

February 2022

Its Tax Time!!

Welcome to another tax season for filing your 2021 tax returns.

By now you should have received most of your tax docs such as 1099s, W-2s, 1098s, etc. K-1s tend to take their time.

On the tax and benefit side, please be aware of the following:

Advanced stimulus and/or advanced child tax credits. If you received these in 2021 then you should have also received IRS letter(s) **6419 & 6473**. The number of the letter appears on the bottom right) stating the amount of benefits you/spouse received. **Save these letters** with your W-2s and 1099s. Our tax organizers have changed to capture the information needed to prepare your tax returns accurately and to take advantage of the various benefits and credits available to you.

Tax Appointments

This tax season we plan to work with our clients via emails, phone and if preferred by some, in person appointments. We therefore request that you **email/upload** all your tax docs such as W-2s, 1099s, 1098s, K-1s etc., and your tax organizers **at least 24 hours before your appointment, including in person appointments.**

Schedule Your Appointment Online at <http://netappointment.judakallus.com/appman.php?rownumber=65>

Appointment Hours

Monday – Thursday	11 am – 8 pm
Friday	11 am – 6 pm
Saturday Sunday	2 pm – 6 pm

Tax Return Organizer

Our tax organizers will help you to compile your tax data needed to prepare your tax returns. This year our default organizers will be Excel based.

<https://www.judakallus.com/data-organizer/new-excel-based-data-organizers/>

You will find that the excel version is easy to work with and it will calculate in most sheets. It will autofill in the W-2 section.

Our original PDF organizer is also available but will only be updated, time permitting. You can still use our PDF organizers and we will edit your data entry, where its warranted due to tax form changes.

<https://www.judakallus.com/data-organizer/>

Excel or PDF, either version, it will be easy to enter your data on the screen, save it on your computer for later editing and corrections, or to be emailed/uploaded to us along with your tax docs. You may also complete the PDF version by hand. When entering amounts, please round off to the nearest dollar and no cents.

CAUTION: We heard from some of you that when you click on the above links, you get the 2020 version, not 2021. What you need to do is refresh, or clean up you're your search history.

New Clients Please email/upload your last three years of tax returns, if available.

Extensions Filing late without an extension will subject you to one of the worst penalties, up to 25% of the tax due! So, don't delay!

An extension to file your tax return is not an extension to pay your taxes. The IRS will grant you an extension without payment but will charge you penalties and interest totaling up to 25% per year on the outstanding balance. Most States have similar rules with similar penalties for extensions and late payment. Some States do not require filing an extension form.

However, **New Jersey** and **NYC-UBT** rules are more draconian. You must pay sufficient amounts with the extension, or they will invalidate your extension and charge you late filing penalties. So be generous with your NJ and NYC UBT extension payments. Remember, if you over pay, you will get a refund. If you underpay, you will get a penalty, a stiff one. So, overpay!

Should You file 1099s? If you are self-employed and have paid any freelancer, subcontractor, individual, single member LLC, \$600 or more FOR SERVICES in the course of business during the year, the answer is yes. Copies of your 1099s must be mailed to the recipients and the IRS by January 31, 2022. Late filers or inaccurate 1099s may incur penalties. On your tax return, the IRS will ask you if you paid anyone \$600 or more and if you answer yes, the next question is, "Did you or will issue a 1099?"

If you miss the deadline to file the 1099s, file late. The penalties for filing up to 30 days late are low and up to 150 days, are moderate.

If you want us to prepare your 1099s, please click on the link below and follow the directions.

Late filers or inaccurate 1099s may incur penalties, so ask your freelancers to fill a W-9.

<https://judakallus.com/files/V-1099-Data-Sheet.pdf>



Juda Kallus, EA

Final Note: If you receive any notices / correspondence from the IRS or any other taxing jurisdiction, email, mail or fax a copy of the notice to us. Many adjustments are erroneous and can be resolved with a single correspondence. Calling the IRS is often frustrating and futile. Send the notice / correspondence to us before you call us.