



Key Practice Management and Accounting Updates

DEADLINES

January 31, 2022 –

Deadline for all Forms 1099-NEC filing including e-filed forms

Deadline for all payroll tax reports, W-2's & W-3

February 28, 2022 –

Deadline for 1099-MISC if paper filing

March 15, 2022 –

Deadline for filing S-Corp and Partnership Tax Returns or Extensions

March 31, 2022 –

Deadline for 1099-MISC if e-filing

QUICKBOOKS

QuickBooks Pro 2022 is now available for purchase. Please update to QuickBooks 2022 if you are currently using 2020 or older. Or talk with us regarding switching to QuickBooks Online – this may be the best option for most!

IRS STANDARD AUTO MILEAGE RATE

The standard reimbursement rate for automobiles is 56 cents per mile for 2021 and 58.5 cents per mile for 2022.

5808 Lake Washington Blvd NE
Suite 101

Kirkland, WA 98033

425.216.1612 | 425.216.1613 fax

mail@cpa4dds.com

2021 TAX SEASON KICK-OFF

After last year's successful implementation of our new portal system, TaxCaddy, we look forward to another year of continued efficiency. We aim to push out the questionnaire and document request list mid-to-late January, so be sure to look for the email.

You will be able to see in your TaxCaddy account which supporting documents were used with the preparation of last year's return (such as W-2s, 1099s, brokerage statements, etc). You can then upload the 2021 versions directly to TaxCaddy or mark if they no longer apply. We are still able to provide a traditional paper version of the Organizer, but note that this will increase our processing time, and perhaps your bill.

We request that all individual tax information regardless of delivery format be received in our office no later than February 25. If you have ownership in pass-through entities that issue Forms K-1, please do not wait for these before sending us your tax documents as they can be quite late. Submit everything you have by February 25, and we can add K-1 activity or other items when received.

LONG TERM CARE TAX

There continues to be much confusion around the Washington State Long-Term Care Tax that was to go into effect with payroll starting on January 1, 2022. The governor's office announced in late December that the program would be put on hold and penalties would not be assessed for employers who do not withhold and remit payments.

Subsequently, many of the large payroll processing companies announced they would not withhold on wages until directed to do so. The Employment Security Department later reminded employers that the law is still in effect, and that collection of the tax was required. At least one payroll company has since gone back and said they would collect the tax.

Legislative discussions of changes to the program are scheduled to begin soon, and there is an indication that the start date may be pushed back, perhaps to 2023. If that is true, any withholding before then presumably would be refunded to the employees.

At this point, much is still unknown, and the likely best course of action is to defer to whatever your payroll processing company recommends.

HHS PROVIDER RELIEF FUND REPORTING

Many dentists received pandemic assistance in the form of payments from the Provider Relief Fund administered by the Department of Health and Human Services. Reporting requirements for the use of those funds for most dentists will be January 1, 2022 – March 31, 2022.

We have published information on our website, including a step-by-step guide for how to fill out the requested information. As this period falls during our busiest time of year, we urge you to begin this process soon, as our availability to assist you with further questions may become limited. Further, this is outside the scope of our regular engagements, so a separate billing will be required for any assistance.

PERSONAL TAX PAYMENTS - EFTPS

The Electronic Federal Tax Payment System (EFTPS) can be your best friend when it comes time to make estimated tax payments. On demand and on time payments can be done 24/7, no postage required. You can even make multiple payments well in advance allowing those making quarterly estimated payments to enter all four estimates for the year.

<https://www.eftps.gov/eftps/direct/Help.page> .

Or you may go directly to www.irs.gov and make a payment there.

SALARY SCHEDULES FOR OFFICERS

Salary schedules for corporate officers have been mailed out for the year 2022. Please be sure you have changed your salary and withholding per this schedule with your payroll company. If uncertain, please contact us as soon as possible.

PAYROLL TAX RATE NOTICES

State Unemployment and L&I Rate notices for 2022 have been mailed by the State. Please be sure to forward these to your payroll company as soon as possible.

UNANIMOUS CONSENT FORMS FOR CORPORATIONS

If you have received any correspondence from your attorney regarding unanimous consent or annual minutes for your business entity, please be sure to forward it to us. We prepare the information as we complete the business return and will provide that to you for signature and return mailing to the attorney.

FORMS 1099-MISC (Those you receive)

All Dental Practices will receive Forms 1099 from third party payers. In most cases, you need only collect these and keep them in a safe place. However, there are instances where the payer may withhold federal income tax from the payment they make to you and that withheld tax will be reported on Forms 1099. You may want to peruse your 1099s to be sure tax is not reported and to make sure that there are no interest or dividend 1099s mixed in with your healthcare services 1099s. Interest and dividends will need to be reported on your applicable tax return. If you find any 1099s with withholding and/or any types of 1099s other than healthcare services, please be sure to forward these to us so that we can report it on your tax return and contact that payor to correct their records so they no longer withhold tax from your payments.