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January 2023

There are a number changes that affect your tax returns for 2022 & 2023. I will review your tax matters and apply these changes as applicable. However, I'd like to bring a few of these items to your attention now:

- **ID Theft** If IRS issued you a letter assigning you a PIN for 2022, please send us a copy.
- **Driver's License verifications** (or state issued ID number) have become required by many States for taxpayer and spouse: The Number, Issue date, Expiry date and State of Issuance. States will be able to use this information to help them verify residency. Also, please update all contact phone numbers. The daytime number is listed in many tax returns. NY (tax return AND extension) requires additional driver's license/state identification information.
- **Penalties** are being assessed. Be sure to file and pay timely and be able to prove it! Certified mail receipts can be helpful here. Preparers can be subject for failing to obtain a signed engagement letter. Please read and sign my engagement letter ASAP.
- Verification is needed for Earned Income Credit and Head-of-Household status.
- For 2023 the annual gift tax exemption is \$17,000. For 2022 it was \$16,000. More info here: <http://traderstatus.com/tax-planning/ideas/gift-taxes>
- If you have financial accounts or other assets overseas, please see this website: <http://bsaefiling.fincen.treas.gov/>

More information at the web site: e here: <http://traderstatus.com/?p=168>

Retain your own copies of W-2s, and please send your actual form W-2s, 1098s and 1099s **or** a full, clean photocopy or digitally-created PDF. There are amounts and codes on the W-2 that is needed to complete the tax returns. In a few cases these are required to be sent along with the tax return, I will generally attach them when appropriate. You may wish to email or copy to a USB "thumb drive" or upload to our "[client portal](#)" or burn to a CD-R some of your documents as PDFs, including any large 1099s, or Excel spreadsheets or QuickBooks files. Please identify the version of QuickBooks and the Admin password. **Do not send cellphone photographs, cellphone attachments or text messages!**

Please retain all of your own copies of all other documents submitted to me, as I will not be making copies or returning documents to you.

I have prepared a standard "engagement letter" which CPA's must use. **Please review and sign before I get to work on your tax data.** Do not send your tax data until you understand and agree to the terms. If you have a business, a trust or some other tax entity please use the provided engagement letter to cover all your work with me by listing your entity's name.

Options for filing tax returns and delivery

IRS and State filing copies:

Most form 1040s and many business entity returns are required to be e-filed to IRS. Unfortunately, a very few business entity State and Local returns must still be paper filed. If e-filing is not available for your tax return I will send these to you for signature.

Your copy for permanent retention:

I will be **uploading** to you a permanent copy of your 2022 tax returns. These PDFs should be more convenient for you to keep, to make extra copies and backup copies of, and to print one or more pages on-demand when needed for any purpose. You can even provide the PDF to your banker when it is needed. If you prefer, I can mail a paper copy to you upon request in lieu of a PDF.

2022 Extensions & 2023 Estimated tax payment vouchers:

There is nothing wrong with “going on extension” and it is actually most preferable for many reasons, including the sorting out through last minute and retroactive tax law changes, and for filing of 2022 and 2023 tax elections based on events that happen later during 2023, and because there can be a smaller window of opportunity for IRS examinations. But if you would like to avoid going on extension please have all of your information ready at least six weeks prior to the April 15th filing deadline (and six weeks prior to March 15th for LLCs, partnerships and corporations).

When going on extension remember that there are significant penalties and interest that can be assessed if you have not paid your taxes via timely estimates & withholding and by the due date of your first extension request. If you need assistance with computing the amount of taxes due with your extensions, please have all the information to be considered summarized and ready at least three weeks prior to the (April 15th or March 15th) filing deadlines.

Extended returns for individuals are due October 15th (it is September 15th for most other returns including LLCs, partnerships and s-corporations) please have all of your information ready at least six weeks prior to these deadlines.

Between March 20th and April 15th I will be working exclusively on client work that is already “in house” here prior to March 20th. Please keep these dates in mind when pulling your data together. Similarly, between August 20th and October 15th I will be finishing client work previously received before working on other matters.

The My1040Data f/k/a Internet Tax Notebook

If I have your 2021 personal tax return data on my computer, and if you would like to use “My1040Data” to help you organize your tax information for 2022 just let me know before April via email or through this link <http://traderstatus.com/contact-us/contactform> to receive a User ID & Password that will allow private access to your personalized My1040Data. I will have your file uploaded to the internet and send you a login ID and password by a reply email. Optionally I can upload a PDF for you to print out and work with, or I can mail you a printed copy. Just ask me.

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