

Tax Tips

◆ You have until April 15, 2010, or, if you file for an extension by June 15, 2010, until October 15, 2010, to file your 2009 taxes



Beware of Refund Anticipation Loans (RAL's), aka Fast Cash Refunds, Express Refunds and Instant Refunds

Refund Anticipation Loans (RAL's) are expensive, not much faster and possibly risky!

- RAL's are short-term **loans** with high interest rates (from 40% to **700%** APR);
- RAL's arrive only about a week earlier than IRS refunds;
- RAL's are risky because if the IRS denies your tax refund, you still have to pay back the full amount of the loan plus interest!

Claim the Earned Income Tax Credit (EITC)

The Earned Income Tax Credit (EITC) is a federal income tax credit for low-income working individuals and families. To qualify, taxpayers and children claimed must have valid Social Security numbers and have lived in the U.S. for at least six months in 2009. To claim the EITC, taxpayers must file a tax return.

You may be eligible for the EITC if your income in 2009 was less than:

- \$43,279 (\$48,279 married filing jointly) with three or more qualifying children
- \$40,295 (\$45,295 married filing jointly) with two qualifying children
- \$35,463 (\$40,463 married filing jointly) with one qualifying child
- \$13,440 (\$18,440 married filing jointly) with no qualifying children

Also, your investment income must be \$3,100 or less for the year. EITC varies from \$457 to \$5,657, depending on income and family size. If you're eligible for the EITC and it exceeds the amount of taxes owed, it results in a tax refund to those who file a tax return.

Claim the Telephone Tax Refund

Taxpayers who paid tax on long distance telephone service anytime during Feb. 28, 2003 to Aug. 1, 2006 can claim a telephone tax refund; the standard refund is \$30 -\$60. You can request this refund up until April 15, 2010 using a 1040X form.

Don't Spend Money To Do Your Taxes!

Free Tax Preparation And Filing Services Are Available:

Volunteer Income Tax Assistance

Program (VITA) offers **free** tax filing services for low-income people. To locate the nearest VITA site, call 1-877-211-9274 or 211.

Tax Counseling for the Elderly provides **free** tax help to people age 60 and older. To locate the nearest site, call 1-888-227-7669, or visit the AARP website at www.aarp.org.

Also, you can file your taxes online for **free** at www.irs.gov (using the free file program) or ICAN at www.icanefile.org. Your local library and Employment Security Office (WorkSource) offers free internet access.

◆ Remember, if you file for an extension by June 15, 2010, you have until OCTOBER 15, 2010 to file your 2009 taxes!

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