

Paying Taxes, How and When

Taxes are a sure thing, Cragisman, so get ready for it. There is no escaping it, so you need to get used to it, and as a good citizen, we should want to pay our part anyway.

o let's look at what we are going to have to deal with.

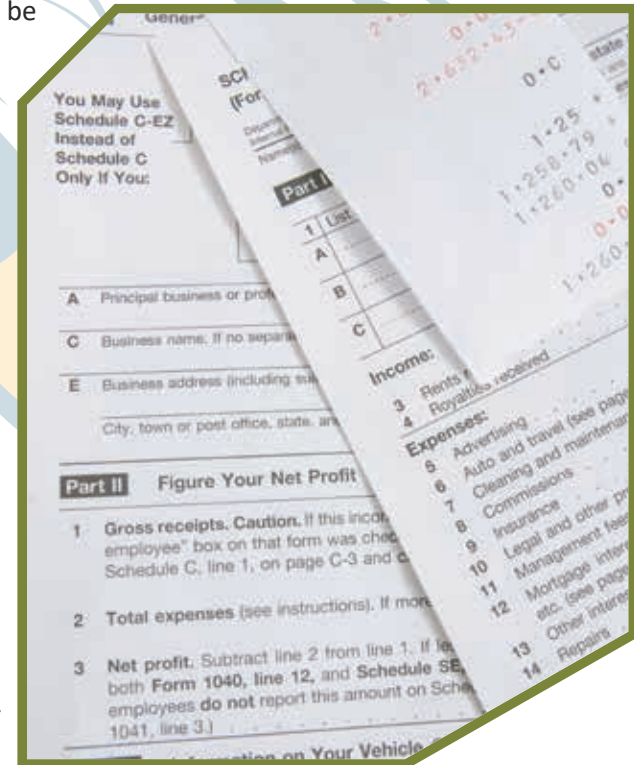
Flip over for your next challenge



Earn This Nugget

- Start your tax preparation by calculating any income along with any deductions that you might be able to claim, and assess whether you will need to file a tax report.
- Share your conclusion with your parents and get their advice.

- First, at the time of this writing, if you are a dependent, and your income is less than \$6,300 you don't have to pay taxes. So in that case you have no need to file an income tax report.
- If you have, however, had taxes withheld with a part time job or similar, you will want to file because you might be able to get money back from the government. Not filing in this case is like giving Uncle Sam a nice donation.
- To do any filing, you will need to get a W2, 1099, or other tax document from every place you have worked during that year. Typically they will send you one by January 31, but if you don't receive one, get in contact with the company.
- If you are still a dependent, you cannot claim tax exemptions.
- If you are still in school, generally tax assistance and advice will be available to you. Take this advice, taxes are complicated and you need a guide to help you navigate, especially in the beginning.
- The deadline for taxes is in mid April; however, you don't want to leave it until then. Start preparing now. Murphy's Law says that there will always be critical information that is tough to get hold of if you leave it to the last minute.
- If you are a student, the IRS has a Free File system as long as your household income is less than \$64,000
- Look for deductions in your taxes, especially revolving around education, if you are still in school.



Taxes are complicated, as time goes by you may want to start using an accountant service or a software package to help you. While these cost money, they will almost always save you more than you pay as they are able to identify deductions and exemptions you would not know as you navigate this complicated tax world.

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