

HLW TAX NEWSLETTER

JULY 2020



FAREWELL TO DONALD

We are so sad to say goodbye to Donald! He was a great addition to our team, and we will miss him! We wish him all the best in his new endeavors!

COVID-19 CRISIS

Due to COVID-19 our office is still closed to the public and we do not have a timeline as to when that will change. If you provide us with physical documents, please be aware that we do not handle these documents for 3 days. We encourage everyone to provide documents to us by email or through our secure portal system.

OFFICE HOURS

Monday through Wednesday 8am until 4pm. We are a very small team, so it is always a good idea to call before you come to the office. Bethany and Sarah are usually available by email.

JULY 15, 2020 DEADLINE IS APPROACHING!

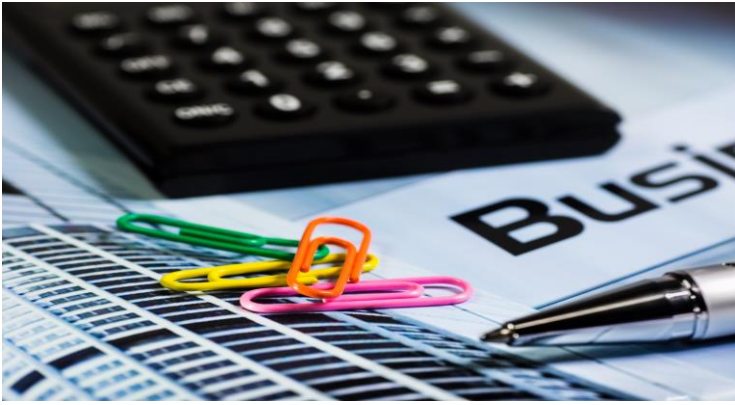
Do not forget to pay your 2019 tax liabilities and/or 2020 1st and 2nd qtr. estimated payments by July 15, 2020! If sending by mail, we suggest that you send at least one day in advance and send by certified mail.

FOR THOSE OF YOU ON EXTENSION:

Partnership and S-Corporation final filing deadline is 9-15-2020. We need all information to prepare the tax returns in our office by 8-17-2020. The last day we will be responsible for filing your tax returns electronically is 9-14-2020.

Fiduciary final filing deadline is 9-30-2020. We need all information to prepare the tax returns in our office by 8-17-2020. The last day we will be responsible for filing your tax returns electronically is 9-29-2020.

Individual and C-Corporation final filing deadline is 10-15-2020. We need all information to prepare the tax returns in our office by 9-21-2020. The last day we will be responsible for filing your tax returns electronically is 10-14-2020.



FYI/TIPS:

RMDs are waived for 2020 due to COVID crisis! This applies to IRAs, 401-K, 403-b, 457-b, and Thrift Savings plans and inherited plans.

Also, if you are under 59 ½ and have to take a distribution from a retirement plan because of a COVID related matter, illness, furloughed, less hours etc. then you will not be assessed the 10% early distribution penalty. This distribution is limited to \$100,000.00. Check with your plan administrator to make sure you handle this properly to receive the waiver of the penalty.

If you are receiving a subsidy from the health insurance exchange be sure to update the exchange whenever there is a change to your income. 2020 California began their own health insurance mandate. You must be insured or you may be assessed a penalty. We do not have any further details on this new FTB 2020 mandate.

On your tax return each year you can take a standard deduction, or you can itemize your deductions. Obviously, you want to take whichever deduction is better. Items such as DMV auto license fees, charitable donations, union dues etc. are all itemized deductions. So, if you take the standard deduction then you cannot also deduct any of those items.

Remember, donations that you make to individuals are not tax deductible. For example, contributions made to Go Fund Me accounts are not tax deductible, they are considered gifts

COVID TAX RELATED QUESTIONS

<https://www.irs.gov/>

For resources regarding PPP Loans, Stimulus payments or Other Matters, visit the IRS website.

For stimulus payment questions only, call 800-919-9835.



Thank you for allowing us to be of service to you!

WE VALUE YOUR OPINION AND WOULD LOVE TO HEAR FROM YOU. PLEASE REVIEW US ON GOOGLE, YELP AND FACEBOOK TO LEAVE US YOUR FEEDBACK!