

TAXES

Tax Season Is Almost Here: What You Can Do to Prepare

Tax season can be a stressful time, but getting prepared now can help it go more smoothly.



(Image credit: Getty Images)

Although the federal income tax filing deadline isn't until April, the 2024 tax season starts in just a few short weeks.

There are some things you can do now to help you prepare for filing your 2023 tax return.

Create an IRS.gov account

If you don't already have an IRS online account, now is the best time to create one. With an online account, you can access important information, such as your prior year's adjusted gross income (AGI), that you might need this tax season.

Here are some other things the IRS says you can do with an online account:

- Request tax transcripts
- Check your outstanding tax balance and schedule payments
- View your payment history
- Review current payment plans and apply for new ones
- View IRS notices before they arrive in the mail (not available for all types of notices)

- Update and save bank account information

Organize 2023 tax documents

While an IRS online account can help you access tax documents for prior years, you'll still need to gather all your documents for 2023. This might include documents regarding life changes, such as having a new baby or getting married. It's also a good idea to organize receipts for expenses, big and small (for example, property taxes and mortgage interest). Gathering all your information just after the holidays and before tax season begins can make filing your taxes easier than if you wait.

Of course, you will also need your W-2s and 1099s (which you should receive in early 2024), but if you're self-employed or work as a freelancer, you might want to organize receipts and review bank statements that you already have access to.

It's important to have all year-end documents to file your income tax return. Having all the necessary information before you file minimizes the risk of making a mistake and needing to file an amended return.

Review IRS tax changes for 2023

IRS rules can change from year to year. So, it's a good idea to review any 2023 tax changes before you file your tax return in early 2024.

For example, the standard deduction amounts are inflation-adjusted each year, so they are higher for 2023 than they were last year. Income tax brackets and several contribution limits (including for medical and retirement savings accounts) have also been adjusted for inflation.

Consider a tax pro

Now is a good time to consider who will prepare your taxes or if you will file them yourself. There are plenty of tax preparation options available, including software that can guide you through the process (such as those provided by Intuit's TurboTax and H&R Block). You might also choose to hire a tax professional, such as an accountant, enrolled agent, or tax lawyer, especially if your tax situation is complex.

Taxpayers with an AGI of \$73,000 or less may be eligible to use the IRS Free File program. Eligible taxpayers may also be able to file their state income tax returns at no charge through one of the IRS Free File partners.

