

# H&K TAX SERVICES, INC.

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January 2022,

Dear Valued Client(s):

We hope that you and your family are doing well. This tax season we are open with all safety measures for in-person and remote tax services. We are practicing safety protocol by performing temperature checks, questionnaires upon entry, and requiring face covering at all times. We will be helping our clients by appointment only. After checked in, you may choose to wait in your car, in the front, or in waiting area.

Enclosed is the annual checklist to help you gather all your 2021 tax documents. It has been an interesting year with important tax changes that will impact you. Here are some of the changes and issues you need to know about.

**Stimulus payments:** People who received an economic impact payment should have received IRS Notice 1444-C, Your Economic Impact Payment, notifying you of the amount of the payment you should have received. The maximum payment was \$1,400 per taxpayer, spouse, and dependent. The economic impact payments are treated as advance tax credits against your 2021 income taxes. As such, you will need to include a copy of Notice 1444-C when you provide us with your other tax documents.

**Advanced child tax credits:** Starting in July 2021, the IRS began sending Advanced Child Tax Credit payments to those who qualify to claim the Child Tax Credit on their 2021 income tax returns. The Child Tax Credit we are able to claim on your 2021 income tax return will be reduced by the amount of any advanced payments you received.

The IRS will send Letter 6419 to taxpayers in January 2022 reminding you of the amount of advanced payments you received. You will need to provide us with a copy of the notice so that we can properly calculate the Child Tax Credit you are eligible to receive on your 2021 income tax return.

**Online IRS account:** We recommend that each of our clients set up their own IRS online account. Accounts can be set up in as little as 10 minutes at [www.irs.gov](http://www.irs.gov). With an online IRS account, you can view your account status, make payments (including balances due and estimate, among others), view past payments, confirm economic impact payments received, pull IRS transcripts, and view new IRS notices and letters you received, among other activities.

**Foreign accounts:** You must report your foreign accounts with value having exceed \$10,000 USD at any time during the year. The penalties for failure to report are continuing to be harsh.

**Tax return due dates for the 2021 tax year:**

- Individual must file returns by April 18<sup>th</sup>, 2022.
- Partnership & S-corporation must file returns by March 15<sup>th</sup>, 2022.
- C-corporation must file returns by April 15<sup>th</sup>, 2022.

**We appreciate your trust in us over the years. We look forward to working with you again this tax season. Please call us at (510) 324-1206, Ext 0 to schedule your tax appointment.**

**To avoid NOT getting the tax appointment time that you prefer, we would like to ask you to call in to schedule your appointment as soon as you have all your tax documents ready.**

**If you wish to cancel or reschedule your scheduled appointment, we kindly ask that you can give us a 24 to 48 hours advance notice.**

Sincerely,

*Hank & Karyn*

Your tax professionals