

*It's Tax Time... Again!*



## Tax Preparation Services

*Doing Everything For Yourself* doesn't mean you have to do it alone! D.E.F.Y. Consulting Group, provides Tax Preparation Services. With over 20 years' experience, we don't just file your tax return, we spend time learning you! We educate you on credits and deductions, give detailed breakdowns of your tax story, and pump you with tax planning tidbits and strategies year-round. Whether it's your first time, new business owner, seasoned tax-filer, self-employed, clergy or first responders, D.E.F.Y. Consulting Group has you covered.

### WHAT'S NEW IN 2021

- New Secure Client Portal Account with login and password
- New secure system, to easily upload/download your personal files and documents
- Financial Management Services year-round including:
  - o Tax-Withholding Quarterly Reviews
  - o Tax Savings Strategies
  - o Business & Personal Budgets
  - o and much more...
- Financial Management Consulting for small businesses

*"Millions wish for financial freedom, but only those that make it a priority  
have millions."*

*— Oscar Aulic-Ice*



# Welcome.

2020 was one hell of a year. Full of so many unprecedented unknowns not just for you and I, but for everyone, globally. Who would have ever thunk it, toilet paper and alcohol ... a hot commodity, Wow!

I hate to admit it, but the stimulus check was such a blessing, can you remember what you did with yours? I, like so many others... first sat on it, like um... and then I settled on a brand-new laptop computer, and paid a few bills. Don't judge, I was stimulating the economy... 😊 With that came so many tax questions and concerns, and so many of you all just wanting a better understanding of how all this would impact our taxes this year.

- *To pay or delay that was the question.*
- *Take out an early retirement withdrawal...*
- *Adjust or not adjust tax-withholds...*
- *IRS Installment payments when, where, how...*

If any (or all) of this resonates with you, I'm so glad you're here.

## You are not alone.

These all are some great questions. I understand exactly where you're coming from, because I too had to figure it out and get the answers, not just for myself, but to serve you too. One thing it definitely did was made us all take a look at our finances and reflect.

That's why **Doing Everything For Yourself** doesn't mean you have to do it alone! Please find important dates, answers to your top questions and a tax prep checklist to get you ready for your tax returns.



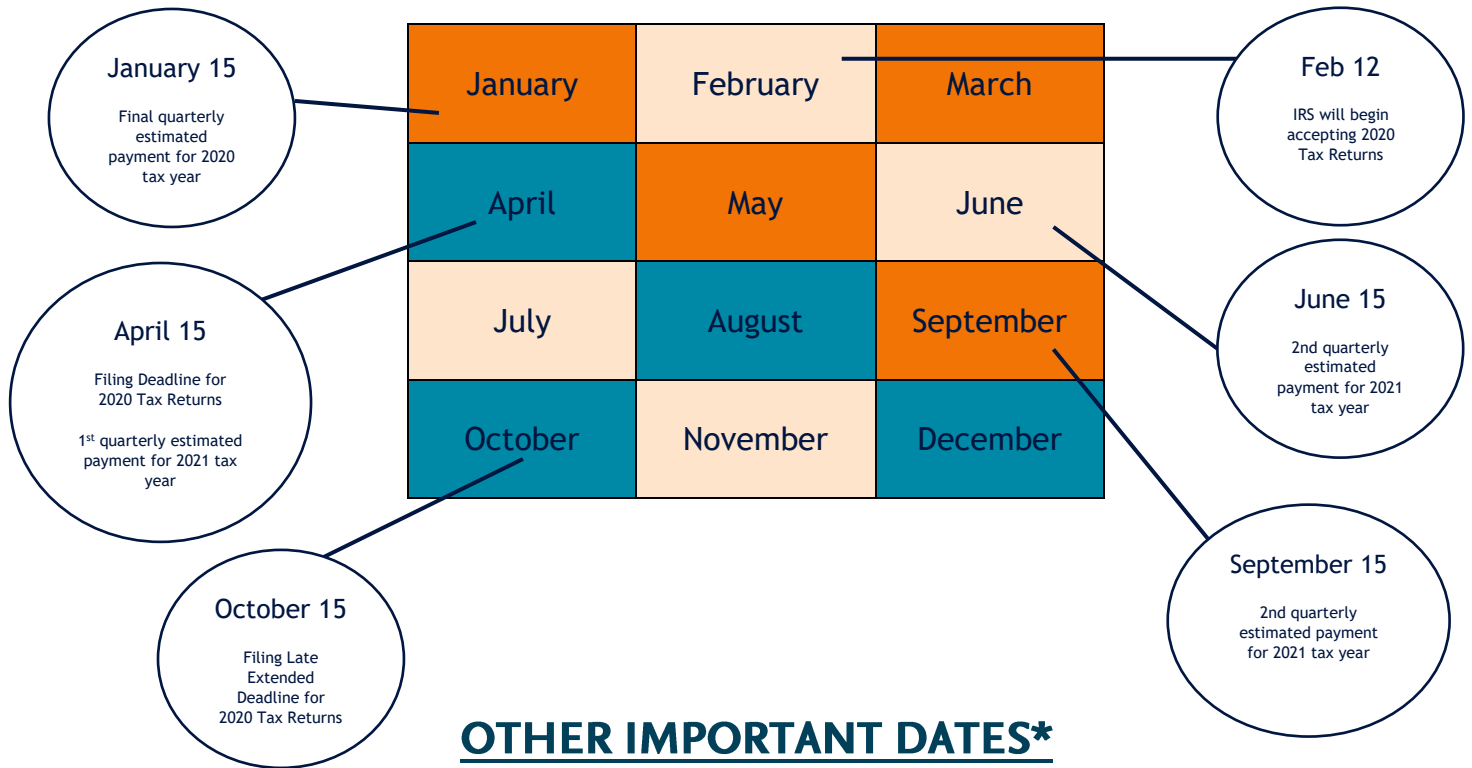
*"Knowing Is Half the Battle."*

*— G.I. Joe*



# 2021 Tax Changes

Here are some important dates you should know for the 2020 Federal Tax Filing Season in 2021:



## OTHER IMPORTANT DATES\*

- **Jan. 15, 2021:** Deadline to pay the fourth-quarter estimated tax payment for tax year 2020
- **Feb. 1, 2021:** Deadline for employers to mail out W-2 Forms to their employees and for businesses to furnish 1099 Forms reporting non-employee compensation, bank interest, dividends, and distributions from a retirement plan
- Deadline for financial institutions to mail out Form 1099-B relating to sales of stock, bonds, or mutual funds through a brokerage account, Form 1099-S relating to real estate transactions; and Form 1099-MISC, if the sender is reporting payments in boxes 8 or 14
- **March 1, 2021:** Deadline for businesses to mail Forms 1099 and 1096 to the IRS
- **March 2, 2021:** Deadline for farmers and fishermen to file individual income tax returns
- **March 15, 2021:** Deadline for corporate tax returns (Forms 1120, 1120-A, and 1120-S) for tax year 2020, or to request an automatic six-month extension of time to file (Form 7004) for corporations that use the calendar year as their tax year, and for filing partnership tax returns (Form 1065) or to request an automatic five-month extension of time to file (Form 7004)
- **March 31, 2021:** Deadline for businesses to e-file Forms 1099 and 1096 to the IRS, except Form 1099-NEC
- **April 15, 2021:** Deadline to file individual tax returns (Form 1040) for the tax year 2020 or to request an automatic extension (Form 4868) for an extra six months to file your return, and for payment of any tax due
- Deadline for household employers who paid \$2,200 or more in wages in 2020 to file Schedule H for Form 1040
- Deadline for first-quarter estimated tax payments for the 2021 tax year
- **June 15, 2021:** Deadline for second-quarter estimated tax payments for the 2021 tax year
- Deadline for U.S. citizens living abroad to file individual tax returns or file Form 4868 for an automatic four-month extension
- **Sept. 15, 2021:** Deadline for third-quarter estimated tax payments for the 2021 tax year
- Final deadline to file corporate tax returns for tax year 2020, if an extension was requested (Forms 1120, 1120-A, 1120-S)
- **Oct. 15, 2021:** Final extended deadline to file individual tax returns for the year 2020 (Form 1040)
- Deadline for taxpayers who earned \$69,000 or less in adjusted gross income (AGI) for tax year 2020 to use Free File to prepare and file their returns

\*Dates are subject to change, pending unknown factors. Please verify with IRS.gov for future updates.

# Frequently Asked Questions

**Will I have to pay taxes on my stimulus payments?** As part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act's \$2 trillion relief package, the government sent up to \$1,200 in the form of a stimulus check to millions of Americans shortly after the pandemic shut most of the country down. The good news is, **NO**. Your stimulus check will not count as taxable income. Instead, it's being treated like a refundable tax credit for 2020.

**Are the Paycheck Protection Program (PPP) Loans really forgivable, or do I have to pay it back?** The CARES Act also tried to help struggling small business owners stay afloat by offering them Paycheck Protection Program (PPP) loans. As long as these loans were used on certain business expenses—payroll, rent or interest on mortgage payments, and utilities, to name a few—**these loans were designed to be “forgiven.”** But heads up, small business owners: **The IRS says that any expenses you paid with money from those PPP loans cannot be deducted from your taxable income.** Plus, you'll have to get your loan forgiveness application approved by the Small Business Administration before you're off the hook for the amount you borrowed.

**Do I have to pay taxes on the Unemployment Benefits I received?** Many Americans found themselves out of work (at least temporarily) after the pandemic shut down a large part of the economy and turned to unemployment insurance for help. **YES**, those who received unemployment benefits **will need to pay income taxes on that money.** If you chose not to have taxes withheld from your benefits when you signed up, then you'll either have to pay quarterly estimated taxes or set aside enough money from your unemployment benefits to pay your taxes.

**I took out a withdrawal on my 401 (k) because of the COVID-19 pandemic, will I still be penalized?** The **CARES Act allowed** folks under age 59 1/2 to take up to \$100,000 out of their 401(k)s and IRAs up until the end of 2020 **without having to pay an early withdrawal penalty.** The money you take out of tax-deferred retirement accounts like a traditional 401(k) or IRA will be taxed as ordinary income, so get ready to pay taxes on any withdrawals you make.

**Can I claim the Recovery Rebate Credit?** Eligible individuals are U.S. citizen or U.S. resident alien in 2020, that cannot be claimed as a dependent of another taxpayer for tax year 2020, and have a Social Security number valid for employment who **did not receive** the first Economic Impact Payment of \$1,200 or the second Economic Impact Payment of \$600 may claim the Recovery Rebate Credit on their 2020 Form 1040 or 1040-SR. In other words, if you received stimulus payments **you do not qualify.**

**Is President Biden's \$1,400 stimulus payout approved yet?** As of January 20, 2021, the additional Stimulus package proposed by the president, has not yet been approved by Congress. Keep checking back for the latest updates.



# Conclusion.

These times have most definitely brought on uncertainty, but one thing that is not bound to change... paying taxes.

You might find yourself wondering, "What Do I Do Next?"

## Discover Your Next Steps.

I'd be honored to help you define your next steps, so that you can begin to prepare for this year's tax return confidently, and apply tax tips and strategies for the upcoming tax year.

Join me for a DEFY Tax Prep Session, where together, we will:

- Review the prepared Tax Prep Checklist on your journey toward a maximized tax return.
- Schedule your DEFY Tax Prep Session so we can get the process started.
- Select Your Tax Return Options for preparing your Federal and State tax returns (as applicable)
- Create Your Secure Client Account, so you can upload your tax files and documents securely, to get started.
- Discuss the Results. Review the completed/submitted tax returns and discuss any questions or comments.



### Schedule Your DEFY Tax Prep Session Here:

[defyconsultinggroup.coachesconsole.com/calendar/defy-tax-prep-session](https://defyconsultinggroup.coachesconsole.com/calendar/defy-tax-prep-session)

Description of Individual Services	Pricing
1. Student Income Tax Return (Federal & State Included)	\$100.00
2. Individual Income Tax Return (Federal & State Included)	\$180.00
3. Joint Income Tax Return (Federal & State Included)	\$275.00
4. Amended Income Tax Return (Federal & State)	\$125.00
5. Quarterly Review of Tax Withholdings Strategy Session	\$25.00
6. DEFY Personal Financial Budgeting Strategy Session	\$75.00
Description of Business Services	Pricing
1. Preparation of W-2s or 1099s Documents (up to 10) <i>Prepare &amp; File up to 10 W-2 or 1099 forms for Federal &amp; State of Organization</i>	\$200.00
2. Small Business LLC or Corporation Income Tax Return (Federal & State Included) <i>Prepare &amp; File 1040, Schedule C</i>	\$300.00
3. Small Business LLC or Corporation Information Return <i>Prepare &amp; File Annual Information Return for State of Organization (does not include State Filing Fees)</i>	\$125.00
4. Tax Planning Documentation Preparation <i>Review &amp; Organize Financial Statements and Other Financial Accounting Documentation for Tax Return Filing Preparation</i>	Request Free 30 min Consultation
5. Small Business LLC or Corporation Income Tax Return Bundle* (Valued over \$675) Includes All Listed Items 1-4.	\$500.00

\*Free Consultation can lead to additional charges based on additional agreed to services provided.