

There is a Way to Fix Tax Return Errors

Suppose you discover a mistake or omission of an item on the 2013 federal tax return you recently filed. Should you ignore the error? Although it can depend on the nature and significance of the item, the answer is generally "no." But the matter may be resolved by filing an amended 2013 return.

Certainly you will need to file "Form 1040X: Amended U.S. Individual Income Tax Return" if you discover that you made a significant error on your original tax return. This form is also used to make other changes to your original filing. Perhaps you decide to change your filing status, or you find more deductions and decide to itemize them rather than claiming the standard deduction. You may have overlooked the earned income credit, or perhaps even forgot to report a dependent. You could also be unlucky enough to receive a "revised" brokerage statement or Form K-1 from a partnership or LLC long after you filed your original return.

Why bother to file a Form 1040X? If the IRS owes you money, you will want to file this form in order to receive your additional refund. Even if you owe the IRS, it's wise to file Form 1040X rather than waiting for the IRS to catch the error, which will likely happen eventually. By being proactive, you'll avoid some potentially stiff penalties and interest charges. However, the timing is critical. You have three years (including extensions) from the original due date of the return to file an amended return. If you didn't pay your taxes in full when you submitted your return, you only have two years from the date you finally paid your tax bill to make the corrections.

If you think you should file an amended return, contact our office for any assistance you need.

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