



ELE-PEAGLER, LLC

Bookkeeping and Tax Services

January 19, 2023

Happy New Year!

Tax season 2022 has begun. The changes in effect for this season are:

- Welcome Romona Hall to our team. Ms. Hall will contact you about picking up your tax returns or scheduling an appointment. Ms. Hall is a part of the ELE Family of Companies.
- Many clients are using the “secure” client portal to send/receive tax documents. You can send/receive messages, e-sign your documents, pay income tax preparation fees. You can access this portal via any portable device (smart phone, desktop, laptop, I-pad) twenty-four (24) hours a day. If you are not sure we have your email address, please send it to us. We will provide your username. You will create your own password.
- Due to Covid-19 pandemic, we will continue to operate virtually. This means you can drop off your tax documents or send and receive them electronically utilizing the client portal.
- See chart below to determine if you should choose the Standard Deduction according to your filing status or do Itemized Deductions. Note that charity deductions are no longer deductible if you take the Standard Deduction.

Filing Status	Under Age 65	Age 65 or Blind
Single (S)	12,950	14,700
Head of Household (HH)	19,400	21,150
Married Filing Joint (MFJ)	25,900	1 person (27,300); Both 65 (28,700)
Married Filing Separately (MFS)	12,950	14,350
Qualifying Surviving Spouse (QSS)	25,900	27,300

- Social Security income can be taxable if all sources of your income equal or exceed the limits below:
Single/Head of Household/Qualifying Surviving Spouse: \$25,000;
Married Filing Separate (not living with spouse): \$25,000;
Married Filing Joint: \$32,000
- Social Security income is not taxable on State or Local income tax returns.
- The Child Tax Credit qualifying age (under 17) and dollar amount (\$2,000 per child) are back to the year 2020 levels.
- If you withdrew 401-K funds as a hardship in 2020 and chose to repay over three years, the third-year installment will be income on your 2022 income tax return.
- Standard Mileage rate for 2022 is Jan-June 58.5 cents per mile, Jul-Dec 62.5 cents per mile.
- Dependent children who work may deduct \$1,100 or \$350 plus their earned income from their tax return.
- If you will be a First-Time homebuyer, you can establish a savings account for that purpose in Michigan. After one (1) year of the account being opened you may withdraw funds for down payment and/or closing costs. You earn interest and you can deduct on Michigan return from your Adjusted Gross Income.
- Michigan pension and/or capital gain deductible amounts have increased for 2022.
- Beginning in 2023, if you purchase or lease an energy efficient vehicle, you could be eligible for a federal tax credit.
- You are eligible for a deduction on Michigan return if you make a contribution to a 529 Savings Plan. The purpose is education – Grades K-12, College).
- If Michigan household income is \$63,000 or less and home taxable value is \$143,000 or less, you could be eligible for the Michigan Homestead Property Tax Credit.

If you own a business and have employees and/or contract workers (W-2, 1099-NEC), the recipients must receive these tax statements by Monday, January 30, 2023. If our office prepares these documents for you, the recipient’s name, address, social security number and amount paid must be provided to us no later than Thursday, January 26, 2022.

Depending on your business registration, you have various tax filing deadlines:

- Multi Member Limited Liability Company (LLC, Partnership) – March 15, 2023, if an extension is filed, the deadline is September 15, 2023
- S-Corporation – March 15, 2023, if an extension is filed, the deadline is September 15, 2023
- C-Corporation – April 18, 2023, if an extension is filed, the deadline is October 16, 2023
- Sole owner – April 18, 2023, if an extension is filed, the deadline is October 16, 2023

ELE-Peagler, LLC will be filing extensions for businesses (Partnerships, S-Corp, C-Corp) because of the time required to process these returns. In some cases, Sole Proprietorships will have time extensions filed as well.

Enclosed with this letter is a 2022 Checklist of items that might help you prepare for the processing of your 2022 income tax return.

Our availability to prepare returns will be:

Monday thru Friday: 10:00am until 6:00pm ~ Saturday: 9:30am – 2:00pm (by appointment)
Dropping off documentation is possible 8:30am-4:30pm Monday thru Friday
The office will close for the summer on May 19, 2023, and resume September 1, 2023 thru October 16, 2023

New this year, we will be scheduling appointments for planning for tax year 2023 beginning May 22, 2023. These appointments can be in person, Zoom or phone.

There will be a service fee of \$10 over and above your income tax preparation fee to cover the increased cost of postage and debit/credit card transactions.

For those clients that will be eligible for a refund, you may choose to have your income tax preparation fees deducted from your refund and the balance credited to your bank account. There is a fee for this service as a third party (EPS Financial) is involved.

Referrals are welcomed. All income tax processing fees are due at the time service is rendered. The IRS will begin accepting electronic tax files on Monday, January 23, 2023. We thank you in advance for your business.

Diana Peagler

Diana Peagler, President

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Enclosure (1): 2022 Checklist

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EVERYTHING FINANCIAL

Securities offered through ELE Wealth Advisors, member [FINRA](#). Advisory services offered through ELE Advisory Services, Inc. ELE Wealth Advisors and ELE Advisory Services, Inc. are affiliated through common ownership and control.

ELE-Peagler LLC

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2022 Income Tax Checklist

Forms	Yes ()	No ()
<u>INCOME</u>		
W-2 (Wages)		
1099-R (Pension, IRA, deferred savings: 401k, 403b, 457)		
1099-G - Unemployment, 2022 State, City Refunds if you Itemized in 2021		
1099 NEC, Schedule C- Contract Worker (no tax withheld)		
Schedule C - Business Income/Expenses		
Schedule E - Rental Property (income, expenses)		
1099 B - Sale of Investments/Stocks		
1099 DIV - Dividend Income		
1099 Int - Interest (Bank, Credit Union, Bonds, etc.)		
1099 SAA - Social Security (see pink background on form)		
<u>ADJUSTED INCOME</u>		
F3903 Moving Expenses - <u>Military ONLY</u>		
IRA Contribution or Simplified Employee Pension (SEP)		
Student Loan Interest		
Educator Expense		
HSA (Health Savings Account) or Affordable Care Act (Obamacare)		
<u>TAX & CREDITS</u>		
Sch A-Itemized Deductions (medical, charity, mortgage interest, property taxes, license tag renewal, State/Local taxes paid in 2022)		
<u>NOTE:</u> Standard Deduction may be higher than Itemized Deductions		
Child Tax Credit (children) Number of Children under age 17		
Other Dependents (children age 17 and up), others who qualify		
F-2441 Child & Dependent Care Expenses		
Earned Income Tax Credit (EITC)		
<u>Cryptocurrency Question</u>		
<i>At any time during 2022, did you receive, sell, exchange, or otherwise dispose of any financial interest in any virtual currency - Yes or No</i>		
<u>ALL CLIENTS:</u>		
Currently dated picture identification (D/L, State ID); Social Security Card copies should be on file		
<u>NEW CLIENTS:</u> Provide a copy of 2021 tax returns.		

This checklist covers the basics. Depending on your tax situation, you may receive additional tax forms (ex: K-1, 1099-Q, 1099-OID, 1099-C, 1099-S, 1099-K, 1099-MISC, etc.). Casualty losses can be claimed subject to declaration of a disaster.

If you have not signed up to use our secure client portal to send/receive documents, please contact our office.