



We welcome 2023 and, as always, this past year was a year full of changes for issues that might affect your tax returns.

Currently, the tax filing deadline for 2022 returns is April 18, 2023.

We are available to meet with you in person, over the phone or via video conference. Please call us to make an appointment. We also have several other ways for you to send us your tax information:

- Mail
- Drop slot located outside our suite door
- Sharefile (please contact us for set up)

Once your tax returns are complete, you can pick them up at our office, we can mail your copies to you, or we can deliver them to you securely via our Sharefile or password protected email.

Important Changes & Updates

New Forms

There is some new information this year that some people will see, and which we need you to provide to us:

Amount received from Minnesota Frontline Worker Pay

Tax Update for 2022 Tax Returns

- The IRS generally starts accepting electronically filed returns the last week of January.
- **Roth and Traditional IRA contribution limits** remain the same for 2022 and are the lower of \$6,000 or your compensation. Those over age 50 may make an additional \$1,000 contribution. Beginning in 2020 the mandatory age to begin distributions from your IRA was raised to 72. Roth IRAs do not require withdrawals until after the death of the owner.

- **Child Tax Credit.** For 2022 the child tax credit has been reduced. The credit for each child age 17 and under is \$2,000. The credit is also partially refundable for taxpayers, as long as your principal place of abode is in the U.S. for more than one-half of the year.
- **The 2022 Standard deduction** is \$12,950 for single and married filing separately, \$25,900 for married filing jointly and \$19,400 for head of household filers. Taxpayers over 65 years old may claim an additional \$1,750.
- **The Standard Business Mileage** rate allowance under the optional method for vehicle expense for 2022 is 58.5 cents per business mile for January 1 through June 30 and 62.5 cents for July 1 through December 31.

Virtual Currency (Crypto) & Foreign Accounts

Reporting virtual currency and foreign accounts on your tax return is mandatory. We are seeing more and more taxpayers “dabbling” in virtual currency. If you or your dependents bought or sold virtual currency, or accepted it as payment, or used it to pay bills, we need some detailed information from you. Please inform us if you have any of this activity and/or if you had any financial interest or signature authority over a foreign account in 2022.

Identity Theft

Identity Theft remains a top priority for the Internal Revenue. Identity theft is one of the fastest growing crimes nationwide. To help our clients and to prevent the misuse of their Social Security number on fraudulent federal income tax returns, we will be available to help you apply for an IRS Personal Identification Number (PIN) if you wish to participate.

Tax Organizer/Checklist

We are including a summarized checklist and organizer with this letter. If you would like the more detailed organizer sent to you, please let us know, and we will have the more detailed organizer sent to you by e-mail or regular mail.

We look forward to working with you for another tax season, and throughout 2023.

Estela, Tina & Katie

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