

Itemized Deductions

To take the Standard or Itemized Deduction?

Each US Resident is given a deduction on their income taxes that says the first specific number of dollars made is not taxed. You can take either the standard deduction or itemized deduction. See below to determine which is best for you. (NOTE: For most people, the Standard Deduction is more beneficial)

- The Standard Deduction for 2024 is:
 - Single or Married Filing Separate—\$14,600
 - Married Filing Jointly or Qualifying Surviving Spouse—\$29,200
 - Head of Household—\$21,900
- The Itemized Deduction includes the sum of the following:
 - Medical/Dental over 7.5% of your adjusted gross income
 - out-of-pocket co-pays, lab fees, hospital, prescriptions, eye exams, glasses/contacts, x-rays, and other tests, insurance policy premiums (not those that you get through work with pre-tax dollars), and long-term care policy premiums
 - mileage driven to and from doctor's offices and hospitals (rate is 21 cents per mile for 2024)
 - Mortgage Interest and Expenses
 - Only claim mortgage interest if the mortgage was used to buy, build, or improve the home – not if the loan was used for other debt reasons.
 - Real Estate Taxes – can be entered under the mortgage section or under the taxes section. **Only enter once!**
 - Taxes you Paid
 - Additional state and local income tax – **not** from W2. That will automatically carry forward. Usually, this will be blank.
 - Real Estate Taxes – can be entered under the mortgage section or under the taxes section. **Only enter once!**
 - Sales Tax – you can claim a portion of sales tax on certain large ticket items such as cars, trucks, RVs, or boats
 - Gifts to Charity

NOTE: Put all qualifying medical expenses into the system. TaxSlayer will calculate the 7.5%

NOTE: Use the Sales Tax worksheet to calculate sales tax deduction

- Cash donations to a 501(c)3 organization or church
- Non-cash goods up to \$500. If it is over \$500, it is out of scope for our program.
- Miles driven from home to a volunteer position and back home. (2024 charity rate is 14 cents a mile)
- Unreimbursed Employee Business Expense – Out of Scope for this program
- Job-Related Travel Expenses Form 2106 – Out of Scope for this program
- Miscellaneous Deductions
 - Gambling: Losses only to the extent of winnings can be deducted
- Less Common Deductions – Out of Scope for this program

After entering your itemizable deductions, on the Deductions page in TaxSlayer, you can compare Itemized vs. Standard to see which is better for you.

Is there a time when someone IS FORCED TO ITEMIZE? YES.

- A married individual filing as married filing separately whose spouse itemizes deductions. If one spouse itemizes the other is forced to itemize as well.
- Non-resident taxpayers filing 1040NR (except for those from India) are not entitled to a Standard Deduction (1040NR is Out of Scope except for Foreign Student certified volunteers working with Foreign students).