



# Save Money at Tax Time on your 2006 Taxes

## Stay away from "Fast Refunds"

### 1. Get your taxes done free!

Get your taxes done free by a program called Volunteer Income Tax Assistance or VITA. To find the closest VITA office, call the main IRS number at **1-800-829-1040**. It's a free call. A machine will answer. To talk to a person, press the 1 button on your phone first. Then press the 4 button. Ask about the closest "VITA site."

Your IRS office will also do your taxes for **free** if your income is less than \$37,000. Go to your local IRS office. Ask to set a time when they can do your taxes.

Or go to **www.irs.gov** on the internet. Click on **Free File**. Some businesses will do your taxes on the internet for free. Your income must be under \$50,000 a year.

### 2. Fast Refunds are just high-priced loans

VITA and IRS file your taxes by computer. If your refund goes directly to your bank, you should get it in about 14 days. If it is mailed to you, it should come in 21 days.

Some businesses that do your taxes offer to get your refund in 2 days. This is actually a loan. You will pay \$50 to \$100 to get your refund a few days faster. And, if the IRS holds your refund, you must pay the loan back.

### 3. Money for you

#### Your Earned Income Tax Credit money

Working people can get cash payments from the IRS of \$412 to \$4,536! Married couples with children can get up to \$4,536 if their income is less than \$38,348. Single parents must earn less than

\$36,348. Married couples with no children can get up to \$412 if their income is less than \$14,120. Single taxpayers must earn less than \$12,120. You must file a tax return and meet other rules. You must have a Social Security number.

#### Start getting your Earned Income Credit Money every pay day!

Don't wait until next year to get your 2007 Earned Income Credit payment. You can start getting part of that payment in each paycheck now. Just file a W-5 with your employer. You can get a W-5 paper by calling **1-800-829-3676**.

#### Your Child Tax Credit

For your 2006 taxes, you can get a \$1,000 child tax credit for each child under 17. The child must have a Social Security number or an Individual Taxpayer Identification Number (ITIN).

### 4. Be sure your W-2 has your Social Security number right

Your employer gives you a W-2 to send in with your taxes. A wrong Social Security number or ITIN can keep you from getting your tax credits. What if the number is wrong on your W-2? Before you file your taxes, ask your employer to fix it.

### 5. Married? Know your rights

If you are married, you can file a joint tax return. Or you can file separate tax returns. Is your husband or wife behind on paying child support? Or is your husband or wife not reporting all of their income? Then it may be a good idea to file separate returns.

Do you owe the IRS because of your ex-husband or wife's income? You may not have to pay it. Call Legal Aid to find out more.