

IRS Forms and Publications: Get 'em when you need 'em

The IRS has free tax forms and publications on a wide variety of topics. If you need IRS forms or information, try one of these easy options:

- **Internet:** You can access forms and publications on the IRS website 24 hours a day, 7 days a week, at IRS.gov.
- **Phone:** Call 1-800-TAX-FORM (800-829-3676) to order current year forms, instructions and publications and prior year forms and instructions. You should receive your order within 10 days.
- **Locations in your community:** During the tax-filing season, many libraries and post offices offer free tax forms to taxpayers. Some libraries also have copies of commonly-requested publications. Braille materials may also be available. Many large grocery stores, copy centers and office supply stores have forms you can photocopy or print from a CD.
- **Mail:** Order your tax forms and publications from the National Distribution Center, P.O. Box 8903, Bloomington, IL, 61702-8903. You should receive your products 10 days after receipt of your order.

Links:

- Publication 910, Guide to Free Tax Services: www.irs.gov/pub/irs-pdf/p910.pdf
- Publication 2053A, Quick and Easy Access to IRS Tax Help and Forms: <http://www.irs.gov/pub/irs-pdf/p2053a.pdf>
- Order Publication 1796, Federal Tax Products on CD-ROM, from NTIS — the National Technical Information Service:
www.ntis.gov/elearn/irscd1.html
- State tax forms: www.taxadmin.org/fta/link/forms.html

IRS Publication 17 — The IRS Instruction Manual

Are you facing a lot of different tax questions this year? IRS experts have pulled together an overview of common tax issues in one convenient place — Publication 17, Your Federal Income Tax. This publication, available on the IRS.gov, contains helpful information for individual taxpayers.

This year for the first time, the IRS will issue a Spanish language version of this popular publication.

The on-line version of Publication 17 contains electronic links that make finding your answer simple. Both the downloadable PDF and on-line 2008 Publication 17 have over 900 hyperlinks. These hyperlinks allow users to immediately go to other parts of the publication, reducing searches to just a few clicks.

From stock sales to student loans, this nearly 300-page publication holds the answers to many of your questions:

- Need help with a Roth IRA? Try Chapter 17 for Individual Retirement Arrangements.
- Do you have a new child in the house? See Chapter 34 for the Child Tax Credit.
- Are you selling stock for the first time? Check Chapter 16 for reporting capital gains. If you're unloading losers, reporting capital losses is there, too.
- Do you need to report the profit on your home sale? See Chapter 15 for some good news. Generally, if you qualify you only need to report the sale of your home if your gain is more than \$250,000 (\$500,000 if married filing a joint return).

And the best part about Publication 17? It's free. To get a copy, visit the IRS Web site at IRS.gov or call 800-TAX-FORM (800-829-3676): www.irs.gov/pub/irs-pdf/p17.pdf

Sometimes You Just Can't Win...

There was a man who worked for the Post Office whose job was to process all the mail that had illegible addresses.

One day, a letter came addressed in a shaky handwriting to "God," with no actual address. He thought he should open it to see what it was about. The letter read:

Dear God,

I am an 83-year-old widow, living on a very small pension. Yesterday someone stole my purse. It had \$100 in it, which was all the money I had until my next pension payment. Next Sunday is Christmas, and I had invited two of my friends over for dinner. Without that money, I have nothing to buy food with, have no family to turn to, and you are my only hope. Can you please help me?

Sincerely,

Edna

The postal worker was touched. He showed the letter to all the other workers. Each one dug into his or her wallet and came up with a few dollars. By the time he made the rounds, he had collected \$96, which they put into an envelope and sent to the woman.

The rest of the day, all the workers felt a warm glow thinking of Edna and the dinner she would be able to share with her friends.

Christmas came and went. A few days later, another letter came from the same old lady to God. All the workers gathered around while the letter was opened. It read:

Dear God,

How can I ever thank you enough for what you did for me? Because of your gift of love, I was able to fix a glorious dinner for my friends. We had a very nice day and I told my friends of your wonderful gift.

By the way, there was \$4 missing. I think it might have been those crooks at the post office.

Sincerely,

Edna

“Wear a smile and have friends; wear a scowl and have wrinkles.”

~ George Eliot

IRS TAX TIP: TT-2009-25 What Income Is Taxable?

While most income you receive is generally considered taxable, there are some situations when certain types of income are partially taxed or not taxed at all.

Some common examples of items that are not included in your income are:

- Adoption Expense Reimbursements for qualifying expenses
- Child support payments
- Gifts, bequests and inheritances
- Workers' compensation benefits
- Meals and Lodging for the convenience of your employer
- Compensatory Damages awarded for physical injury or physical sickness
- Welfare Benefits
- Cash Rebates from a dealer or manufacturer
- Economic Stimulus Payment received in 2008

Some income may be taxable under certain circumstance, but not taxable in other situations. Examples of items that may or may not be included in your income are:

- Life Insurance. If you surrender a life insurance policy for cash, you must include in income any proceeds that are more than the cost of the life insurance policy. Life insurance proceeds paid to you because of the death of the insured person are not taxable unless the policy was turned over to you for a price.
- Scholarship or Fellowship Grant. If you are a candidate for a degree, you can exclude amounts you receive as a qualified scholarship or fellowship. Amounts used for room and board do not qualify.

All other items—including income such as wages, salaries and tips—must be included in your income, unless it is specifically excluded by law.

Taxable income may be in a form other than cash. One example of this is bartering, which is an exchange of property or services. The fair market value of goods and services exchanged is fully taxable and must be included as income on Form 1040 of both parties.

These examples are not all-inclusive. For more information, visit the IRS Website at IRS.gov to view or download Publication 525, Taxable and Nontaxable Income from the Forms and Publications section or call 800-TAX-FORM (800-829-3676).

Link: Publication 525, Taxable and Nontaxable Income: www.irs.gov/pub/irs-pdf/p525.pdf