2020 Tax Filing Season is Upon Us!

It is hard to believe, but January 2021 is here!! We are leaving behind a year unlike any other, having learned how to live and work in ways that we never imagined. And I'm sure none of us expected that we would enter 2021 still dealing with so much. I know we have all have been touched in some way by this pandemic, some physically, some financially and many of us emotionally. We want to thank you for your continued support and trust in our firm to handle your tax and accounting needs during this difficult time. You extended grace and patience when needed, and you continued to refer new business our way. But most of all, we learned just how wonderful you all are and what great clients we have. In order to keep all of us and you as safe as possible, as well as manage the increasing work load, we have put several changes in place for 2021. This letter will outline those changes along with other information you may find helpful as we head into tax time.

STAFFING CHANGES
This year saw us make a change in our front office. Many of you have had a chance to meet Heather but for those that haven't, you'll love getting to know her! She is handling our office administration, some bookkeeping and managing our social media. If you aren't yet following us on Facebook or Twitter, or checking our website occasionally, you're missing out on some of the great content Heather is putting out. Raegan and Kaylee will both still be heavily involved in our tax preparation and bookkeeping, and we'll add an intern to assist with tax return data entry during the spring. As many of you already know, Raegan will be taking a break from work beginning in late February when she will be having our second grandson! She will be on maternity leave for at least 2 months. During that time questions can be directed to Kaylee, Heather, or myself.

FILING DEADLINES AND DUE DATES
This year's federal tax filing deadline for individual returns is Thursday, April 15th. **Friday, March 19th is the cutoff date for us to guarantee an on-time filing of your tax return.** While we will still complete many returns received after this date, we cannot guarantee it. Extension preparation begins April 1st.
If you have an outstanding balance with us from your 2019 tax preparation, work will not begin on your 2020 tax return until the invoice is paid. If unpaid as of April 1st, an extension will be prepared as a courtesy to avoid a late filing penalty.

If you will need an extension for your tax return, there are a few things to keep in mind. An extension is an extension of time to file, **NOT** an extension of time to pay. Any tax due not paid with the extension will incur a **failure to pay penalty of 0.5% per month until paid**. We are happy to help you with an estimate of tax due so that you can send a payment with your extension. Even if you are unable to pay, it is important to let us know that you desire an extension, because the **failure to file penalty is 5% per month of the tax due on the return**. Please let us know if you will need an extension by April 1st so that we have adequate time for any tax estimates that need to be done.
This year's federal filing deadline for Partnership and S-Corporation returns is Monday, March 15th and for C-Corporations and Trust returns it is Thursday, April 15th

E-FILING PROCEDURES
After your return is completed, you will receive a copy of your return in your portal. New this year, your 8879 will be sent to you via email as a DocuSign document that you can electronically sign, and then once signed, will be automatically returned back to us. **Once you have reviewed your return and Form 8879 is returned signed, your tax return will be submitted for e-filing**. The final date for these to be

received back in our office for an on-time submission is April 10h. At the time you receive your return and Form 8879, the invoice for your tax preparation services will be emailed. All invoices include a link to pay online with your bank or credit card information. If you do not prefer to pay online, you may pay with your card by calling the office or by check. Invoices are due upon receipt.

CLIENT CONTACT INFORMATION, POA's and QUESTIONNAIRES

We want to make sure that each year we have your correct contact information as well as information on other life changes such as dependent changes, filing status changes and bank information. This is especially important this year as you will see in the tax software paragraph below. Please take a moment and complete the returning client information sheet as well as the client questionnaire which will be sent as DocuSign documents to your email and will be available on our website. Last year saw the addition of Form 2848 Power of Attorney in your portal. This form allows us to correspond with the IRS on your behalf as well as request transcripts for missing documents. Completion of this form now allows us to move more quickly in handling IRS notices or other issues that arise. If you signed and returned last year, then you are covered for the 2019 and 2020 tax years. If we did not get one back signed from you last year, Heather will be following up on those this spring.

SUBMITTING DOCUMENTS AND TAX RETURN COPIES

We use a secure online portal to allow for a safer exchange of information and documents. If you have never taken the time to activate your portal, please let us know and we will send an email with a link to setup your portal access. **Especially now with all the COVID protocols, this is our preferred way for you to get us all your tax documents, as many of them come electronically now and can be easily dropped into the portal.** Anything you can scan and email can just as easily be placed in the portal, which is much more secure. If you are using the portal to submit your documents, Heather will send an email upon receipt of the first document to let you know that we have received it, and will ask you to let us know when all of your documents for the year have been uploaded.

If you are dropping off original documents, we will scan those documents and request that you pick up the originals when your return is complete. We will have a drop off box at the front if you prefer no contact, or Heather will greet you in the lobby (with a mask) and take your documents. An appointment is not required for drop-off. Of course you are always welcome to mail you documents to us via USPS, FedEx or UPS.

All clients will receive a soft copy of their tax return in the portal. Paper copies will be furnished upon request by contacting Heather.

ACA COMPLIANCE

While there is no longer a penalty for failure to have minimal essential coverage, there are certain reporting requirements if you still obtain insurance through the Marketplace. If you have insurance through the Marketplace you will receive Form 1095-A.

We must have Form 1095-A in order to complete your return. This form should be mailed to you in late January/early February for the 2020 tax year. The IRS will not process your return if you received Marketplace insurance and we don't include the required form.

APPOINTMENTS

Due to a projected virus surge after the holidays, a couple of COVID scares, and the need to keep our office as safe and healthy as possible for our staff and our elderly parents, we will be scheduling any necessary client appointments as Zoom calls or phone calls at least through April. These are different times I know, but we have learned to adapt and find ways to make sure we are still meeting your needs as clients and putting out quality work.

FEES AND PAYMENT

We love what we do and we love our clients. Therefore, we strive to provide quality service and a correctly prepared return, as well as satisfying the ever-increasing due diligence requirements being placed on us as tax preparers. But we are also concerned with much more than just the numbers on the page. We hope to develop a long-standing relationship with our clients; being there for you as your businesses grow, children are born and then grow up, parents' age and eventually, as life here on earth comes to an end. All of these changes have potential tax and financial impacts. So while you could find a firm less expensive and several that are more expensive, we have structured our fees to take into account the quality services and products we provide, along with time spent to answer your questions and develop that relationship. Every couple of years you will see that fees increase as we work to stay in line with our costs to provide services.
Invoices for tax preparation are issued when the return is completed. If other work is performed during the year for tax estimates, research, business consulting, QuickBooks consulting and support or handling of IRS correspondence and audits, those services will be billed accordingly. Invoices are due upon receipt; if you need additional time or need to make other arrangements for payment, please contact our office.

TAX SOFTWARE CHANGE
We are making some big changes this year with respect to our software! After many years of being with the same tax software company, we felt it was time to move to a more robust program to deal with some of the more technical challenges of our growing client base, as well as handle the increasingly large amount of state tax returns we find ourselves doing each year. This software company also provides us with the opportunity to have firm practice software to help manage all of the contact information as well as the work to be done for each client. We are very excited about this move and feel that it will help us to serve you better! One change you will notice with this software conversion is a change in the name of the company you see at the bottom of your tax return. Due to a collaboration on this software with my long-time colleague and friend in Keller, we are required to designate a single firm name to be shown on the return, though there may be multiple preparers. **So while all of your returns will still be prepared by our firm and I will be shown as the preparer**, the return will show as filed by Schueller Messinger & Associates, PLLC. This is strictly for filing purposes only and doesn't represent any other change in our practice.

We are looking forward to what will be a very busy tax season, one that will include the birth of our second grandchild at the end of February to Raegan and our son, Clayton. We want to thank you in advance for your continued patronage and belief in what we do here. We are hopeful and excited to see what this next year brings. Please don't hesitate to let us know if there is anything more we can do to serve you better. And as always, your referrals continue to be the greatest compliment you can give us…Thank you!

Christi, Raegan, Kaylee and Heather