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Understanding Tax Liabilities by [Clemencia Summers](#)

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Tax is a definite portion of the income of an individual or business that the government regularly deducts to fund public works. A country's tax system depends on tax incidence or the analysis of the effect of tax on economic welfare. The tax levied to a business is called corporate tax, treated almost similarly with the tax levied to an individual.

Every year, taxpayers are required to submit tax returns with the Internal Revenue Service (IRS). These are documents that contain reports on their income during the recent year, tax deductions, and adjustments applied resulting from inflation and other factors that affected the tax liabilities. The IRS provides different forms that taxpayers can use to make their reports. The forms categorize the information to be reported.

Many taxpayers often mistakenly refer to a refund of over-withheld taxes as "tax returns." What they are most probably referring to is the "tax refund," a type of transaction applicable if the tax returns reflect over-withheld taxes. Meaning, the taxpayers can file for tax refund, usually at the end of the year, if their income liabilities are less than the taxes paid as reflected in the tax returns.

In other words, a tax return is only a report of tax liabilities and payments and does not directly involve payments or refunds. The Internal Revenue Code defines other transactions that involve tax payments and refunds, which tax payers who can encounter while processing their tax information. The taxpayer must send the tax returns directly to the IRS and a copy of it to the payee to ensure accuracy in reporting.

An individual or a business entity that finds tax returns complicated can seek IRS tax audit help in San Jose. The diverse industries and fast growing economy of the city makes it a perfect home for experts in audits and revenue systems. If only tax returns only require information as fundamental as the total annual income and the due deductions, the process would be less complicated. Unfortunately, deductions from various sources complicate the computations involved.

The specific date declared by the government for taxpayers to submit tax returns is called Tax Day. This day normally falls on a business day on or after April 15. The IRS business audit in San Jose and other means of accurately accomplishing tax returns must all be done prior to that date.

If you would like to read some more about tax returns, such as how to file back tax returns, WiseGeek.com is a good place to start your research. This website provides detailed information about a wide array of topics including taxes.

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