

5 “Fun”-ctional Tips for Organizing Your Tax Documents This Year

There are only two guarantees in life, death and taxes, and with the season fast approaching, it's time to start getting your tax documents in order. We know: *ugh*. You don't want to put it off again this year, but it's certainly not topping the charts when it comes to priorities.

What if we told you creating an organization system that works for you doesn't have to be a painstaking process. In fact, what if we said it could actually be... fun?

You heard us right. Don't find yourself scrambling to get everything together at the last minute again. Pour a glass of your favorite wine and make a night of it with these five fun (and functional!) tips for getting your tax documents organized this year. The best part? This system will have you hitting the ground running when tax season rolls around next year.

#1 - Color Code

You've heard everything's better with a splash of color, but did you know the same can apply to your taxes? Seriously. Ditch the manilla and invest in some funky folders and a colorful accordion box. If you're feeling especially fancy, check your local office depot for some ornate labels and a flashy felt pen. If you have business or rental expenses, we also recommend picking up a small pack of envelopes for sorting.

Designate a color for each type of receipt or document. You'll want to make two of each folder: one for this year and one for next. If you run out of options and have to double up on colors, don't sweat it.

#2 - Take Stock

Grab a notepad and put that flashy pen to work in round two: taking stock. Denote a category on each page followed by a list of all the documents you need to track down for that category. If you have a partner available, you might invite them in (using a wine incentive, of course) to ensure you've covered everything. The most common categories are employment, investment, business, and rental income and vehicle (if you have a business), medical, charitable, education and childcare expenses. If you run a business

out of your home, you'll also want to gather expenses related to your home, such as utilities, repairs and maintenance, phone and internet.

#3 - Think Scavenger Hunt

This is the fun part. Go through each list and either track down the physical document or receipt or print off your digital copy. Take another sip and think of it like a scavenger hunt. For a real thrill, grab a box of chocolates and reward yourself with one for each category completed. Use a paperclip or alligator clip to attach the corresponding list to each finalized pile of documents and set it aside (for business expenses, sort into categorized envelopes first).

#4 - File Away

Now that you've got everything together, you're ready to start filing! Lay everything out in front of you and review each list for things you might have missed. Once you're satisfied, file each pile in the corresponding folder and voila! You're done. Yes, you can admit you actually might've had a good time.

#5 - Invest in a Receipt Wallet

Don't go just yet. You have a change purse, but stuffing all your receipts in the bottom of your bag is just asking for trouble. Reward your efforts with a jazzy wallet designated specifically for your tax-deductible receipts. Empty it out once a month and organize it using your colorful new system. Guess what? When tax time creeps up next year, you'll be ready to take it by the horns.

Are you ready to rock your accountant's world? We sure hope so. Let us know how it goes and if you need more tips for getting organized this season, give us a call! We're here to help.