

New Law's Tax Cuts Mean Extra Cash Now

One good thing about the tax cuts in the new law is that most people didn't have to wait long to start seeing the savings. Employers have generally lowered the amount of federal tax withheld from their workers' paychecks, reflecting lower tax rates for most people and a larger standard deduction for married couples. The Treasury mailed checks to most people who claimed the Child Tax Credit last year, as an advance payment of the credit's increase. And these mailings will continue until the end of the year to eligible taxpayers who filed after April. If you claimed this credit on your 2002 tax return, you may be eligible for up to \$400 for each qualifying child. That's the difference between the old maximum credit of \$600 and the new amount of \$1,000.

You don't have to do anything to get these benefits. Your employer adjusts your paycheck withholding based on the W-4 form you had on file. The IRS figures if you're entitled to any advance Child Tax Credit payment and has it sent straight to your mailbox – automatically! You don't have to call, apply or fill out another form.

Some other changes aren't so automatic, but could also mean extra money in your pocket. Lower tax rates for long-term capital gains and qualifying dividends may allow you to reduce your estimated tax payments for the rest of the year. An increase in the Alternative Minimum Tax exemption may insulate you from that tax computation. Business owners may claim larger first-year depreciation allowances and Section 179 expensing amounts.

Check out these links for details on the new tax law's savings:

- **Advance Child Tax Credit Payments:**
 - [IR-2003-68](#) — Taxpayers to Receive Advance Child Tax Credit This Summer
 - [IR-2003-90](#) — Advance Child Tax Credit Payments Begin July 25
 - [IR-2003-98](#) — Taxpayers Can Track Advance Child Tax Credit Checks
 - [FS-2003-13](#) — Advance Child Tax Credit Payments
 - [Frequently Asked Questions about Advance Child Tax Credit Payments](#)
 - **Where's My Advance Child Tax Credit? — If you claimed the Child Tax Credit on your 2002 return, you can check on the status of your advance payment.**
 - [Mailing Schedule for Advance Payment Checks](#)
 - [State-by-State Distribution of the Accelerated Increase in Child Tax Credit](#)
 - [Scam Targets Potential Advance Payment Recipients — Offer to "Speed Up" Your Check Is a Rip-Off](#)

Tax Withholding Tables for Employers

Estimated Tax Payments (Individuals)

- [IR-2003-105](#) — Corporations may postpone part of Sept. 2003 estimated tax payment