelines for Choosing a Tax Preparer

If you can’t find a VITA site or choose to go to a commercial tax preparer, be sure to do the following:

1. **Select a tax preparer that you can contact later** in case the IRS has questions about your tax return.
2. **Check out the tax preparer’s reputation** with others in the community. You can also research the tax preparer with your local Better Business Bureau (www.bbb.org) to see if any complaints have been filed.
3. **Ask about fees to have your taxes prepared** before scheduling an appointment. Be sure to ask if there are any fees for additional schedules or forms, like the Schedule EIC, used to claim the Earned Income Credit.
4. **Do not leave originals of documents** with a tax preparer if he or she needs to work on your tax return when you are not present.
5. **Avoid a tax preparer who suggests you lie** or make up information. You will be held responsible for errors, NOT the preparer.
6. **Do not sign a blank tax return** or a return completed in pencil. Sign a tax return in pen, only after you’ve reviewed it. Check names, addresses, Social Security numbers and wage information. Ask questions to understand the reason for any refund you get or taxes that you owe.
7. **Check that the tax preparer signs the tax return in pen.** The preparer’s signature, address and Employer Identification Number (EIN) or Social Security number are required on the tax return by federal law.
8. **Request a copy of your completed tax return.** Write down the preparer’s phone number to call if you have additional questions about your tax return later.