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ISRAELI TAX REFUNDS FOR EMPLOYEES

Individuals in Israel that are employed aren't required to file Israeli Tax Returns unless their earnings in the year 2003 from salary and rent exceeded 520,000 shekels. Since an individual isn't required to file he may be unaware of the opportunity to receive a refund if he meets various qualifications that weren't taken into consideration when his salary was prepared by his employer. This refund may also be applied for six years retroactively. Some of the major reasons for getting a refund are as follows.

1. If a person worked in more than one place and was overtaxed in his additional places of employment.
2. If a person was employed for only part of the year.
3. If a person (husband, wife or child under 18) contributed independently to a life insurance policy or kupaat gemel that were not included on his salary slip and on condition that not all of his salary was covered by social benefits, he can qualify for the tax benefits by filing a tax return.
4. If a person contributed to a recognized public institution he can receive in the tax year 2003 a 35% tax credit of the amount above 370 shekels and on condition that the contribution isn't above 2,120,000 shekels or 30% of his taxable income or the lower of the two.
5. If an employed person paid for further study courses in his own profession in order to keep up with standards in his profession and on condition that he wasn't reimbursed for these expenses by his employer.
6. If an employee paid for professional books in his profession he may deduct this expense from his taxable income.
7. If an employee pays professional organization dues in his profession, he may deduct this expense from his taxable income.
8. If an individual is disabled due to illness or an accident temporarily and is considered disabled 100% and in some cases 90% he can be waived from taxes accordingly. In certain cases it is also possible to apply for disability retroactive.
9. New immigrants should check to see if they received the additional tax credits that are due to them.
10. Residents of Yeshuv Sfar should check to see if they received the tax credit due to them for previous years.
11. If an individual has a child with severe learning disabilities and was placed in a special education school after going through a placement committee.
12. If an individual incurred expenses in relation to a family member's residence in a nursing home.
13. Expenses paid for tax preparation are tax deductible in the year paid.

If you think that you qualify for a tax refund, bring the appropriate documents to our office and we will give you a free estimate.