



Carla Manzuk • 170 E. 94th St. #1E - New York, NY 1010.28 • (212) 831-5670
www.carlamanzuk.com

I missed you all so much again this year! But we may have to hang in there for another tax season, still working together remotely. We can do this in three possible ways to proceed.

1. You can call me when you are ready and I will send you an **Intuit Link** invitation and a request for your papers. This is a secure way to send your documents online. You will need to scan and send me **.pdf** files of all your tax documents along with a totaled, itemized list of your expenses. It is now the law: only send personal info by a secure link, not by email.

2. You can call me and let me know that you are mailing me copies of all your tax info and expenses via USPS Priority Mail.

3. You can call me to schedule a time to drop by my apartment and leave me copies of all your tax documents and your deductible expenses.

If I am able to see some of you in person we must be very flexible and careful. Even though I am fully vaccinated, a breakthrough infection would force me to quarantine and cancel all appointments for at least ten days. Taxes are nerve-wracking enough for everyone involved. I'm not sure I want to put ourselves through all that.

Please visit our website: www.carlamanzuk.com, where you can go to download and print any of the worksheets you may need. Please take a look. Howard and Shikha will be back again this tax season, managing the office remotely and, most importantly, keeping things organized!

Things to remember:

- Your unemployment insurance **is** taxable by the federal government and most states, including New York. You can go online to get your **1099G**.
- So far there is no change to the deadline to file: for now, it's April 15, 2022.
- Regarding loans: If you received a PPP loan, send me all the information you have regarding it. More than likely you would not have to pay this loan back. Therefore, you **cannot** deduct any expenses you paid for with that loan money. Any other type of loan that you would have to pay back, expenses can be deducted on your Schedule C, as well as the interest on those loans.
- If you do not itemize it on your return, you can deduct \$300 (\$600 MFJ) that you paid in cash to charity as an adjustment to income. You **must** have receipts.
- While the IRS has deleted the section in Schedule A regarding employee business expenses, some states including New York and California decoupled their Schedule A forms from the IRS. Please continue to add up all your employee and investment expenses, since we may be able to deduct them from some state forms.

- Please bring your **valid state ID, driver's license or passport**, as well as your spouse's.
- For all claimed dependents, please bring their **birth certificates** and **social security cards**. You must also bring proof of **insurance coverage, medical bills** and proof of **school registration** for each child on file. In addition, bring receipts for your **childcare expenses**, stating the name of the institution, their address, their EIN and the amount paid per child. Please bring these even if you think I already have them. You must provide proof that the dependent lives with you at least six months of the year, and that you pay at least half of their expenses.
- Meals for business meetings and travel are still deductible (within limits) on Schedule C. **Entertainment expenses** have been deleted from all business expenses. The only exception to this is if you are in the performing arts and are doing research via cable, theatre, movies, performances, and internet media rentals and/or subscriptions.

Affordable Care Act (ACA) Tax Provisions

- **This year you may receive one of these: 1095A, 1095B or 1095C.** Please bring all of your information regarding your health insurance payments for the year. For more information, we have included a link to the IRS ACA page on our website (1095A for Affordable Care Ins.).

1099 Preparation

- If you or your company pay a contractor \$600 or more and can claim it as a deductible expense, you are required to file a **Form 1099 NEC** with the IRS and the State. You must mail a copy to the contractor by January 28th. We can prepare these forms for you/your company, but we must receive all necessary information (List all employee names, addresses, SSNs and income totals) no later than January 20, 2022. You can also go online and file yourself; please bring me copies.

Important Information Regarding Tax Fraud and Identity Theft

- **Do not** respond to phone calls or messages that claim you owe taxes, and never give out your Social Security Number, date of birth or other vital, personal information over the phone. **Do not** open any files sent in emails from parties whom you do not know and trust; delete the files immediately. Please consult my website for more information on protecting yourself from identity theft.

Preparation for Your Appointment- Receipts

- Please save your calendars and **all receipts** for expenses (*cash receipts, checks, charge receipts and bank statements*) so I can do the very best for you. **Calendars downloaded from your phone or computer** are considered written proof of your business itinerary. In case of an IRS or State Tax Audit, **individual receipts** for any credit card charge (paper or digital) and documentation of deductibility are now required, **not just a credit card statement**. Remember to get receipts for all charity donations, medical expenses (including transportation), mortgage interest, real estate taxes, investment expenses, business expenses and any other deductible expenses.

- The IRS has made many changes in deductions for Schedule A, but you can still deduct medical costs, real estate and income taxes, as well as the interest on home mortgages valued up to \$750,000. So I will prorate this amount for you.
- To deduct charitable contributions, you must have a letter from each charity organization stating the amount you gave them, and that you received no personal benefit in return. The letter must also state the value of any gift (i.e., dinner, tickets, etc.,) the charity gave in return, which will count against the value of your contribution.
- Diaries and proof of transportation expenses are very important. Please track all business appointments, auditions and meetings (*not commuting to a W-2 job*) and include the transportation method used (*taxi totals, and number/cost of metro trips*). If you use your own vehicle for business transportation, we will need the **beginning and ending mileage reading from the car odometer**, as well as a log tracking the business-use mileage.
- When you compile your deductions and income information, please **categorize and total** all receipts.. Again, credit card statements are not considered valid proof without receipts.
- Please bring your current banking information (*bank name, routing number and account number*) for direct tax refunds and/or payment.
- It is required by law that you **must declare all income** that is not a personal gift. Record-keeping has become very important to the IRS. Please keep careful and accurate records of your income and expenses. If you are reporting cash or check income from self-employment records, please keep a log as well as copies of the checks and deposits. Expenses and car logs must be documented, along with explanations of who, what, when, where and why.
- Once I have received all your documents and completed the return, I will ask your permission to e-file the return, or via an E-File Authorization Form. Once I receive your signed forms, or an email granting permission to file, I will file your return. Please remember to confirm your bank account information before we file.
- This year I must receive all final tax information at least **twenty days prior** to the deadline, which is currently **April 15, 2022**. I accept cash, checks, credit cards and Zelle for payment.

If for some reason you cannot file your tax return and/or pay your taxes by April 15, 2022, we **strongly** recommend filing a Federal and State **Extension**. Doing so grants a six month extension (October 15, 2022) to file. You can file this form on your own or we can file it on your behalf. Please note that this is **not** an extension to pay, and thus does not eliminate the penalty for late payment. It **does** eliminate the penalty for late filing.

Important items for 2021 filing:

- Prior to February 1, 2022, set up **online accounts** for at IRS at www.irs.gov, and your State websites for up-to-date information. This is more important than ever.
- Every taxpayer **can** apply on www.irs.gov for an **Identity PIN Number** to help prevent identity theft. This number will be changed and renewed each year.

- Go online to www.irs.gov to get copies of **Notice 1444-A** for accurate info on any **Stimulus checks** you received in 2021. This is not taxable income, but the notice 1444-A is required in your return.
- If you receive **Child Tax credits**, go online to www.irs.gov and print copies of **Letters 6416, 6416A, and/or 6419**, so that we can reconcile the advance payments you received with the total amount that you are due. If you received more in advanced payments than the total amount owed, you will be asked to refund this amount.
- Look on your previous returns to see if you usually receive **Earned Income Credit**. Then go to www.irs.gov and fill out the **EITC Assistant** worksheet, print it and send it to me.
- It is now the law that I must fill out a Due Diligence schedule in order for you to receive any of the following credits: Child Tax Credit, Child Care Credit, Education Credit, File Head-of-Household, and Earned Income Credit. On this form I must ask you a series of questions and sign my name, verifying that I asked you these questions and that you answered truthfully. The fine for failing to do so is substantial, to both me and the taxpayer.

All my best wishes for a better 2022,

A handwritten signature in cursive script that reads "Carla Manzuk".

Carla Manzuk, Tax Preparer