



# FISHER CONSULTING SERVICES 2021 Tax Guide

## Tax News for filing your 2020 taxes

The filing season begins on January 25<sup>th</sup> this year.

Economic Stimulus checks paid out beginning in April and continuing through the end of the year are not taxable income. **If you haven't yet received any, there is a Recovery Rebate credit you may be eligible for when filing this year's taxes. Be prepared to let me know how much your stimulus checks were!**

Coronavirus-related distributions from qualified retirement plans and IRAs may be spread over 3 years and, if the distribution is rolled over to qualified retirement plan or IRA within 3 years, the tax on the distribution can be refunded.

A few of the expiring provisions were extended through December of 2020 including the exclusion from gross income for the cancellation of mortgage interest on a personal residence loan up to \$2 million, itemized deduction for mortgage insurance premiums, credit for nonbusiness energy property added to a principal residence, credit for plug-in electric drive 2-wheel vehicles, and above-the-line deduction for tuition and fees.

This year the IRS will allow you to deduct up to \$300 in charitable donations if you are **NOT** itemizing. (Starting in 2019, AZ state allows 25% of your charitable donations.)

## Standard Deductions are as follows:

<u>Filing Status</u>	<u>Deduction</u>
Single	\$12,400
Head of Household	18,650
Married/Joint	24,800
Married/Separate	12,400

\*\*If you are 65 and above or blind, this will be higher!

## Tax Brackets for 2020 are:

10% - Single income to \$9,875	Head of household up to \$14,100
	Married filing jointly up to \$19,750
12% - Single income \$9,876 to \$40,125	Head of household \$14,101 to \$53,700
	Married Filing Jointly \$19,751 to \$80,250
22% - Single income \$40,126 to \$85,525	Head of household \$53,701 to \$85,500
	Married Filing Jointly \$80,251 to \$171,050
24% - Single income \$85,526 to \$163,300	Head of household \$85,501 to \$163,300
	Married Filing Jointly \$171,051 to \$326,600
32% - Single income \$163,301 to \$207,350	Head of household \$163,301 to \$207,350
	Married Filing Jointly \$326,601 to \$414,700
35% - Single income \$207,351 to \$518,400	Head of Household \$207,351 to \$518,400
	Married Filing Jointly \$414,701 to \$622,050

**A lot of you have reached out to ask if I will be doing in-home appointments this year. The answer is YES...unless there is another mandatory lock-**

**down when the President-elect takes charge! If you feel the slightest bit leery of a one-on-one, I will mask up, or, we can do an appointment via FaceTime or Zoom.**

To schedule your in-home appointment at your convenience, call 480-242-8641, or email me at cindy85296@gmail.com.

**If you send your tax information to me electronically, the return must be paid for before I send it off to the IRS! I accept Venmo, PayPal, Zelle, and online payments made through my Quickbooks invoicing program.**

**THIS CHECKLIST MAY BE USED TO SAVE YOU TIME AND REMIND YOU WHICH TAX FORMS YOU'VE RECEIVED DURING THE YEAR AND MAY BE USED DURING YOUR TAX PREPARATION:**

**EMPLOYMENT & INCOME DATA:**

- \_\_\_\_\_ W-2 forms
- \_\_\_\_\_ Unemployment compensation: Form 1099-G
- \_\_\_\_\_ Miscellaneous income including rent: Form 1099-MISC
- \_\_\_\_\_ Partnership, S Corporation, & trust income: Schedule K-1
- \_\_\_\_\_ Pensions and annuities: Forms 1099-R
- \_\_\_\_\_ Social Security/RR1 benefits: Form RRB-1099
- \_\_\_\_\_ Alimony received
- \_\_\_\_\_ Jury duty pay
- \_\_\_\_\_ Gambling and lottery winning (W2-G)
- \_\_\_\_\_ Prizes and awards
- \_\_\_\_\_ Scholarships and fellowships
- \_\_\_\_\_ State and local income tax refunds: Form 1099-G (new clients only)

**HOMEOWNER DATA:**

- \_\_\_\_\_ Mortgage interest: Form 1098
- \_\_\_\_\_ Sale of your home or other real estate: Form 1099-S
- \_\_\_\_\_ Second mortgage interest paid
- \_\_\_\_\_ Real estate taxes paid

**FINANCIAL ASSETS:**

- \_\_\_\_\_ Interest income statements: Form 1099-INT
- \_\_\_\_\_ Dividend income statements: Form 1099-DIV
- \_\_\_\_\_ Proceeds from broker transactions: Form

1099-B

\_\_\_\_\_ Retirement plan distribution: Form 1099-R

**FINANCIAL LIABILITIES:**

- \_\_\_\_\_ Student loan interest paid
- \_\_\_\_\_ Early withdrawal penalties on CDs and other time deposits

**AUTOMOBILES:**

- \_\_\_\_\_ Registration

**EXPENSES:**

- \_\_\_\_\_ Medical Insurance coverage, medical expenses & mileage
- \_\_\_\_\_ Gifts to charity, charitable mileage
- \_\_\_\_\_ Child care expenses
- \_\_\_\_\_ Adoption expenses
- \_\_\_\_\_ Alimony paid
- \_\_\_\_\_ Sales documents for vehicle purchase
- \_\_\_\_\_ 1098-T for college tuition paid
- \_\_\_\_\_ College expenditures

**SELF-EMPLOYMENT DATA:**

- \_\_\_\_\_ Business income: Form 1099-MISC and/or own records
- \_\_\_\_\_ Partnership SE income: Schedule K-1
- \_\_\_\_\_ Business-related expenses: Receipts for Unreimbursed expenses; mileage for vehicle
- \_\_\_\_\_ Employment taxes & other business taxes
- \_\_\_\_\_ Starting/ending mileage if used in business
- \_\_\_\_\_ Gas, parking, repair, insurance expenses if used in business

**MISCELLANEOUS TAX DOCUMENTS:**

- \_\_\_\_\_ Federal, state, & local estimated income tax paid for last year
- \_\_\_\_\_ IRA, Keough and other retirement plan contributions

**IF YOU HAVE ANY QUESTIONS REGARDING WHAT IS DEDUCTIBLE OR WHAT IS REPORTABLE INCOME, PLEASE CALL ME!**

**\*\*\*LAST MINUTE REMINDERS\*\*\***

Here is a list of items that most people forget:

1. Vehicle registration
2. Print-out of medical expenses from your pharmacy/doctor/dentist, etc.
3. 1099/W2-G from casino winnings!!!

4. Interest paid on home-equity lines of credit
5. Mileage for medical miles as well as charitable service miles
6. Interest earned from savings/investments
7. School tax credit forms/addresses

**EARN-A-RETURN** is still and will always remain in effect. Each referral will earn you \$20.00 along with a personal “thanks”.

**\*\*\*NEW CLIENTS SHOULD HAVE THE FOLLOWING READY FOR REVIEW:**

1. Photo identification/driver’s license, etc.  
Valid Social Security cards for the taxpayer, spouse and dependents
2. Birth dates for primary, secondary and dependents on the tax return
3. Wage and earning statement(s) Form W-2, W-2G, 1099-R, from all employers
4. Interest and dividend statements from banks (Forms 1099)
5. A copy of last year’s federal and state returns, if available (2019)
6. Bank routing numbers and account numbers for direct deposit
7. Other relevant information about income and expenses
8. Total paid for day care
9. Day care provider's identifying number, address, and phone number

**FEE SCHEDULE FOR NEW CLIENTS ONLY!:**

1040 (no schedules).....	\$75.00
1040 (w/Schedules but not itemizing).....	\$120.00
1040 (w/Schedules including itemizing).....	\$200.00
1040 (w/Schedules for self-employment, and rentals).....	\$300.00
(\$50/ea additional Schedule C income)	
1065 (Partnership returns).....	\$500.00
1120/1120S (Business returns).....	\$500.00
Separate State Return.....	\$75.00
Amended Returns.....	\$75.00/up

**\*\* These fees apply to new clients only.**  
**\*\*Payment is expected at the time of service, and you can now pay by cash, check, debit, or credit card. If you are emailing/mailling your information to me, payment must be made before the return is submitted to the IRS.\*\*\*\***  
**\*\* Discounts are available to those who fax/e-mail/or drop off their information to me and there isn’t any in-home visit.**