



## Robert W. Wood

THE TAX LAWYER

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### Five More Ways To Audit Proof Your Tax Return Against The IRS

I suggested [five ways to audit proof your tax return](#), and here are five more that may help you to avoid a fight with the IRS. Some what-triggers-an-audit speculation is just that. However, there are some basic things you can do to help reduce your chances of being picked for an audit. They could also help make any interactions with the IRS less traumatic.

**6. Assemble your return correctly.** I know, this one sounds silly, but try to be organized. If you file electronically, follow those instructions carefully. If you file on paper, make sure to follow the IRS instructions for *assembling* your return. Usually, that means the return itself, followed by schedules in alphabetical order, ancillary forms in numerical order, and plain paper statements and footnotes at the end. Attach Forms W-2 where specified. Do not attach forms that are not required such as Forms 1099.

**7. If you receive a small bill, pay it.** This isn't technically a return preparation item, but it's important and does relate directly to audits. If the IRS sends you a small bill, consider paying it rather than fighting it, even if you think the IRS is wrong. Why might you pay a bill if the IRS sends you one? The answer is more practical than principled.



It usually doesn't pay to fight with the IRS over something small, especially if there are bigger issues that could be raised. There usually are, correct? If you are writing letters and fighting over a \$100 bill, the IRS may spot a \$20,000 issue and ask about that too. So, if the tax bill is small, it can be worth paying it and moving on. It may not be worth getting into the system and risking bigger problems for a few dollars. Of course, what is small to one person is a major bill to someone else. There's no absolute standard here. At least consider the possibility of paying a tax bill unless you are sure you're better off contesting it.

**8. Electronic or paper?** I used to think it was smart to avoid electronic filing whenever possible. But I've given up on that idea. The IRS is so committed to encouraging electronic filing, that often you have to go to special trouble to file on paper. In fact, the IRS boasts that [over 125 million 2014 returns](#) were filed electronically. Electronic filing is the future and will be required for every return someday soon.

It is already required for most preparer-paid returns in all but the smallest of tax preparation offices. Of course, there are still some kinds of forms that can't be filed electronically. And if you request special dispensation you can still file on paper. But if your return can be filed electronically, it may have reached the point that a paper return may stick out.

Paper filing means it's more work for the IRS to access all the information in your return, but many people think electronic filing is great. Electronic filing is faster, and if you are entitled to a refund, you can receive it faster.

**9. Don't amend without thinking.** The flip side of paying a small bill is not amending a tax return just to get a small refund. Amended returns are reviewed more regularly than initial returns. So if you forgot a deduction or otherwise think you can get a small amount back by amending,

think twice before amending your return. Consider whether you might have bigger problems if other matters on your return, unrelated to the amendment, are reviewed. Besides, in any amendment you can't cherry-pick what to change. If several things were wrong on the original return, you must correct them all if you file an amended return. You are signing the return and the amendment under penalties of perjury.

**10. Don't ask for your money back.** If you are entitled to a refund, consider applying it to your next year's tax payments, rather than asking for the refund in cash. You'll have a lower profile if you file a return applying a whopping refund to estimated tax payments for the current or future years. This logic applies to both initial returns and to amended ones.

No matter how careful you are, there's no way to guarantee you'll never be audited. Sometimes your number just comes up. If that happens, chances are it will be by correspondence, so get organized and be responsive.

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