

January 3, 2022

Happy New Year! We hope you are ready for a prosperous 2022, remember the comeback is always greater than the setback! While welcoming the New Year we are also preparing for tax season and looking forward to another successful year of working together.

Tax year 2021 likely brought challenges and disruptions that significantly impacted your personal and financial situation – a continued global pandemic, several significant natural disasters, new tax laws and continued political shifts. Its times like this that we know our role as your tax advisor/income tax preparer is more important than ever. We want to assure you we are here to answer all your questions and concerns.

“TAX TALK”

Please provide letter 1444-C which will reflect the third Economic Impact Payment or Stimulus check/payment you received in May 2021. This income is not taxable; however, this information is needed in order to reconcile your 2021 return. You may be eligible for a bigger amount depending on your circumstances.

Please provide IRS Letter 6419, which will reflect the child tax credit advances you received during 2021. These payments are not income and not taxable, however, this information is needed in order to reconcile the child tax credit on your tax return. You may be eligible for more, however, if you received more than you were entitled, you will be required to pay it back.

The American Rescue Plan has eliminated the “health insurance subsidy cliff” for tax year 2021 and 2022. However, if you obtained health insurance through the exchange/marketplace, please provide the Form 1095-A sent to you from the marketplace.

Charitable deductions are once again allowed for taxpayers who use the standard deduction. Please be sure to fill in the amount you donated to charitable organizations on the last page of the questionnaire.

Maine Disaster Relief Payments (\$285 per person) are not subject to Maine tax, but is subject to Federal tax.

New this year we will be using eSignature to obtain signatures for Form 8879 as well as other forms. It will be imperative you provide us your current email address(es). This will be administered through DocuSign.

Also new this year we are offering an “auto fill” version of our income tax questionnaire. We encourage you to use either the standard .pdf version or the new autofill version and to upload the questionnaire along with your supporting documents using our secure client portal. A link to the portal can be found in the attached email or via our website www.leightonandlongtin.com.

We ask that you please fill in as much of the enclosed questionnaire as possible to assist us in the preparation of your tax return. Please also note we must have your tax information no later than Friday, March 25, 2022 to guarantee its completion by the filing due date of Friday, April 15, 2022.

Due to COVID we are encouraging zoom or telephone meetings this season, however, we are offering in person meetings for those who prefer. As always, all of us at Leighton & Longtin, CPA look forward to working with you in the coming weeks and want to thank you for your loyalty and friendship over the years.

Leighton & Longtin CPA, LLP