

How about taking a test?

Is It Tax Deductible?

January 2013

Now that all the drama surrounding the "fiscal cliff" seems to be behind us and Congress has extended the Bush tax cuts for all but the wealthiest Americans, it's time to get to work on your 2012 tax return. And that means it's time to keep more money in your pocket by finding every legitimate tax deduction you can.

To help, we want to share 10 frequently asked tax questions from visitors to kiplinger.com seeking to pay as little as possible -- legally -- to Uncle Sam. See if you can separate the legitimate deductions from the ones that would trigger a "not so fast, buddy" response from the IRS.

Is It Tax Deductible?

Question 1 of 10:

You are volunteering your services as a carpenter to a non-profit community home-builder. Nice tax deduction, right?

- A. True
- B. False

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Question 2 of 10:

You accept a new job that requires you to move. You can write off your moving costs even though you don't itemize.

- A. True
- B. False

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Question 3 of 10:

Alimony is tax deductible

- A. True
- B. False

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Question 4 of 10:

Court-ordered child care support payments are deductible, too.

- A. True
- B. False

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Question 5 of 10:

Your children attend private elementary schools and private high schools. Is their tuition tax-deductible?

- A. Yes
- B. No

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Question 6 of 10:

Your father made a payment on your college loan. Who gets to claim the student-loan interest tax deduction?

- A. Dad
- B. Child

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Question 7 of 10:

You can deduct the taxes you pay to your state on your federal income tax return even if you don't itemize your deductions.

- A. Yes
- B. No

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Question 8 of 10:

You spent a few weekends in Vegas last year. One weekend, you won money. The other, your wallet came back a little worse for wear. Luckily gambling losses are tax deductible.

- A. True
- B. False

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Question 9 of 10:

You have made a large number of charitable donations in one year. Sky's the limit on doing good -- and cutting down taxable income, right?.

- A. True
- B. False

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Question 10 of 10:

When you donate your old car to charity, what's the write-off?

- A. Kelly Blue Book value
- B. Price at which the donated car is sold by the charity