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THE TAX LAWYER

Dec. 30 2012

### Six Money-Saving New Year's Resolutions

“I will pay less tax” may sound like a good New Year’s resolution, but it may not be possible in 2013.

See [Year-End Tax Planning Despite the Cliff](#). Besides, resolutions should be manageable and concrete. Here are six that will save you money in 2013 and beyond.



#### **1. I Will Consider Taxes**

**Before Signing Agreements.** Most agreements you sign in business have a tax angle. Many in your personal life do too. Settlement agreements resolving litigation, a sale agreement for a company or real estate, a lease for office space, an option to buy property, or a license agreement to use property can all have a tax impact. Consider taxes **before** signing and negotiate what you can. See [Your Pain, The IRS' Gain](#).

**2. I Will Pay Attention to Every Form 1099.** Each one of these slips of paper bears your Social Security Number and will be matched to your tax return. Their importance is [increasing](#). It’s almost January when the ubiquitous forms show up in the mail so get ready. See [Ten Things You Should Know About 1099s](#). Pay attention to these forms—the IRS does. See [Three Tax Mistakes You Make Every Day](#).

**3. I Will Keep Good Records.** Good records make any tax matter vastly easier. See [Ten Ways To Audit Proof Your Tax Return](#). Keep proof you timely mailed returns, protests, correspondence, etc. So you can prove when you sent it, send it certified, FedEx or other approved provider that proves timely mailing and receipt. See [Ten Things To Know About Fighting An IRS Bill](#).

**4. I Will Consider Taxes Before Hiring “Independent Contractors.”** Few consumers consider whether the plumber doing a one-time task is an employee or independent contractor. But if you’re in business and have continuing relationships with workers, consider whether an independent contractor relationship will stand up. See [10 Reasons to Worry About Worker Status Disputes](#). 2013 could be a big year for reform. See [White House On Contractor vs. Employee: There Will Be Blood](#).

**5. I Will Handle Tax Notices Promptly.** Many tax lawyers and accountants find that many clients do not deal with problems promptly. See [Ten Things To Know About Fighting An IRS Bill](#). Often, tax professionals could achieve a better result if they were brought in earlier. See [Received An IRS Notice? 10 Simple Tips](#). Whenever possible, be prompt. When you need an extension, get it in writing.

**6. I Will Run Numbers.** Often, there’s no way to know if you’re getting a tax benefit from a deduction without running numbers. Whether you prepare your own return or have a preparer, running numbers will help you make better and more informed decisions. Multiple scenarios are especially helpful with [AMT](#). See [The Only Good Legal Fees Are Tax Deductible Legal Fees](#).

Whatever your New Year’s resolution, 2013 promises to be a year with major tax developments.

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