

PLEASE CONFIRM YOUR APPOINTMENT AS SOON AS POSSIBLE
WITH THE BEST PHONE NUMBER TO REACH YOU FOR YOUR APPOINTMENT.

DATE: _____ TIME: _____ AM PM

Kari Pel, EA, CFP® __
Paul McReynolds, EA __

PLEASE MAIL OR UPLOAD YOUR DOCUMENTS TO US BY THIS DATE: _____

Please send in your documents early to allow at least 1 week for Kari to review the information prior to your scheduled appointment time. You can mail or upload online. Limited in-person appointments in the Cypress office with Kari will be scheduled on a first come, first serve basis only. For virtual appointments, we have either phone calls or Zoom video calls available this year.

As 2021 draws to a close, it's hard to believe that we are already preparing for the next Tax Season! Where does the time go? As I mentioned in the previous newsletter, we will be conducting most of our tax appointments virtually this season again. I will miss seeing so many of you in person! Thank you for being patient and flexible as we continue to navigate the current times and to create an environment that is safe for all our clients, while meeting our clients' needs. I will have very limited openings for in-person appointments in our new office in Cypress. Please call right away as the calendar is expected to fill up quickly. The Pel & Associates staff is preparing to make this Tax Season run as smoothly as possible.

Important Information Needed for 2021 Tax Returns

There are two important items that we will need in order to prepare your 2021 Returns. Please keep the following in mind:

3rd Economic Impact Payment (i.e. Stimulus Payment): The third Economic Impact Payments started going out in March of 2021. Before limitations, the payments were calculated as \$1400 per person on the tax return. We will need to know how much you received in order properly reconcile this on the 2021 return. Please make a note if you received this and be prepared to bring that to your tax appointment.

Advanced Child Tax Credit: Some taxpayers started receiving Advanced Child Tax Credit payments beginning in July 2021. If you received any of these advanced payments, please keep track of how much you have received. This will also affect the filing of your 2021 Tax Return. We will need to know how much of the credit you received in advanced payments to properly report the balance of the credit on your 2021 Tax Return.

Please note: You can order transcripts at www.irs.gov. You can create an account online. Or, you can order a transcript to be sent by mail. This can be helpful to confirm that the IRS records match your records before we file your return. Filing with inaccurate information can cause unnecessary delays.

Special Note from Kari: I included a brief medical update in the Fall Newsletter. Thank you for all the kind words of support, the cards, and most importantly the prayers. While I would still like to keep the details private in my public discourse, I want to assure you again that I am doing very well. I did have two surgeries this past year, and I anticipate one more possibly this Spring. While the recovery has taken me away from the office for several weeks at a time, I have not been ill, and my medical team has been very pleased with my recovery. The surgeries have been preventative in nature, and so far, they have gone very well. Thank you again for your care and concern. It means so much.

Tips

- ❖ **Preparation:** Please send in documents even if you don't have everything yet. If you are mailing, you can send us the copies and keep the originals. If you will be scanning documents to us, send one file formatted as PDF. Other formats are not accepted (JPEG, PNG, etc)
- ❖ Please add up all receipts and provide a total with your documents **BEFORE** your phone appointment.
- ❖ Not sure if you should continue to itemize? Itemizing may still be an important benefit for you on your Federal or State Tax return. Please fill out the Organizer so we can best serve you and help you experience every deduction you are entitled to. Contact us with any questions related to your specific situation.

Organizer Tips If you would like to receive a more detailed organizer that lists last year's information alongside space to enter in this year's information, please call or e-mail the office. We will get one out to you right away.

- ❖ **Check W-2's and 1099's:** Please check for accuracy **BEFORE** your appointment.
- ❖ **If you sold stock:** Make sure to bring your 1099-B Forms **AND** the cost basis information.
- ❖ **If you sold a home:** Please bring closing statements for the purchase and sale.
- ❖ **Please bring any forms 1095-A, 1095-B, 1095-C received.** These forms include important information we need relevant to the Affordable Health Care Act.
- ❖ **The IRS Standard Mileage rates for 2022** As of printing, the 2022 rates have not yet been released. We will update our website and Facebook page when we have more information.
- ❖ **DMV Fees:** Remember, only the license fee, based on the value of the vehicle, is deductible on your tax return. For California vehicles, the deductible portion is listed on the bill as "License Fee" with the verbiage, "This may be a tax deduction" next to it. Please have this information available at your tax appointment. You can also check out the DMV website at www.dmv.ca.gov for more information.
- ❖ **Medicare Premiums:** In the medical section of the 2021 Tax Organizer, please indicate whether you have included your Medicare premiums as part of your insurance premiums. We want to make sure we are not duplicating this information as it is also reported on your Social Security Statement (Form 1099-SSA).
- ❖ **State Estimated Payment:** If you had a large increase in income during 2021, it might be wise to make your state tax payment before December 31, 2021. The amount may be deductible on your federal return as an itemized deduction. (Sorry, the federal tax payments are not deductible on the state return). To verify that a pre-payment of State income tax would be of benefit to you, please call the office. If you have any questions, or would like some guidance in this area, please give us a call.
- ❖ **SPECIAL NOTE FOR MINISTERS: Establishing your 2022 Housing allowance.** Remember, your housing allowance should be established each year and in advance. This firm recommends that you establish your 2022 housing allowance in December.

Additional Fees

No appointment: If you don't have an appointment and you send in your information after March 15 an additional fee of **\$25** is applied. Starting April 1, the fee increases to **\$50**.

Contact On April 1: If you contact us for an appointment on or after **April 1**, an additional fee of **\$50** will be added to the cost to prepare the return. If we receive information in April, we may recommend going on extension. The tax extension will allow us adequate time to thoroughly prepare your return.

Extension: If you need to go on extension, there is an agreement to sign and a deposit of \$25 (This is not an additional fee.)

May you have a joyful Christmas and a Happy New Year!

Kari L. Pel, EA, CFP® Dr. Paul McReynolds, EA,
Holly Sherman, Mary 'Debbie' Steiner, Kelly Douglas, Sabine Galvan



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