

LINDEBERG & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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November 2020

To Our Valued Clients-

As we wrap up 2020, year-end tax planning has never been more crucial. This year brought challenges and disruptions that significantly impacted your personal and financial situations – COVID-19, economic relief measures, new tax laws and political shifts. Now is the time to take a closer look at your current tax strategies to make sure they are still meeting your needs and take any last-minute steps that could save you money.

We are here to help you take a fresh look at the health of your tax and financial well-being. Please contact us at your earliest convenience to discuss your tax situation so we can develop a customized plan.

**Key tax considerations related to COVID-19**

Many tax provisions were implemented under the Coronavirus Aid, Relief and Economic Security (CARES) Act aimed to help individuals and businesses deal with the COVID-19 pandemic and its ongoing economic disruption.

*Economic impact payment (EIP)*

Eligible individuals received a payment of \$1,200 (\$2,400 for joint filers) plus \$500 for each qualifying child, with payments phased out based on adjusted gross income. The payments are treated as advance refunds of a 2020 tax credit. If you received an EIP, you should have received IRS Notice 1444, Your Economic Impact Payment. Keep this for record-keeping purposes.

*Charitable deductions*

Unique to 2020, individuals who do not itemize their deductions can take an above-the-line charitable deduction of up to \$300. Such contributions must be made in cash and made to qualified organizations.

*Retirement accounts*

You can take up to \$100,000 in coronavirus-related distributions from retirement plans through the end of the year without being subject to the 10% additional tax for early distributions. Additionally, required minimum distributions (RMDs) are temporarily suspended for 2020. If your retirement assets have taken a hit, not having to take an RMD may allow those assets to recover some value before you liquidate them.

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MEMBER:

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS  
COLORADO SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

## **Fraudulent activity remains a significant threat**

Our firm takes security seriously and we think you should as well. Fraudsters continue to refine their techniques and tax identity theft remains a significant concern. Beware if you:

- Receive a notice or letter from the Internal Revenue Service (IRS) regarding a tax return, tax bill or income that does not apply to you.
- Get an unsolicited email or another form of communication asking for your bank account number or other financial details or personal information.
- Receive a robocall insisting you must call back and settle your tax bill.

Make sure you are taking steps to keep your personal financial information safe. Let us know if you have questions or concerns about how to go about this.

## **We are moving**

In mid-December, we are moving to a new office. Our new mailing and operational address:

8333 Ralston Road, Suite 5  
Arvada, CO 80002

## **What to do before the end of the year**

Our motto is “No Surprises” but this only works with proper tax planning. The complexities of our current tax law no longer include easy calculations or quick answers. It is imperative to run the numbers and we have the tax planning software to do this. If you are considering year-end tax planning strategies, please contact us.

Once we are settled into our new location, we will mail our annual engagement letter, along with pictures of our new office.

We look forward to preparing your 2020 tax returns and value your business.

Very truly yours,

LINDBERG & ASSOCIATES, P.C.

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