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CERTIFIED PUBLIC ACCOUNTANT

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- I am using a portal system to send your tax returns to you. It does require a password. You will get an email to set up the portal, be sure and save the link and the password so I can send your returns to you and you can send me your data! **The link to set up the portal disappears after 60 days, so you must download onto your computer or print out and save.** The IRS has been scrutinizing CPAs who send data to the bank without proper authorization, but if you save the return you can it send to them. So, when I send your tax return to you **please save a copy for you to use later!** You can also retrieve from your portal!
- I have increased capacity to receive QuickBooks files through drop box system that is also user friendly and secure. If you are ready to send me your year end QuickBooks file e mail me and I'll send you the link.
- I will put into the portal an engagement letter that needs to be signed and returned to me when the returns are finished.

LETTERS FOR BANKS AND UNDERWRITERS:

I have been requested numerous times for various letters to be written on client's behalf by banks and underwriters. They are asking for letters as to whether clients can withdraw money without damaging the business, letters to whether the company will continue to be profitable, letters as to whether the business in house statements are accurate. CPA's cannot write such letters. It's a problem in that it puts me in conflict with you the client and the bankers. Good, knowledgeable bankers do not ask for these kinds of representation, but some of the internet based mortgage business ask for all sorts of things!

On my website I have listed some details on these kinds of letters if you wish more information.

Unusual Items for 2022:

1. Reporting for virtual currency is quite unique and we are seeing more and more businesses "dabbling" in virtual currency. If your company bought or sold virtual currency, or accepted it as payment, or used it to pay bills we need some very detailed information. Please inform us if you have any of this activity in your business for 2022 because the penalties for failing to disclose it are intimidating!
2. If your business had any foreign activity or accounts I need to know that so we can properly handle it. There is increased scrutiny for foreign activity and may require a form K2 and K3 to be prepared.

2022 INFORMATION:

- Congress has not made up it's mind for the second year in a row on any new tax law changes as of December 12, 2022. I do not have a clear vision of what it will be, so we will all have to react when it is passed.
- Some items that are potentially changing would be the capitalization of R and D expenses. This applies even if you are not claiming the credit.
- The mileage rate changed mid year from 58.5 to 62.5 due to the gas price hike. I will need your mileage broken down for this.
- The 100% deduction for meals is expiring this year. Will be 50% for 2023.

Keep the following in Mind

- There are no longer tax free trade-ins of equipment. So if you trade in a vehicle, or piece of machinery, there will be a taxable event with the trade in value being the sales price.
- There was a landmark case passed concerning sales taxes to be collected in states where you may have sales but no physical presence (internet based mostly). Also with more people having remote workers in other states it's critical we talk about what states you might have to file in. **You should check with the various states you do business in to see what their rules are, It is not part of my tax engagement to do this.**
- There is no longer a deduction for entertainment. Most meals still qualify. I would refer you to IRS publication 463 (a copy of which is on my website).
- **For PPP loan, Eidl Loans, and Employee Retention credit the IRS and DOJ have said they will have the right the audit these for up to 10 years, so be sure and save your backup date for the loans and credits for this amount of time so you can prove the proceeds were used appropriately.**

REQUEST FOR SCANNED DOCUMENTS:

I would appreciate it if you could just send me scanned documents rather than originals, it's easier for both of us to manage. You can upload these through the portal system.

WEBSITE:

Please refer to my website as listed above to get more information on tax laws, privacy policy, and other information.

www.wmtombakercpa.com

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