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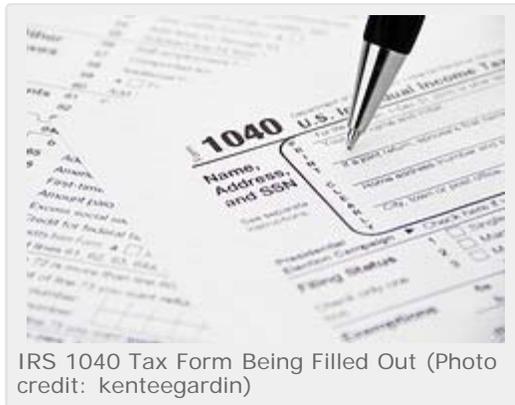
THE TAX LAWYER

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5 Simple Rules to Follow When Amending Your Tax Return

You forgot to report some income on your 1040 or just got a corrected [Form 1099](#) or [K-1](#) in the mail. What should you do? Here are 5 tips for amending returns.

1. Amended returns aren't mandatory. You might be surprised to find you are not obligated to file an amended return, even though tax advisers may tell you it's a good idea—that's because the IRS will probably send you a bill based on the revised Form 1099 or K-1 once IRS computers match that form against your [Form 1040](#). For more on IRS computer matches, [click here](#).



IRS 1040 Tax Form Being Filled Out (Photo credit: kenteegardin)

Amended returns are not mandatory even if something happens after you file that makes it clear your original return contains mistakes. Ask if the return you filed was accurate to your best knowledge when you filed it. If it was, you are probably safe in not filing an amendment.

Conversely, if you knew your return was inaccurate when you filed it, you should amend it to make it accurate without delay. The IRS rarely brings up an originally filed return in civil audits or criminal prosecutions once the taxpayer attempts to correct it by filing an amended return. But to take advantage of this rule, you need to be proactive, and you need to make the correction before the IRS finds your error.

2. You can't cherry-pick what you correct. You don't *have* to file an amended return, but if you do, you must correct everything. You can't cherry-pick and only make corrections that get you money back and not those that increase your tax liability. If you amend, you must correct all errors, not just the ones in your favor. See [Beware Amending Tax Returns](#).

3. Some errors don't merit amending. Math errors are not a reason to amend, since the IRS will correct math errors on your return. Likewise, you usually shouldn't file an amended return if you discover you omitted a [Form W-2](#), forgot to attach schedules, or other glitches of that sort. The IRS can process your return without them or will request them if needed.

Certain parts of your original return *can't* be changed by an amended return. For example, you *can* change your filing status on an amended return from married filing separate to joint, or from qualifying widow(er) to head of household status. However, you *cannot* change from married filing joint to married filing separate after the due date for the original return (usually April 15) has passed. For more on filing status, see [Consider Tax Filing Status Carefully](#).

4. Timing counts. You must file a [Form 1040X](#), Amended U.S. Individual Income Tax Return, within three years from the date you filed your original return or within two years from the date you paid the tax, whichever is later. This either/or test can give you extra time, but it is safer to amend within three years of your original return so there's no dispute. See [IRS Tax Topic 308, Amended Returns](#).

How soon is *too soon* to amend? You can file an amended tax return right on the heels of your original return if you like. However, if you are filing to claim an additional refund, you should wait until after you have received your original refund before filing Form 1040X. You may cash the first check while waiting for any additional refund.

5. Only paper will do. Amended returns are only filed on paper, so even if you filed your original return electronically, you'll have to amend on paper. Amended returns are prepared on [Form 1040X](#). You must use this form whether you previously filed [Form 1040](#), [1040A](#) or [1040EZ](#). Label the top of the 1040X very clearly with the tax year you are amending. See [IRS Instruction 1040X](#).

Soon I'll post 5 more Tips for Amending Returns.

For more, see:

[Filing Taxes? Beware Sharp Increase In Audit Rates](#)

[IRS Allows Tax Return Do-Overs](#)

[Paper Or E-File Your IRS Return?](#)

[On Tax Returns, Don't Forget Form 1099 Traps](#)

[Beware The Too-Good-To-Be-True Tax Refund](#)

[Watch Your Mail For 1099s](#)

[Tax Filing Status For Same-Sex Partners](#)

[One More Tax Filing Status: Same Sex Partners?](#)

[Does Going On Return Filing Extension Increase IRS Audit Risk?](#)

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