

Tennessee Society of CPAs
201 Powell Place
Brentwood, TN 37027
615/377-3825
www.tscpa.com

FOR IMMEDIATE RELEASE
Wednesday Feb. 18, 2014

CONTACT:
Jared Booth
Communications/Technology Associate
jbooth@tscpa.com

Five Tax Deductions You Should Not Overlook

Did you run up expenses searching for a new job in 2014? Or did you use your car while helping out at a soup kitchen? Are you a self-employed person who paid Medicare premiums out of your own pocket? If so, you may be eligible for one of the many tax deductions that people often fail to take. The Tennessee Society of CPAs provides details on frequently missed deductions that you should not overlook as you prepare to file your taxes this year.

1. Job Search Costs

If you spent money creating and mailing resumes, traveling to interviews or paying an employment agency, you may be able to deduct those costs if you were seeking a job in a field related to your current job. It may also be possible to deduct the costs of moving to take a new job, depending on how far your new workplace is from your old home and how long you work at the new job.

2. Charitable Contributions

You're probably aware that you can deduct the cash you chip in for your favorite cause, but what about donated clothes or the value of miles you ran up running errands for a charity? However you made your donation, you may be eligible to deduct its value on your return. Your contribution must meet Internal Revenue Service requirements, of course, which means, among other things, that you must give to a qualified organization as designated by the IRS and that you should maintain an appropriate record of your contribution.

3. Some Divorce-Related Costs

If you get a divorce, you generally can't deduct the related legal fees or court costs. However, there are some divorce-related expenses that may be deductible. You may be able to deduct legal fees paid for tax advice in connection with a divorce and legal fees to get alimony. Alimony paid to an ex-spouse may also be deductible, but child support and noncash property settlements are not.

4. Certain Educational Expenses

In a fast-paced business world, many people return to school to brush up on their skills or explore a potential new career. If you hit the books in 2014, or plan to do so this year, you should be aware of the Lifetime Learning Credit, which is available to taxpayers throughout their careers. In a nutshell, you can deduct 20 percent of up to \$10,000 that you used in any given year for qualified education expenses at an eligible educational institution that helps improve your career. There are income limits on the credit, so be sure to check with your CPA for more details.

5. Breaks for the Self-Employed

Making contributions to a qualified, tax-advantaged retirement plan is always a good idea, for any taxpayer, but it's especially appealing if you're self-employed. Those who pilot their own ships have a variety of retirement savings options. Don't miss this chance to lower your taxable income and build a strong foundation for your retirement. As we mentioned, there are also potential deductions for Medicare premiums, and you may also qualify to write off costs for the business use of your home, work-related auto or education expenses, depreciation, and entertainment, advertising or even banking costs.

Your Local CPA Can Help

Are you taking all the deductions you're eligible for? If you're not sure, turn to your local CPA. He or she can help answer all your tax questions and provide timely advice you can use to make smart decisions about all your financial concerns.

About Money Management

Money Management is a column on personal finance that is a joint effort of the AICPA and the Tennessee Society of CPAs, as part of the profession's nationwide 360 Degrees of Financial Literacy program. Members of TSCPA are CPAs residing and practicing primarily in Tennessee in all areas of public accounting, education, government, business and industry. TSCPA offers a speakers bureau for many types of business and educational engagements. For details, visit www.tscpa.com. TSCPA is headquartered in Brentwood, Tenn.