**Editor’s Notes ISSUE**

**MID YEAR 2022**

**Where’s My Refund?**

Many taxpayers are still waiting on refunds from 2020. Large numbers of tax returns from 2021 are still not fully processed due to incorrect reconciliation of Recovery Rebates and Advanced Child Tax Credit.

**Tax Tips for You… *Now!***

2022 tax year will be very different from 2020 & 2021 due to temporary tax laws intended to lessen the economic blow of Covid-19. A number of those provisions expired December 31, 2021. Child Tax Credit reverts to $2,000 and there are no advance payments.

Child & Dependent Care Credit reverts to being non-refundable, is reduced and income limits are reduced.

Charitable deduction for non-itemizing taxpayers is eliminated in 2022.

Educator expenses are increased in 2022 to $300.

Coronavirus-Related distributions from 2020 are in the final year of recognition if option to report distribution over 2020, 2021 & 2022 was elected.

**On The Horizon (not yet law) – SECURE Act 2.0**

Increases minimum age for RMDs.

Expands auto-enrollment in retirement plans.

Indexes IRA catch-up limits.

Higher catch-up limits for age 62, 63 & 64.

Student loan payment & employer matching.

**Myth vs. Truth**

Excess Advance Payment on Premium Tax Credit must be repaid for 2021.

Unemployment benefits are fully taxable for 2021.

Single dependent college students in 2020 may be eligible for the third Economic Stimulus Payment of $1,400 on their own 2021 tax return.

Divorced parents may have to payback Advanced Child Tax Credit payments on dependents that are alternately claimed yearly.

Amended returns due October 17, 2022

0% Long term capital gains rates remain at historic lows

Standard deduction increases for 2022

Social Security annual wage base increases to $147,000

Standard mileage deduction increases from 56 cents per mile to 58.5 cents per mile



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*Unfortunately, we cannot be your primary tax information source. The information in the Newsletter is for your clients. We attempt to write on a level that will give the taxpayer a general sense of the topic to promote additional conversation on the specifics with you when they discuss the preparation of their tax returns.*

*If you have a topic that you would like included in a future issue of Tax News & Tips, please forward to rich@taxnewsandtips.com .*



**Rich DeLand**

*Editor*

**Upcoming Key Dates:**

Fall 2022 Issue

Subscriptions & Masthead Change Deadline: July 23

Newsletter Ship Date: August 21