

Avoid Last-Minute Mix-ups, Hasty Mistakes and Missed Tax Deductions

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KANSAS CITY, MO, Apr 15, 2010 (MARKETWIRE via COMTEX) --Make no mistake: Simple slip-ups can slow the tax return filing process and may result in overpayments to the IRS or delayed refunds.

In the rush to finish their taxes, H&R Block (NYSE: HRB) advises taxpayers to avoid these common missteps, and save time and money:

- Selecting the wrong filing status (single, married, head of household, etc.)
- Claiming ineligible dependents
- Mixing up names and Social Security Numbers
- Forgetting to submit required documentation, such as W-2s
- Transposing numbers or making math errors
- Not signing the tax return -- both spouses must sign joint returns, and professional tax preparers must sign returns
- Mailing the return to the wrong IRS office.

Additionally, failing to claim or miscalculating important tax breaks, such as the Making Work Pay Tax Credit, the Homebuyer Credit or the Child Tax Credit, can cost taxpayers thousands of dollars.

Commonly missed deductions

Overlooking tax deductions and credits can be costly to taxpayers, especially if they miss a chance to lower their taxable income. Missing these five commonly overlooked deductions could cost taxpayers hundreds or thousands of dollars in overpayments to the IRS:

1. Medical expenses -- Medical expenses not reimbursed by insurance or paid through a tax-advantaged plan like a flexible spending account are deductible after they exceed 7.5 percent of adjusted gross income.
2. State and local taxes -- Personal property taxes, real estate taxes, and state and local income taxes are deductible. For state and local taxes, taxpayers are permitted to deduct either their sales taxes or their income taxes, but not both.
3. Charitable donations -- Donated clothing and household items in condition good enough to be re-sold at a thrift store are likely eligible deductions. Get a receipt for charitable donations of cash and goods, or make donations by check or credit card and have the financial records serve as proof.
4. Job expenses -- Unreimbursed job-search expenses, uniform expenses, union dues and continuing education expenses may be eligible deductions. Only employees' business expenses, plus other miscellaneous itemized deductions in excess of 2 percent of adjusted gross income, are deductible.
5. Higher education expenses -- Up to \$2,500 of student loan interest paid may be deducted for 2009. Interest income earned on savings bonds may not be taxed when the proceeds are used to pay higher education expenses. A deduction also is available for up to \$4,000 of higher education tuition and fees paid for the taxpayer, or their spouse or dependent.

For all deductions, taxpayers should keep receipts, correspondence and paperwork validating them.

Taxpayers who have questions about their 2009 return or wonder if past returns have errors or missed deductions can have an H&R Block tax professional review them. Tax returns can be amended for the past three years.

Watch the H&R Block common mistakes video for more information.

Have a last-minute interview request? Want to talk with a tax professional in your city? Contact the H&R Block Media Desk (mediadesk@hrblock.com) at (816) 854-4287.

About H&R Block H&R Block Inc. (NYSE: HRB) is the world's preeminent tax services provider, having prepared more than 500 million tax returns since 1955. In fiscal 2009, H&R Block had annual revenues of \$4.1 billion and prepared more than 24 million tax returns worldwide, utilizing more than 100,000 highly trained tax professionals. The Company provides tax return preparation services in person, through H&R Block At Home(TM) online and desktop software products, and through other channels. The Company is also one of the leading providers of business services through RSM McGladrey. For more information, visit our Online Press Center.

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