

# [Individual for taxation](https://assignbuster.com/individual-for-taxation/)

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Since the couple’s itemized deductions are far less than their standard deductions, the standard deduction is a favorable decision (J. K. Lasser Institute, 2012).   
To be certain, Michael and Frances can have their lawyer or tax experts draft their returns for both alternatives. Michael and Frances have been handing over joint returns for a while. Inflation fluctuations and changes in the current permanent tax laws are made to aid in easing the marriage penalty. The couple should always want to employ the standard deduction technique that offers them the largest tax merit (Wodon, 2014). As a couple, Michael and Frances spend moderately on health insurance, loan payments, state and domestic taxes, generous contributions, and a range of miscellaneous items. As a result, the couple would largely consider itemizing deductions. However, the recent purchase of a new home makes itemizing option unfavorable.   
The situation in 2013 is that the purchase of the new home eased the couple’s filing of their joint return owing to paying the deduction of acquisition mortgage and unreimbursed employee business costs. The sum amount of standardized deductions is far more than the itemized ones (Eng, Galper, Ivsin, and Toder, 2013). In 2013, the couple can prepare the joint return by making standard deductions. A standard deduction should allow the couple to go into itemized deductions in the future. A standard deduction in 2014 should allow the couple to choose the most valuable deduction alternative for them or compel them to select one or the other.   
An issue I identified with the situation is the couple’s filing condition. The case study does not specify whether the couple has ever filed a joint tax return separately before 2013. If so, then the couple’s record should indicate joint effort.