

Steer clear of typical tax return errors; May 17 deadline nears

Some mistakes on tax returns can slow refunds

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WASHINGTON — The Internal Revenue Service today reminded taxpayers to check their tax returns for common errors that could delay refunds or otherwise affect normal processing. Here are some ways to avoid tax return slipups as the May 17 due date gets closer.

Use electronic filing. Filing electronically, whether through IRS [Free File](#) or other [e-file](#) service providers, is a great way to cut the chances for many tax return mistakes and maximize deductions to reduce tax owed at the same time. The tax software automatically applies the latest tax laws, checks for available credits or deductions, does the calculations, and asks taxpayers for all required information.

Report all taxable income. Be sure to have income documents on hand before starting the tax return. Examples are Forms W-2, 1099-MISC or 1099-NEC. Underreporting income may lead to [penalties and interest](#).

Get names and Social Security numbers right. Enter each Social Security number (SSN) and individual's name on a tax return exactly as printed on the Social Security card. Persons generally must list on their individual income tax return the SSN of any person they claim as a dependent. If a dependent or spouse does not have and is not eligible to get a SSN, list the [Individual Tax Identification Number](#) (ITIN) instead of a SSN.

Learn about filing status. If taxpayers are unsure about their filing status, the [Interactive Tax Assistant](#) on IRS.gov can help them choose the correct status, especially if more than one filing status applies. Tax software, including IRS Free File, also helps prevent mistakes with filing status.

Correctly answer the virtual currency question. The 2020 Form 1040 asks whether at any time during 2020, a person received, sold, sent, exchanged or otherwise acquired any financial interest in any virtual currency. If a taxpayer's only transactions involving virtual currency during 2020 were purchases of virtual currency, they are not required to answer 'yes' to the question.

Mail paper returns to the right address. Paper filers should check the right address for [where to file](#) on IRS.gov or on form instructions to avoid processing delays. Note that due to staffing issues related to COVID-19, processing paper tax returns could take much longer than usual. Taxpayers and tax professionals are encouraged to file electronically if possible.

Use the right routing and account numbers. Requesting direct deposit of a federal refund into one, two or even three accounts is convenient and allows the taxpayer access to his or her money faster. Make sure the financial institution routing and account numbers entered on the return are accurate. Incorrect numbers can cause a refund to be delayed or deposited into the wrong account. Taxpayers can also use their refund to [purchase U.S. Savings Bonds](#).

Sign and date the return. If filing a joint return, both spouses must sign and date the return. E-filers can sign using a self-selected personal identification number (PIN).

Keep a copy. When ready to file, taxpayers should make a copy of their signed return and all schedules for their records.

Request an extension, if needed. Taxpayers who cannot meet the May 17 deadline can easily request an automatic filing extension to Oct. 15 and prevent late filing [penalties](#). Use Free File or [Form 4868](#). But keep in mind that while an extension grants additional time to file, tax payments are still due May 17.