



From: Kathy Hettick
Sent: Friday, March 19, 2021 9:19 AM
Subject: 2020 Tax season update!

Greetings from Hettick Accounting! We hope this email finds you doing well, enjoying a little sun when it is out 😊, and getting back to some missed activities and in person connections. Slowly, but surely, we are getting through this challenging time.

So what's up with taxes? First of all, we want to thank you for your patience and understanding. It has been a heck of a tax filing season thus far! With the passage of the American Rescue Plan Act of 2021 (ARPA) last week, we have needed some time and space to learn about these changes, analyze their impact, and develop personalized recommendations to maximize your COVID-19 tax benefits. With so many changes and challenges, there have been numerous IRS delays in getting new instructions and forms in addition to waiting on software development updates.

New tax due dates:

1. The 2020 due date for individual returns has been extended from April 15 to **May 17, 2021**. This also extends the time to pay for any tax due for 2020.
2. The due date of your 1st estimated tax payment for 2021 has **NOT** been extended and is still due on April 15.

The third round of stimulus payments:

1. The 2021 economic impact payments have started going out this week and many have already seen it as a direct deposit. This payment is based on your 2020 tax return, if filed, or your 2019 tax return if you have not filed 2020.
2. The law allows for an additional payment in a few months for those that have not yet filed 2020 and your tax return shows you are entitled to more.
3. This stimulus payment will be reconciled on your 2021 tax return, so please save all documentation!
4. For more information about your payment, go to <https://www.irs.gov/coronavirus/get-my-payment>

Updates from our office:

1. Many of you have your tax information in our office awaiting completion. Rest assured! We are working diligently and thoroughly for each and every tax client to provide the best possible outcome for the 2020 tax filing; your tax return will get done!
2. Last week, the ARPA included an exemption for up to \$10,200 of unemployment benefits for qualified taxpayers, retroactive to 2020. If you received unemployment, and have not yet filed your 2020 tax return, you are on our waitlist while our tax software undergoes updates for the change. If you received unemployment, and have already filed, we are awaiting further IRS guidance on next steps for the correction.



3. While the IRS deadline has been extended to May 17, we are also extending our deadline to submit all of your tax information into our office by April 5th to ensure a timely filing.

Again, thank you so much for your patience during this challenging tax season. We continue to digest all the information and changes as they come in to provide you the best level of service possible.

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