

Sample Article

Tax Season 2009 Facts

With less than 6 weeks left of the 2009 tax season to go it may be a good time to take a look at some of the facts, trends and statistics that have already emerged. This is an especially intriguing exercise following the dramatic, sweeping steps the IRS promised to take to help a large percentage of the financially crippled population.

Top of the list of mistakes made by tax filer was attempting to claim benefit from an economic tax stimulus yet they had not received one during the 2008 tax period. The IRS has stated that this kind of erroneous tax filing has been a significant problem this tax season; they have blamed it upon the sheer quantity of changes to the taxation policy this year.

It has also been reported that a higher percentage of tax payers have failed to claim their entire tax benefits during the 2009 season. The IRS has quite clearly stated that it wants the American people to receive every possible deduction and benefit that they are entitled to during this problematic time for the global economy. Financial advisers are telling their clients not to be afraid to claim deductions and benefits, as it is money due to them.

By far the largest headache faced by the IRS during the 2009 tax season has been the calculating of the entitlement of tax payers for the recovery rebate credit. For some tax payers who did not receive the entire package offered by the economic stimulus payment in the 2008 tax season, they may be able to claim a partial recovery rebate credit. The complication is caused by the fact that for nearly the whole tax paying population this is simply not the case. It has proven extremely time consuming for the IRS to identify genuine cases where a recovery rebate credit is due. The problem was further exacerbated by the fact that filers were advised to clearly mark their return with RRC when filing, and to enter the number 0 alongside it, this would flag it as a potential problem case. Unfortunately the electronic filing software provided by the IRS was incapable of taking such input in the appropriate field. This simple design oversight has left the IRS with a significant mop up exercise to perform for all tax payers who are now coming forward to query their recovery rebate credit status.

All through this very troublesome tax season the IRS has been advising tax payer not to panic when they receive a communication from the tax offices. Yet people are still ignoring important tax communications, usually due to the fact that their current financial situation is not healthy enough to address the proposed tax payments. Tax payers have been advised to contact their IRS office, as mistakes can and do happen, and help is at hand even for those people who are faced with potentially crippling tax problems.

Overall the 2009 tax season has been one of the most problematic in recent history. The global economy is in a steep down curve and the American people are beginning to feel it quite sharply. This has caused a huge rise in the quantity of people facing the tax collection process, many of whom have simply buried their head in the sand. The IRS were specifically empowered to help alleviate the problems faced by these people during the 2009 tax year, yet are unable to offer assistance if the tax payer does not come forward and ask for help. It can only be hoped that the economy rallies over the coming year, making the 2010 tax season a less imposing proposition.