

Welcome to the Tax Prep Family!! We are so excited to have you as a new and valued client.

We pride ourselves in providing high quality tax preparation services specializing in small business support. This packet will help you get started with us quickly and set you up for success in getting your 2022 taxes filed! In this packet, you will find:

[An Introduction to our Secure Portal with Setup Instructions](#)

[Our Engagement Letter for Review and Signature](#)

[Our 2022 Tax Prep Checklist](#)

[Our 2022 Tax Worksheet](#)

[A copy of our 2022 Client Newsletter](#)

A few notes for how we operate:

Our tax worksheets are fillable documents so you can complete them directly from your computer and/or tablet device.

We request that all documents be uploaded to us through our Secure Portal.

If you need a form sent to you for digital signature, please let us know and we will be happy to assist you with this.

For the most efficient communications, we ask that you reach out to us through the Secure Portal and/or email us at mktaxguy@gmail.com.

Please utilize our website as one of your resources. We have a lot of helpful information on it including a very in depth FAQ page that answers a lot of questions saving time for everyone.

Introduction To the Secure Portal

Our Secure Portal is a secure, cloud-based system that we utilize for document uploads, storage and client communication. We have found it to be the most secure and expedient way to serve our clients.

Ways that we use the Portal include, but are not limited to:

- Clients upload their tax worksheet and forms
- Clients upload supporting tax documents
- Communication with clients
- Uploading completed documents
- Uploading signature forms

To get your portal access set up, simply send an email to mktaxguy@gmail.com with the subject line: Portal Access Request. Then in the body, include the name of the primary person on your taxes and their email address. We will do the rest!

Once your portal account has been set up, you will receive an activation email to complete the setup. Then you will be ready to use this wonderful client tool!

POLICY STATEMENT

We appreciate the opportunity to help you "Pay YOURSELF, not the IRS." **Though we office from our home, we work to live, not live to work. In other words, please respect our family time.** Our normal office hours are 9:00 AM to 5:00 PM, Monday through Friday, except holidays. Lunch is usually from 12:00 to 1:00 PM. We usually take off the two or three business days following a tax-filing deadline (April 15th and October 15th). And Lord willing, we desire to take a vacation(s) sometime(s) during the slower time(s) of the year, in which case we notify you that the office is closed through our website, answering system, or both. Thank you in advance for understanding and complying with the following policies:

- **Before any work can commence, all clients must sign a Tax Return Engagement Letter that covers all income tax returns for each tax year you wish us to amend/prepare. A newly signed Tax Return Engagement Letter is required each time you wish us to amend/prepare a return(s).**
- We serve clients on a first come, first served basis, assigning each one a number in line and posting our current status on our website. Please allow us several days to log in your data and assign you a number.
- **Allow AT LEAST 6 WEEKS BEFORE ANY INDIVIDUAL TAX DEADLINE (4 weeks for S corporations) for us to complete your return. (ex., March 1st to meet the individual April 15th deadline; February 15th to meet the March 15th S corporation deadline) Yet between March 1st and July 1st the wait is usually longer as we work off our largest backlog of the year.**
- We cannot file an extension Form 4868 for you without your submitted tax data.
- Extension Forms 4868 generated by our office are only estimates. **We will not pay underpayment penalties assessed by the IRS if the final results differ from the Form 4868 estimate.**
- Any tax data submitted to us on or after April 8th may not be included in estimates to file an extension.
- If you miss our final cutoff of September 1st, we cannot guarantee your return will be completed by the final IRS deadline of October 15th, which could result in you paying penalties to the IRS.
- Tax liabilities are always the responsibility of the taxpayer.
- We **cannot** determine whether you will owe taxes or receive a refund based on "eye-balling" your data.
- Because returns vary **enormously** in complexity, we cannot give you an estimated completion date based on where you are in line. However, you can email us your request to know what number you are in line. Then check our website 24 hours a day for our progress toward your number in line.
- IRS requires us to file all current year **federal** tax returns electronically.
- **We charge \$90 per hour** for preparing returns, amending returns, estimating taxes, consultations, and answering phone/email questions of over 15 minutes. Your bill will accrue upon commencement of service and you will be charged for all work performed on your account by anyone in our office.
- No tax data is released until we receive payment in full for our services, plus signed Form(s) 8879.
- We accept cash, check, money order, debit or credit cards, or you can email our fee via the Zelle app in your bank's online bill pay function. Due to bad experiences, **we do not accept post-dated checks.**
- **Be assured we do not disclose any nonpublic personal information about you to anyone.**
- **Because we already provide you a free copy of each return we amend/prepare, we charge \$15 for each additional paper copy you request. Also, we charge \$35 for overnight delivery.**
- Please do not send non-business emails to our business email address, nor ones with "Hi" as the subject.
- Likewise, due to receiving so many robocalls, we do not answer phone calls from "Unknown Names."

If you agree to comply with our policies, then read and sign our Tax Return Engagement Letter on the back.

TAX PREP FINANCIAL SERVICES

(Rev. 1/10/23)

"Pay YOURSELF, not the IRS"

www.JeffTheTaxMan.com

Personal Income Tax Preparation
Personal Tax Estimating
Personal Tax Planning

TAX RETURN ENGAGEMENT LETTER

Thanks for choosing Tax Prep Financial Services to amend/prepare your income tax return(s). This letter confirms the terms of our engagement with you and the nature and extent of services we will provide. **WE REQUIRE THIS SIGNED LETTER BEFORE ANY WORK CAN COMMENCE ON YOUR TAX RETURN(S). A SEPARATE SIGNED ENGAGEMENT LETTER IS REQUIRED EACH TIME YOU WISH US TO AMEND/PREPARE A RETURN(S).**

Upon receipt of this signed Engagement Letter in our office, we will begin to amend/prepare your _____ [tax year(s)] federal and _____ [state(s)] income tax return(s) using information you provide to us. Our tax data worksheets help you gather the information required for a complete return. Using them helps you avoid overlooking important information and contributes to efficient preparation of your returns. That helps us limit the cost of our services.

The Internal Revenue Service is aggressively pursuing small, direct-sales businesses. They are trying to disqualify business losses by re-classifying businesses as hobbies not intended for profit. You are responsible for proving a profit motive, and for providing us tax data required for preparation of complete and accurate returns. In general, the only accounting or analysis work we will do is that which is necessary for preparation of your income tax returns. We may ask for clarification of some items or verify the data you submit. We may use procedures to discover falsifications or other irregularities in your data. Where the tax law is unclear or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions, we will use our judgment in resolving those questions. **If a position you wish to take does not have a realistic possibility of being sustained on its merits, we may choose not to amend/prepare your return in that manner. You should keep all documents, such as receipts, canceled checks, credit card statements, mileage logs and other data that substantiate the income, expenses, and deductions you report to us. By signing this engagement letter you are affirming that you are prepared to substantiate numbers you submit to us with documentation in your possession.** They may be necessary to prove to a taxing authority you were motivated to make a profit in your business, as well as to prove accuracy and completeness of the returns. Be aware the law imposes penalties when taxpayers understate their tax liability. You are responsible for the returns, so you should review them carefully before you sign them.

In the event of an audit within the Dallas/Fort Worth metroplex, we can arrange to accompany you, which requires a separate engagement. Be aware we will **NOT** sign a power of attorney Form 2848 to represent you before the IRS. Any proposed tax adjustments by the IRS are subject to your appeal. **However, remember all tax liabilities are always your responsibility.**

Our fee for preparing your tax return will be based upon the amount of time required to amend/prepare it at our hourly billing rate currently in force. Your bill will begin to accrue upon receipt of your tax data and you will be charged for all work done on that data by anyone in our office. Payment of services is due upon notification of completion of those services. All of your original records will be returned to you along with the work we have completed for you. You should keep the original records in secure storage for seven years. We will retain copies of critical records you supply to us, along with our work papers for your engagement, for a period of seven years. After seven years, these records will be destroyed.

To indicate that this letter correctly summarizes your understanding of the arrangements for this work, please sign, print your name, and date this letter in the space indicated below. Remit it to us, along with either copies or originals of **ONLY** your tax Forms W-2, 1099, 1095, 1098, and Schedules K-1 and our completed worksheets (i.e., no receipts). Make copies to refer to in case we have questions. Thank you for this opportunity to help you "Pay YOURSELF, not the IRS."

Jeffrey C. Peterson, President
TAX PREP FINANCIAL SERVICES

Accepted By: _____ (Both husband and wife must sign for preparation of joint returns.)

(Him) _____ Print Name _____ Date _____

(Her) _____ Print Name _____ Date _____

POST-2017 INCOME TAX DATA-ITEMIZER

(Rev. 1/12/23)

TAX PREP FINANCIAL SERVICES

ANSWER HIGHLIGHTED QUESTIONS ON OTHER SIDE

Tax Year _____

"Pay YOURSELF, not the IRS"; www.JeffTheTaxMan.com

*Amount of 2008 1st-time homebuyer's credit received \$ _____

3417 Madison Avenue; Hurst, Texas 76054-6041

Your e-mail address _____

Email address: mktaxguy@gmail.com

For direct deposit of refund or direct debit of tax owed, give 9 digit routing # _____

Phone (817) 498-6833; Fax (817) 381-0761

account # _____; Circle the **type** of account: *checking/savings*

(THE MORE COMPLETE THE INFORMATION, THE LESS TIME SPENT ON YOUR RETURN AND THE LOWER YOUR BILL)

His Full Name as Shown on S.S. Card _____ Date of Birth _____ S.S.# _____

Her Full Name as Shown on S.S. Card _____ Date of Birth _____ S.S.# _____

Address _____ City, St., Zip _____ (A/C) Home Ph. # _____

His Occupation _____ Employer _____ (A/C) Bus. Ph. # _____

Her Occupation _____ Employer _____ (A/C) Bus. Ph. # _____

Filing Status: Single []; Married Filing Jointly []; Head of Household []; Married Filing Separately []; 1st Year Widow(er) with child(ren) []

Make sure dependents have not filed and claimed themselves... DEPENDENTS ... or it could significantly cost you money!

Dependent's Full Name as shown on Social Security Card	Date of Birth	Mos. of Yr. in Home	Relationship to You	Earned Income (provide W-2s)	Invest. Income (provide 1099s)	S. S. # on S.S. card (required)

** **This section for Forms W-2 only.** (Report 1099-MISC or 1099-NEC contract labor on a *Sole Proprietorship* worksheet as a separate bus.)

P.P.=Pension Plan/401k ("Yes"/"No"); W/h=Withheld **WAGES (Form W-2)** FIT/SIT=Federal/State Income Tax; if SIT, give state

His/Hers?	Company/Employer	P.P.?	Wages (Box 1)	FIT W/h	SIT W/h	State?	S.S. W/h	M/care W/h

DIVIDEND INCOME (Forms 1099-DIV) C.G.=Capital Gain; N-T=Non-Taxable **INTEREST INCOME (Cr. Un. Div.) (1099-INT)**

Div. Payer (mut. fund/co.)	Ordinary	Qualified	C.G. Dist.	N-T Dist.	Foreign tax	Tax W/h	Int. Payer (bank/cr. un./bonds)	Int. Rec'd	Tax W/h

RENTAL INCOME Property A Property B **OTHER INCOME** Dist. Code Gross Amount Taxable Amount Tax W/h

Property Street Address	Property A	Property B	OTHER INCOME	Dist. Code	Gross Amount	Taxable Amount	Tax W/h
			His: Pension Income (1099-R)				
City, State, and Zip Code			401k/Co. Sav. W/draw (1099-R)				
Date of Purchase			IRA/Keogh/SEP W/d (1099-R)				
Purch. Price Less Land Value			Her: Pension Income (1099-R)				
Rents Received Last Year			401k/Co. Sav. W/draw (1099-R)				
Expenses:			IRA/Keogh/SEP W/d (1099-R)				
Advertising			HSA/MSA W/drawal (1099-SA)			All used for med. exp.?	
Auto Mileage			S.S. Benefits (SSA-1099) His:			Hers:	
Cleaning			Unemployment (1099-G) His:			Hers:	
Insurance			Royalty Income (1099-MISC) His:			Hers:	
Management Fees			Prize/Award Income (1099-MISC) His:			Hers:	
Mortgage Interest			Gambling Winnings (W-2G) \$ _____ ; Cancelled Debt (1099-C) \$ _____				
Repairs/Maint./Lawn			State Inc. Tax Refund (1099-G) \$ _____ Deducted state taxes last yr.?				
Property Taxes			Alimony Pd./Rec'd. (circle which) S.S. # _____ ; Amt.\$ _____				
Utilities			Partnership/S Corp./Estate/Trust Fund (circle type & provide Schedule K-1)				
Improvements:(date & cost)			Sale of Home: (give settlement statements for purchase and sale of home)				

Tuition, Books, & Fees (only) Toward a Degree: Student's Name _____ What yr. in college? (1st, 2nd, ..., grad.) _____ Tuition \$ _____ Scholarships/Grants \$ _____ ; Student's Name _____ What yr. in college? _____ Tuition \$ _____ S' ships/Grants \$ _____

Est. Tax Pymts.: Applied From Last Yr.'s Ref. \$ _____ April \$ _____ June \$ _____ Sept. \$ _____ Jan. \$ _____ Form 4868 \$ _____

IRA, KEOGH [not 401(k)], SEP, AND SIMPLE CONTRIBUTIONS FOR THIS TAX YEAR (the semi-colon ";" separates *His* vs. *Hers*)

Traditional IRA \$ _____ ; Roth IRA \$ _____ ; Keogh \$ _____ ; SEP \$ _____ ; SIMPLE \$ _____ ;

POST-2017 DEDUCTIONS

(Rev. 1/1/2023)

TAX PREP FINANCIAL SERVICES (Give details of adoptions and energy credit qualifying home improvements.) Tax Year _____

"Pay YOURSELF, not the IRS"; www.JeffTheTaxMan.com For the tax year being prepared, did you receive stimulus money? _____

3417 Madison Avenue; Hurst, Texas 76054-6041 If so, be sure to provide IRS Notice 1444 and/or IRS Letter 6475 _____

Email address: mktaxguy@gmail.com Amount received by taxpayer \$ _____; Amount received by spouse \$ _____

Phone (817) 498-6833; Fax (817) 381-0761 Amount received by all dependents living in your household \$ _____

FOR STATE RETURNS, ANSWER AND SUBMIT HEALTHCARE COVERAGE QUESTIONNAIRE

His Full Name as Shown on S.S. Card _____ Date of Birth _____ S.S.# _____

Her Full Name as Shown on S.S. Card _____ Date of Birth _____ S.S.# _____

FOR STATE RETURNS, PROVIDE COPIES OF ALL MED. INS. CARD(S) AND FORMS 1095

MOVING EXPENSES (MILITARY ORDERED ONLY)

Miles from OLD Home to NEW Workplace _____

Miles from OLD Home to OLD Workplace _____

Transportation, Lodging & Moving Van Costs \$ _____

Miles Driven _____; Military Reimb. (W-2) \$ _____

MEDICAL EXPENSES (net after insurance reimb.; non-HSA \$s)

Mileage to & from Dr.'s office, hospital, & pharmacy: _____ miles

Prescrip. Drugs and Medicine (not over the count.) \$ _____

After Tax (non flex spend) Med./Dent. Ins. Prem. \$ _____

Self-employed health insurance premiums paid \$ _____

Medicare B & D Prem. (Form SSA-1099; not W-2) \$ _____

Annual Long Term Care Ins. Prem.: His \$ _____; Hers \$ _____

Dr. & DDS Visits (cash/cr. card charged by 12/31) \$ _____

Chiropractic Care and Acupuncture \$ _____

Fertility Enhancement or Sterilization/Vasectomy \$ _____

Hospitals and/or Minor Emergency Clinic \$ _____

Med. Lodging (hotel, psych. hosp.; max \$50/night) \$ _____

Special Education Tuition and Testing Fees \$ _____

Lab, X-Ray, and Other Medical Testing Fees \$ _____

Nurses, Hospice, & Home Health Care Expenses \$ _____

Glasses and/or Contact Lenses \$ _____

Hearing Aids and Batteries \$ _____

Cost of Guide Dog and Related Veterinary Fees \$ _____

Medical Transport Exp. (ambulance, Care Flight) \$ _____

Other Medical Travel Exp. (taxi, plane, parking) \$ _____

Prescribed Med. Equipment (wheel chair, pool) \$ _____

Bandages, Crutches, and Other Medical Supplies \$ _____

Artificial limbs and teeth \$ _____

Other Med. Expense: Description _____; \$ _____

TAXES (What is your current local sales tax rate? _____ %)

Real Estate Taxes: (actually paid, not just billed, in the tax year)

Residence (Form 1098, closing statement) \$ _____

2nd Home (1098) or Land Taxes (tax stmts.) \$ _____

Personal Property (NOT Sales) Taxes (leased car) \$ _____

Sales Taxes Pd.: On Vehicle(s) \$ _____; On All Items \$ _____

INTEREST (if 2 residences, separate them by a semi-colon ";")

Mtge. Int. - paid to a fin. institution (Form 1098) \$ _____

Mtge. Int. - pd. to indiv.: Name _____ \$ _____

Address _____; S.S.# _____

Home equity int. (to buy, build, or improve home) \$ _____

Mortgage Int. - 2nd Home/Land/Resort Property \$ _____

Deductible Points Paid on a new mortgage to buy \$ _____

Pts. Previously Pd. on Refin.: Date _____ Term _____ yrs. \$ _____

Mtge. (not Homeowners) Ins. (incl. in house pmt.) \$ _____

Investment Int. Exp. (ex., margin or inv. loan int.) \$ _____

Student Loan Interest (Form 1098-E) \$ _____

CHARITABLE CONTRIB. - I attest to these #s (initial)

Mileage (choir, teach Sun. sch., usher, Meals on Wheels) _____

Cash (Check) Gifts: Churches (10% tithe + offerings) \$ _____

Other Ministries (Life Today, Billy Graham, etc.) \$ _____

United Way (if payroll deducted, see last paystub) \$ _____

Other Charities (Heart Fund, Cancer, Red Cross) \$ _____

Gifts to Non-Profit Schools or Hospitals (alumni) \$ _____

Non-Cash (clothes, etc.) Gifts: (give receipts if > \$500) \$ _____

CASUALTY/THEFT LOSS - As of 2018, personal casualty & theft losses are only deductible if occurring in a federally declared disaster area. Also, the loss must exceed 10% of AGI to deduct.

Business casualty & theft losses are still deductible. On a separate sheet, provide: date & description of casualty/theft loss; amt of any ins. reimb.; fair market value a) before & b) after the casualty/theft; & original cost + improvements/upgrades of items damaged/stolen.

MISCELLANEOUS DEDUCTIONS

** TRUCK DRIVER PER DIEM, EMPLOYEE JOB EXPENSES, & ALMOST ALL OTHER MISC. ITEMIZED DEDUCTIONS SUBJECT TO 2% OF AGI ARE NOT DEDUCTIBLE. ONLY THE FOLLOWING STILL ARE: **

Bus. Meals For Job of a Non-Entertainment Nature \$ _____

Gambling Losses, incl. Travel (up to amt. of winnings) \$ _____

Classroom Teach Exp. (\$250 max. & work > 900 hrs.) \$ _____

CHILD CARE (AND DAY CAMP) EXPENSES FOR _____ (# of) CHILDREN (Kindergarten tuition & Summer camp do not qualify)

Paid to _____ Address _____ S.S./Tax I.D.# _____ Amount \$ _____

Paid to _____ Address _____ S.S./Tax I.D.# _____ Amount \$ _____

Paid to _____ Address _____ S.S./Tax I.D.# _____ Amount \$ _____

Paid to _____ Address _____ S.S./Tax I.D.# _____ Amount \$ _____

Did you pay any 1 household employee > \$2,400 last year? _____ How much? \$ _____ Did you withhold taxes? _____ How much? \$ _____

*** At any time during the year did you receive, sell, exchange, or otherwise dispose of any financial interest in virtual currency? _____

** (Form 1099-B & brokerage statements) INVESTMENT SALES For mutual funds or ESPP, we need the "Cost Basis." **

NAME OF INVESTMENT DATE BOUGHT # OF SHARES \$ Pd. (incl. comm.) DATE SOLD # OF SHARES \$ Rec'd (incl. comm.)



2022 Tax Preparation Checklist

Required Items

- Post-2017 Income Tax Data-Itemizer
- Signed Tax Return Engagement Letter
- Copies of all W-2s
- Copies of all 1099s (NEC/R/MISC/INT etc.)

Additional Items

- Healthcare Coverage Questionnaire
- Form 1095
- Cosmetics Business Worksheet for Mary Kay Clients
- Sole Proprietorship Worksheet for all other businesses that do not receive a W2 (i.e. contractors and small businesses)
- Minister Worksheet for Practicing Ordained Ministers
- Depreciable Assets Worksheet
- Receipts for NON-CASH charitable contributions when the total for the year EXCEEDS \$500
- Schedules K-1
- Form 1098
- Additional relevant information

Please submit all items through our Secure Portal which can be accessed via the "Login" option on our website or utilizing the Secure Portal App.



HAPPY NEW YEAR!

A YEAR OF CHANGES

Happy New Year! God continues to bless our business, and with it come a lot of new changes. First of all, our long-time assistant and my sister in-law, Joyce, is retiring. And while we are sad to see her go, we are equally excited to bring on her daughter in-law, Emma, who is helping us modernize our practice. [Be sure to read this entire letter to be informed of all the changes we are making.](#) Then review the accompanying TAX NOTICE to alert yourself to tax law changes that may impact you.

As you will read, perhaps the foremost change is a greater utilization of our Secure Client Portal to not only send and receive sensitive tax information, but to also communicate, and to even bill and receive payments. This web-based portal can be accessed from any device possessing internet access by either clicking the "Login" button in the upper right corner of our website or going directly to jeffthetaxman.securefilepro.com. In addition, there is an app for your phone (see below).

Moreover, we are going paperless! First, we have gone to cloud-resident tax software that, when accompanied with cloud-resident documents within our Secure Client Portal, has eliminated the need to physically transfer paper or computer files from me to Emma and back. Also, we will be storing documents digitally, thereby eliminating the need for paper storage. (That means I can start getting rid of the 50 large banker boxes of archived tax returns in my attic and the 7 file cabinets in my office.) We have even transitioned to faxing through our computer with a new fax number (see below), so it is likewise digital, and thus, paperless. All these changes are being made in an attempt to streamline our processes in order to minimize our time spent on your return - limiting your cost - and to create more capacity to serve additional clients.



A YEAR OF CHANGES

Now for some tax alerts:

- All small (20 or fewer employees and less than \$5MM in gross receipts) legally organized entities (corporations, including S corporations, LLCs, LLPs, and partnerships) MUST register with the Financial Crimes Enforcement Network (FinCEN) within 10(?) days starting 1/1/2024 or face a penalty of \$500/day.
- Beginning January 1, 2023 Forms 1099-K MUST BE issued for payment processing collected via debit/credit cards that exceeds the threshold for the year, including all personal (garage sale) and business (Mary Kay) sales, online (Ebay) sales, and crowdfunding. As of this writing, the IRS has deferred on setting the threshold while Congress debates as to whether to set it at \$5,000 or \$20,000. SO FOR NEXT YEAR'S TAXES, BE SURE TO GET A TRANSACTION STATEMENT FROM YOUR MERCHANT SERVICES PROVIDER AND BE CAREFUL USING THE SAME CREDIT CARD TERMINAL FOR MULTIPLE BUSINESSES, BECAUSE IT WILL INCORRECTLY REPORT THE SALES FROM ALL THE BUSINESSES GOING TO THE ONE BUSSINESS WHO HOLDS THE CREDIT CARD TERMINAL!
- IF YOU DEAL IN CRYPTO CURRENCY, WE WILL NOT PREPARE YOUR TAX RETURN, UNLESS YOU GET COIN TRACKING SOFTWARE, SUCH AS COINTRACKER, KOINLY, OR ZENLEDGER TO TRACK YOUR COST BASIS, AND EVERY CLIENT MUST ANSWER THE VIRTUAL CURRENCY QUESTION ON OUR "DEDUCTIONS" WORKSHEET. Crypto is NOT currency; it is an asset. Yet it is NOT a security, and is NOT regulated by the Securities and Exchange Commission. The IRS treats it as property, which is why if you donate crypto, we must treat it as a non-cash charitable contribution. ***



WE'VE GONE DIGITAL

Beginning in the Fall of 2022, we put into motion a plan to take us digital as a business! We are so excited to lessen the paper load in the office and at the same time bring in tools to make working with us even easier for you, our valued clients.

What does this mean for you?

We will be transitioning to utilizing our Secure Portal to handle most functions of the tax process.

- All clients will have access to their own account in our Secure Portal where your documents can be uploaded securely for us to utilize to handle your return. (If you do not have an account set up yet, please reach out to us via email and let us know so we can get you set up!)
- Your copies and receipts will be uploaded for your access into your account in our Secure Portal once your return has been finished.
- If you have a non-urgent question, you will be able to log into the portal and securely message us and we will get back to you there.
- The Secure Portal is now set up to handle payment processing securely. Beginning with the 2022 Spring Tax Filing Season (Feb 2023 - April 2023), we will be invoicing you through our Secure Portal and you will be able to enter your payment information there and everything will be processed quickly and securely. You will also have a record of your payments in the portal for future reference.
- The Secure Portal now has an app, so you can now upload your files to us directly from your cell phone and/or tablet! To download the app visit our website (www.jeffthetaxman.com) and the link is on our Home Page!
- A new printable documents checklist is now available on our website on the Tax Documents page.

***If you are unable to submit and/or receive documents and communication digitally, you may submit a request for traditional processing. These requests can be emailed to us at mktaxguy@gmail.com and will be reviewed on a case by case basis.



WE'VE GONE DIGITAL

We rebranded and updated our website to be more user-friendly and accessible to everyone! Here are some of our favorite new features that we are sure you will love too:

- Secure Portal Access is now easily accessible at the top right corner of our website. Simply click the login button and you will be immediately redirected to our Secure Portal where you can log in and send or access documents and communications directly with us.
- New/Potential Clients can now complete our New Client Request form directly linked on our website to get set up quickly and easily in our system. You can access this form by clicking on the "New Client Form" button on the Home Page.
- Our Tax Worksheets, forms and Engagement Letter are now easy to locate and access on the Tax Worksheets page of our website.
- You can easily track our progress of working through the queue on the bottom of the Home Page.
- We have added an Announcements Page where we will keep you in the know with the latest news and information right on our website.

Finally, beginning February 1, 2023, our social media will be up and running again and we are adding an Instagram page. Now you can easily keep up with updates on deadlines, policies, new features and more by following us on social media.



Our fax number has changed! It is now 817-381-0761. As of January 1, 2023, this will be the only fax number we can receive faxes through.



HOUSEKEEPING ITEMS

Now for a bit of housekeeping items...

- We will mail returns to clients who specifically request it. (We still charge \$15 for each extra paper copy of your tax return, \$35 for overnight delivery, and for consultations over 15 minutes in length.) This web-based portal can be accessed from any device possessing internet access by going to jeffthetaxman.securefilepro.com.
- Remember, our email address changed to mktaxguy@gmail.com.
- Our hourly rate continues to be set at \$90/hour.
- We prepare returns on a first-come first-served basis yet returns without a business will be expedited. **SUBMITTING COMPLETED WORKSHEETS, NOT JUST W-2 FORMS, RESERVES YOUR PLACE IN LINE. WE MUST HAVE YOUR TAX DATA 6 WEEKS BEFORE ANY INDIVIDUAL TAX DEADLINE (3/1/23); 4 weeks for S corporations (2/15/23).** However, this DOES NOT guarantee completion by that deadline. Due to vast differences in complexity of various client returns, we cannot predict completion dates. Instead, follow my progress toward your number in line on our website. Out-of-state clients, allow extra time for mail delivery or pay \$35 to have us overnight your returns.

Please avail yourself of our resources:

- Our most significant resource to date is a reusable Cosmetics Business Spreadsheet in Excel™, updated to version 2.0. It is a contemporaneous record keeping system customized to your M-K cosmetics business and designed to flow directly into our Cosmetics Business tax worksheet. You enter your activity as you incur it and have the computer total it for you on the spot. It provides a summary of your cosmetics business' entire year at-a-glance on one page (front and back) so that you can see where your income and expenses stand at any given time. At year-end simply transfer the totals to our tax worksheet. Get it at our website for only \$25.
- Get our professionally produced M-K tax workshop education video for only \$10 through our website so that you can watch and learn from it or show it to your Unit(s)/Area as often as you like.



HOUSEKEEPING ITEMS

- Remember you can purchase audit protection for only \$55 on a tax return we prepare that is good for 3 years and comes with one year's worth of identity theft protection. If you receive a notice from the IRS or state for that tax return during that 3-year period, audit specialists will provide up to \$1 million of services at no charge. It would benefit out of state clients or those with complex returns, but it must be purchased at the time the return is prepared.
- If for some reason utilizing our new payment system in the secure portal does not work for you and you need to make an immediate payment, we ask that you please continue to email our fees to mktaxguy@gmail.com using the Zelle app. It saves us the CC merchant fees.
- Although the Tax Cuts and Jobs Act (TCJA) of 2017 reduced the federal penalty to \$0 for not having health insurance within the Affordable Care Act (ACA) of 2010 (Obamacare), taxpayers who receive health insurance subsidies through the Marketplace Exchange must reconcile their advance premium tax credits on their tax returns. Also, some states passed their own mandates for health coverage. As a result, clients who received subsidies or those living in a state that has a state income tax must still complete the Healthcare Coverage Questionnaire and submit it, and Forms 1095, to our office.
- Remember you must use the correct INCOME TAX DATA-ITEMIZER worksheet for the tax year being prepared –use PRE-2018 for 2017 and earlier years or POST-2017 for 2018 and later years, including for tax year 2022.
- All our submission documents are .pdf fillable forms. HOWEVER, PLEASE NOTE THAT IN ORDER FOR THE DATA YOU TYPE TO BE RETAINED ONTO THESE DOCUMENTS, YOU MUST FIRST NAME THE FORM AND SAVE IT TO YOUR COMPUTER. THEN ONCE SAVED, YOU MUST OPEN IT IN YOUR .pdf READABLE SOFTWARE. If you do not have any .pdf readable software, you can obtain Adobe Acrobat Reader™ by simply clicking the link to their website at the bottom of the “Tax Worksheets” and “For Directors” pages of our website. Read the worksheets carefully and use any of the notes we wrote on last year’s worksheets as a guide to fill out this year’s worksheets.



HOUSEKEEPING ITEMS

- Incomplete worksheets cause delays and raise your bill (possibly hundreds of dollars).
- FILERS OF 2022 RETURNS MUST FILL OUT THE POST-2017 INCOME TAX DATA-ITEMIZER AND READ AND SIGN A TAX RETURN ENGAGEMENT LETTER.
- IN ADDITION, IF YOU RECEIVED HEALTH INSURANCE SUBSIDIES FROM THE MARKETPLACE EXCHANGE OR YOU LIVE IN A STATE THAT ASSESSES STATE INCOME TAX, YOU MUST COMPLETE AND REMIT A HEALTHCARE COVERAGE QUESTIONNAIRE, ALL FORMS 1095, IF ANY, THAT YOU RECEIVED (-A from the state exchange, -B from insurance companies, AND/OR -C from employers) PLUS A COPY OF ALL YOUR MEDICAL INSURANCE CARDS.
- If you operated a Mary Kay Cosmetics business, you must complete a Cosmetics Business worksheet.
- If you performed contract work for compensation or operated any other type of business, you must complete a Sole Proprietorship worksheet. Also, be sure to report on it any income from the sharing economy (Uber, Airbnb, etc.).
- If you were a practicing ordained minister, then complete a Minister worksheet to claim any compensation and expenses from that activity.
- For depreciable assets, report only the changes from the previous year for the information we already have on file, such as new or retired assets, or changes in business use percentage.
- Submit ALL relevant COMPLETED worksheets, plus Forms W-2, 1095, 1098, 1099, and Schedules K-1.
- The ONLY receipts we need from you are from NON-CASH (clothes, etc.) charitable contributions when the TOTAL FOR THE YEAR exceeds \$500.



HOUSEKEEPING ITEMS

Upon completing the worksheets, Tax Return Engagement Letter, and Healthcare Coverage Questionnaires:

- Submit your data via our Secure Portal.
- You may send us a message in the portal messenger a few days later to find out what number you are in line.
- While processing your return, we will reach out to you via portal messenger with any questions. (You will be emailed a notification whenever you receive a message in the portal or an upload in the portal from us.)
- When I am finished, I will call you with the results and send you an invoice for the services rendered.
- Then I will upload to the portal or email you a form(s) to sign and remit before we file the return(s) electronically. Be sure we have your email address and latest copies of your IDs.

We prepare returns on a first-come first-served basis yet returns without a business will be expedited. SUBMITTING COMPLETED WORKSHEETS, NOT JUST W-2 FORMS, RESERVES YOUR PLACE IN LINE. WE MUST HAVE YOUR TAX DATA 6 WEEKS BEFORE ANY INDIVIDUAL TAX DEADLINE (3/1/23); 4 weeks for S corporations (2/15/23). However, this DOES NOT guarantee completion by that deadline. Due to vast differences in complexity of various client returns, we cannot predict completion dates. Instead, follow my progress toward your number in line on our website. Out-of-state clients, allow extra time for mail delivery or pay \$35 to have us overnight your returns.

Always read the attached Tax Notice to inform yourself of tax law changes and check our website throughout the year for tax alerts.

We look forward to preparing your 2022 tax return.

Join our M-K Tax Workshop on our Facebook Page on 1/23/23 (see the "Speaking Calendar" page of our website for details).



Please continue to demand and vote for smaller government and lower taxes. It benefits all of us.

Thank you for your repeat tax business!

God bless you and God bless America!

Sincerely,

A handwritten signature in black ink that reads "Jeff Peterson".

Owner/CEO



"Pay YOURSELF, not the IRS"

www.JeffTheTaxMan.com

Personal Income Tax Preparation

Personal Tax Estimating

Personal Tax Planning

3417 Madison Avenue; Hurst, Texas 76054-6041

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TAX NOTICE

BE SURE TO ANSWER THE QUESTIONS ON OUR DATA-ITEMIZER REGARDING VIRTUAL CURRENCY AND EIP3 STIMULUS. Please read this notice thoroughly for the following tax law changes that may affect you:

1. Although the Tax Cuts and Jobs Act (TCJA) of 2017 reduced the federal penalty to \$0 for not having health insurance within the Affordable Care Act (ACA) of 2010 (Obamacare), clients who received health insurance subsidies through the Marketplace Exchange or those living in a state that has a state income tax must still complete the Healthcare Coverage Questionnaire and submit it, and Forms 1095, to our office.
2. The standard deduction increased to \$12,550 for Single and \$25,100 for MFJ, with an additional deduction of \$1,700 for Single and HOH filers and \$1,350 for MFJ, MFS, and QW filers who are over 65 or blind.
3. For 2021 only, the American Rescue Plan (ARP) Act of 2021 expanded the child tax credit (CTC) to include 17-year-olds and increased it from \$2,000 to \$3,600 per child under age 6 and \$3,000 per child ages 6-17. The "other dependent" credit remained unchanged at \$500. The increased amount (\$1,000 or \$1,600) begins to phase-out at \$75,000 for single filers, \$112,500 for HOH, and \$150,000 for MFJ and QW, and once the increased credit amount is fully reduced, the regular \$2,000 credit begins to phase-out at \$400,000 MFJ and \$200,000 all others. Eligible amounts vs. amounts already received through CTC advances must be reconciled on the 2021 tax return, with any underpayments being credited and OVERPAYMENTS BEING REPAYED BY THE TAXPAYER on the return.
4. Also, for 2021 only, the child and dependent care eligible expense limit increases from \$3,000 to \$8,000 for one and from \$6,000 to \$16,000 for 2 or more eligible children. Moreover, the max. credit rate increases from 35% to 50%.
5. For 2021 and 2022, business meals at or from (takeout or Grubhub) a restaurant are 100% deductible.
6. Congress made permanent the deduction for medical expenses exceeding 7.5% of your Adjusted Gross Income.
7. The adoption credit increased to \$14,440 for 2021; adoptive parents can take up to \$5,000 per taxpayer per child in penalty-free distributions from an IRA to pay for the birth or adoption of a child; and they can be re-contributed.

TAX NOTICE

8. For 2021 IRA contribution limits remained at \$6,000 for taxpayers under age 50; and \$7,000 for those 50 and older. The age you must start taking required minimum distributions (RMD) was raised to 72, and THERE IS NOW NO AGE LIMIT FOR CONTRIBUTING TO AN IRA.
9. For 2021 the standard mileage rate is \$.56 per business mile driven; \$.14 for charity; and \$.16 for medical/moving.
10. The standard meal allowance stayed at \$55/day, increasing to \$59 on 10/1/21, when away from home on business.
11. The gift tax exclusion (the max. amount you may give to any one individual in a year without having to file a gift tax return) for 2021 is \$15,000. A husband and wife can give \$15,000 each, \$30,000 total, to the same person.
12. If you were a 2008 first-time homebuyer who received the first-time homebuyer's credit, you must notify us of that fact so that we can compute the amount of the credit you must repay (in the form of additional tax) each year.
13. Note that you must provide us a Form 1098-T from the educational institution in order to claim the American Opportunity tuition tax credit. If there is an amount in Box 2, compare it against what you ACTUALLY PAID.
14. The IRS has a new Form 1099-NEC to be used for nonemployee compensation, instead of Form 1099-MISC.
15. Starting in 2022, credit card sales of \$600 or more – even if on eBay – will trigger a Form 1099-K. Also, if you receive a Form 1099-K from a merchant, only report the amount that represents business revenue.
16. Business owners, a new filing requirement to report to the Financial Crimes Enforcement Network (FinCEN) the name, address, DOB, & driver's license number of all beneficial owners or pay a \$500/day fine is coming.
17. Self-employed taxpayers may be able to claim a Sick & Family Leave credit if unable to work due to COVID-19.
18. The threshold for required tax withholding and wage reporting on household employees is \$2,300.
19. The standard charitable deduction remains at \$300 for Single filers and \$600 for MFJ



TAX NOTICE

19. The standard charitable deduction remains at \$300 for Single filers and \$600 for MFJ
20. Any single non-cash charitable contribution of \$250 or more requires a letter from the non-profit organization.
21. Virtual currency (Crypto) is treated as property for federal tax purposes, for which YOU MUST track your basis. If you sold or exchanged Crypto for other property (including goods or other Crypto), then treat it as a sale for which gain/loss MUST BE recognized on the tax return. If you were gifted Crypto, then your basis is the donor's basis plus any gift tax the donor paid on the gift. If you received new Crypto following a hard fork, your basis in the new Crypto is the amount included in income from that hard fork event. Mining Crypto is a business, subject to S-E ta.