

Do Not Pay Tax on Nontaxable Income

There are several sources of revenue that are not subject to income tax.

Here are the most common sources of money that are not taxed on your federal income tax return:

- * Borrowed money, such as from banks or personal loans.
- * Money received as a gift or inheritance from family or friends.
- * Money paid on your behalf directly to a school or medical facility.
- * Most life insurance proceeds.
- * Cash rebates from businesses when you buy an item.
- * Child support payments.
- * Money you receive for sustaining an injury.
- * Scholarships for tuition and books.
- * Disability insurance proceeds from a policy purchased with after-tax dollars.
- * Up to \$500,000 of profit for a married couple selling their personal residence.
- * Interest received on municipal bonds.

If you have included any of these as taxable income on your income tax return for the past three years, you can amend your return for a tax refund.

If you want to be sure you do not pay more tax than required, we are available to help. Feel free to contact our office at inquiries@mangoldcpa.com or 512-327-0909.