

Important Tax Dates & Information



- First quarter individual estimated tax payments are due by April 15.
- Form 1040 deadline for filing a tax return or an extension and paying any tax due is April 15.

Types of Tax Deductions



"Oh, you can deduct that!" Chances are you've heard this around the office water cooler, but what does it really mean? A tax deduction, or tax write-off, is used to decrease taxable income, thereby decreasing the amount of tax owed. There are different types of tax deductions available.

Above-the-Line Deductions

Adjustments to gross income, or deductions found above-the-line adjusted gross income line on page 1 of the Form 1040, are generally more advantageous to the taxpayer as they are directly affecting taxable income. Examples of above-the-line deductions include contributions to a traditional IRA, alimony payments and interest on student loans.

Standard Deduction

The standard deduction is a set amount that ensures all taxpayers have at least some income that is not subject to federal tax (i.e., tax-free). In general, the standard deduction is adjusted each year for inflation and varies according to your filing status. You will not take the standard deduction if you itemize deductions.

Itemized Deductions

Like above-the-line deductions, itemized deductions are items deemed by Congress that help reduce your income, but are subject to limitations. These are claimed on Schedule A and include such items as medical expenses, state, local and property taxes, home mortgage interest, gifts made to charity and certain other expenses. If all these things add up, after limitations, to an amount greater than your standard deduction, you will report your itemized deductions.

Of course, as your tax professional, I'm here to help you sort out what items are reported where and when; however, now you are more informed when a discussion about deductions occur around the water cooler.

Did You Know?

The original federal tax filing deadline for individuals was March 1, 1913. It was changed to March 15 in 1918 and then to April 15 in 1955.

Quote Corner

"The end of March brings up the beginning of April: Tax time. America has the highest standard of living in the world. Unfortunately, we can no longer afford it."

~ Cindy Adams, NY Post