

Personal Finance: Income-Tax Hints

By **ROBERT J. COLE**

Preparing income tax forms is not exactly the greatest indoor sport in the world, but if you have a legitimate reason to postpone the day of reckoning, the Internal Revenue Service can be very accommodating.

Its little-known Form 4868—officially designated as "Application for Automatic Extension of Time to File U.S. Individual Income Tax Return" will most likely get you a 60-day reprieve.

Unlike the 1040 long form, for taxpayers who itemize their deductions, the 4868 is simple to fill out and should take less than 10 minutes to complete.

Although the revenue service has the authority to reject an application, it generally will grant one, if filed before April 15—and if one sends in a close approxima-

tion of the money he owes.

If you send in the application and hear nothing from the I.R.S., the extension is automatic.

While further extensions are also given, they are granted "only under very unusual circumstances," the I.R.S. said. Moreover, it takes another form, No. 2688, or a letter. Extensions beyond the first two months "are not given as a matter of course," it noted, "the reasons must be substantial."

Applications are mailed to the same address as other tax returns, listed on Form 1040 instruction sheets.

* Amended Returns Possible

Talking about tax forms, the revenue service also has a Form 1040X, called "Amended U.S. Individual Tax Return," which, as it implies, is for someone who wishes to amend his return. Then there is Form 942,

"Employer's Quarterly Tax Return for Household Employees," which must be filled out by people who have household help. The form must be sent to the I.R.S. along with the name of each employe who received cash wages of \$50 or more in a calendar quarter.

The instructions with Form 942 say that you may deduct Social Security taxes from the employe's wages or pay it yourself.

And, too, the service pointed out, you must list the Federal income tax withheld, if the employe requests it, on Form W-4. If you pay the income tax yourself, it is "additional income" to the employe—and must be included on the employe's W-2 "Wage and Tax Statement." You also must send the I.R.S. a copy of the W-2, together with the 942 if you withhold the income tax.