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IRS Will Start Processing 2012 Tax Returns January 30, 2013

The IRS plans to begin processing 2012 tax returns January 30, 2013, it has announced. With the massive fiscal cliff tax bill enacted January 2 that is mostly retroactive, the IRS has its work cut out for it. There are forms and instructions to revise, not to mention computers to retool.

While the IRS says that it worked to anticipate Congress' last minute tax law changes, the final law required the IRS to do considerable updating and processing before accepting tax returns.



The good news is that the vast majority of tax filers — more than 120 million households according to the IRS — should be able to start filing their tax returns January 30. In fact, the IRS notes that it will be able to accept tax returns impacted by the retroactive AMT patch as well as the three big extender provisions:

- People claiming the state and local sales tax deduction;
- Higher education tuition and fees deduction; and
- Educator expenses deduction.

As to filing electronically or on paper, the IRS says you can do it either way. But make no mistake, the IRS is giving a new push to electronic filing, noting that it will make the process easier and faster. More than 80% of taxpayers filed electronically last year.

Waiting to File? Despite the massive IRS effort to get filing going right away, some taxpayers will need to wait until late February or March. Examples include people claiming residential energy credits, depreciation of property or general business credits. The IRS hopes to begin accepting tax returns including these tax forms between late February and into March. The IRS says it will announce a specific date in the near future. Key forms that require more extensive programming changes include Form 5695 (Residential Energy Credits), Form 4562 (Depreciation and Amortization) and Form 3800 (General Business Credit). A full listing of the forms that won't be accepted until later is available on IRS.gov.

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