



## TAX FILING

# 7 Best Practices for Stress-Free Tax Season

If you're organized, your tax preparation will go so much more smoothly.

by: [Andrew Gillund, CPA, MBT](#) - March 31, 2022



Getty Images

It's the most wonderful time of the year: tax season! All jokes aside, a 2020 study found that the majority of taxpayers **dread doing their taxes**. Taxes take time, can cost money, and many people find them confusing. They're basically like homework for adults.

---

## ■ **11 Reasons to File a Tax Return Even If You Don't Have To**

---

But taxes don't need to be so terrible. Through years of experience and repetition, I have gained efficiencies to speed up the process. While you may not be at that level, here are seven ways to be more



Collect all tax-related information in one place as it arrives. When you receive an envelope in the mail with a tax document enclosed, add it to that spot immediately. You'll be able to easily find it later on, which will help make your tax filing a smoother process.

## 2. Designate a place

**Keep previous years' tax information** in a central location. In most circumstances, your tax filing this year will be largely similar to the previous year. For this reason you may want to reference previous tax documents to confirm specific numbers or even to see which documents were relevant. You can store your tax information in a folder on a bookshelf, a file in your safe, or even a "Box of Knowledge" in the closet. Pick one and stick with it.

## 3. Go paperless

If you are technically inclined, get your tax statements electronically. It'll be faster, better for document retention, and help you streamline your taxes in future years.

## 4. Know what you need

Think about where your money is stored and any companies that may have a long-term relationship with your money. Check each of these places for tax-related information. For reference, if you have any of the following, you may need a related tax statement for each:



- **A job:** You should get a W-2 form, and if you received unemployment, you should get a Form 1099-G.
- **Debt:** A mortgage for a home (Form 1098), student loans (Form 1098-E), a personal loan that's forgiven (Form 1099-C), other loans.
- **Daycare:** All the receipts you've saved from day cares or after-school programs showing your expenses.
- **Bank accounts:** Savings accounts and interest-earning checking accounts (1099-INT form for interest you've received).
- **Investment accounts:** Depending on what types of accounts you hold, there can be several forms to watch for (1099-B for capital gains, 1099-DIV for dividend income, 1099-R for retirement distributions, etc.).
- **Donations:** Charity contribution receipts and end-of-the year receipts from any monthly or recurring payments.
- **Pandemic payments:** Advance child tax credits (Letter 6419 from the IRS to show how much you received) and stimulus checks (you can utilize a 1444-C and/or Letter 6475 to reconcile the third stimulus payment and determine if any additional amount is owed to you).



## 5. File early

The sooner your taxes are filed, the surer you can be that they were submitted properly ahead of the deadline and that you won't get any surprises from the IRS later on. Filing earlier may also lead to a quicker turn-around time on your refund.

## 6. Know where you stand with the IRS

If you're dying to know the status of your refund, the IRS has an online tool for that: the "[Where's My Refund](#)" portal. Otherwise, if you have a tax question, it can be difficult to get a hold of the IRS. They are understaffed, catching up with many rule changes, and processing a *lot* of tax documents – including from the 2020 tax season. For this reason, you may [receive a letter from the IRS](#) that doesn't make sense. Don't panic. There's probably a good explanation for it.

---

### ■ 23 IRS Audit Red Flags

---

If you need to call them with a question, be patient and expect a long wait time. You can also check the [IRS website](#) to access tax records, see whether you owe the IRS any payments and whether they have processed your payments or tax returns.

## 7. Know when to get help

The IRS doesn't want to see mistakes on tax forms. If they catch a mistake on your form, it could cost you time, money and stress to get it resolved. Many tax-filing software programs are good for



## Sign Up for Kiplinger's Free E-Newsletters

Profit and prosper with the best of Kiplinger's advice on investing, taxes, retirement, personal finance and much more – straight to your e-mail.

[SIGN UP](#)

## Subscribe to Kiplinger's Personal Finance

Be a smarter, better informed investor.

[SAVE UP TO 76%](#)

The more complicated your taxes are, the more it makes sense to [find a tax preparer](#) (the IRS also has a [preparer directory](#)). A tax preparer or tax adviser can ensure your taxes are filed properly, that you take advantage of tax breaks when available, and can also correct mistakes with the IRS on your behalf. It's a win-win!

Taxes don't have to be scary ... they only come once a year. They are not meant for you to panic or have anxiety. Being organized and a little professional help can take that stress away. Find a strategy that works for you.



## About The Author

### Andrew Gillund, CPA, MBT

// *Primary Tax Adviser, Berger Financial Group*

Andy Gillund, CPA, MBT, is a primary tax adviser and CPA for [Berger Financial Group](#). He has over a decade of experience in accounting and helping clients minimize their tax burden. Andy has a B.S. in Accountancy and received his Master of Business Taxation degree from the University of Minnesota Carlson School of Management. He is active with the Minnesota Society of CPAs and the Volunteer Income Tax Assistance (VITA) program.

WEALTH CREATION

TAX FILING



Advertisement