

HLW TAX NEWSLETTER

JANUARY 2023



Office Hours

We are working remotely for the first time this season so our office will not be open every day as it has been in the past. Our extended hours will begin on January 30th and end on April 17th. Please check your organizer for our schedule.

It is always best to call before you stop by. We are responsible for ensuring that our environment is as safe as possible for our clients and our staff. Please take your temperature as you enter the office and PLEASE do not come in if you are sick.

We have 11 weeks to provide the best service possible for each of our clients. To achieve this, it requires a lot of planning. That is why the "Need all Information by date" of March 20, 2023 stated in the organizer is important to follow as we have planned our time accordingly.



Tips For Providing Us Your Information

We do need a signed engagement letter to begin work on your tax returns. However, please wait to provide it to us until you have most of the information that we need for your 2022 tax return. If you know you will need an extension, contact us as soon as possible.

ALERT! If the IRS issued you an Identity Theft Protection PIN, please provide this with your other tax information. We have no knowledge or access of this number. You will receive a new PIN each year.

We do not correspond and will not accept information by text message!

If you have all your information except for one or two items, do not wait to provide us with everything else. It can take us up to 3 weeks to start work on your file. Even if you still have not received the information by then we can have the tax returns ready just waiting for those few items!

Tips (continued)

The questionnaire portion of the organizer is a useful tool to assist us in determining if you qualify for certain tax credits and incentives. Without your answers, important items could be missed!

Please do not provide us with all your support, such as cancelled checks, receipts, etc. You need to maintain this support for your records in the event you are to be audited.

Please provide the front and back of all pages of brokerage consolidated 1099's.

When providing us with IRS/FTB notices please provide the front and back of all pages.

The category "Personal property tax" in the organizer is where you list your DMV auto license renewal fee (only the license portion), that you paid, or you can provide us with the document.

FYI, you can complete and file your tax return in February and the funds are still not due until April 15th! Even if you do not have the funds to pay by April 15th, you should file your tax return and then request an installment agreement.



Tax Tidbits

2023 contribution limit summary; 401-k, 403-b, & most 457 plans \$22,500, the catch-up for age 50 and over is \$7,500. IRA \$6,500, the catch-up is \$1,000. Simple IRA \$15,500, the catch-up is \$3,500.

Reminder, you must start annual withdrawals from IRAs and retirement accounts at 72!

We know that many taxpayers are now working from home. However, currently there is no deduction on your federal tax return for business use of your home. If you itemize your deductions (do not take the standard) then you might qualify for one on your state tax return if the expenses exceed 2% of your income.

You can check the status of your refund by going to IRS.Gov "Where's my Refund."

Beginning Jan 1, 2023, the new standard mileage rate for the use of your car in your business is 65.5 cents per mile. This is up 3 cents from the year 2022.

After April 17, 2023, we are working Monday through Wednesday from 8am until 4pm. However, we could be working remotely and not actually in the office. Please call before you come by. The door slot is always available for drop offs. Bethany and Sarah can usually be reached by email.

We look forward to working with you again this year!