

Tax return problem

Finance



Tax return problem Various considerations are to be made in the calculation of the taxes. The American tax system offers that tax is imposed on an individual's gross income, despite the source of income. Primarily to obtain the various tax that the Deckers' were collectively going to pay, their current situation was compared to the situation that the tax organization took into consideration. Afterwards, a number of schedule sheets showing their incomes and expenditures was prepared. Regardless, it is crucial to understand that most expenses that the Deckers' experienced are not excluded from the taxation imposed on all people.

For instance, the capsizing of Paul's boat is not exempted from the tax imposed on his income, but his sale of shares and the profits that he made from the sale of Acme shares are included in the tax thus increasing the amount he is taxed overall. Secondly, the addition of the extension to their house to accommodate Hanna, leads to an increase in the property tax.

Another major consideration that has to be imposed is the child support they receive from Bob, since the paper requires the child tax laws to be ignored. Such considerations had to be included in the calculation process.

Primarily, income, expenditure and property changes schedule were included to evaluate the changes in the amounts. After the schedule was evaluated, then the tax calculations were made. The focus was put on the changes in the tax, using the same ratio as that imposed by the IRS on previous incomes. Alternatively, all the additional incomes would be collectively collected and then taxed. Additionally, the unreimbursed expenses that Paul underwent were not considered, as the latest the tax refund will be made is in December 2012. This shows that despite the fact that they were unreimbursed, by the time the refund is made the tax will have already been

imposed for the next year, thus showing that it will be exempted from the next year tax.

Work Cited

Lasser, J. K.. J. K. Lassers Your Income Tax 2011: For Preparing Your 2010 Tax Return. California: John Wiley & Sons, 2012. Print.