**TAX NEWS & TIPS**

**Editor’s Notes**

**FALL ISSUE 2020**

**Additional Covid-19 Stimulus?**

Many Congressional Plans have been proposed but at this point no law has been signed.

**Coronavirus Aid, Relief and Economic Security Act of 2020 (CARES Act)**

Initially provided funding with individual and business provisions.

Individual provisions include Recovery Rebates of up to $1,200 per individual and $500 per qualifying child under age 17. Income limits apply.

10% Distribution Penalty for early withdrawals from retirement accounts is eliminated for “coronavirus related” distributions.

Loans from Employer-Sponsored Retirement Plans are expanded with delayed repayment.

Required Minimum Distributions (RMDs) are suspended for 2020 with repayments allowed for RMDs already taken for 2020.

Charitable contributions up to $300 cash will be allowed as a deduction for non-itemizing taxpayers.

Student loan payments are deferred until September 30, 2020.

Business provisions include Paycheck Protection Program and new loan forgiveness rules.

**Tax Tips For You… *Now*!**

Tax credits highlighted including American Opportunity Credit, Lifetime Learning Credit, Premium Tax Credit (for insurance purchased on the Government Marketplace) and Non-business Energy Tax Credit. Also, Earnings Test for Social Security recipients that continue to work prior to their Full Retirement Age (FRA) as well as Capital Gain tax rates with income limits.

**Myth vs. Truth**

Myths concerning Recovery Rebates and their effects on 2020 tax returns.

Myths concerning taxability of Stimulus (none), all dependents eligible for $500 payment (no) and repayment of Stimulus if 2020 income exceeds limits (no).



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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:**

Year End 2020 Issue

Subscriptions & Masthead Change Deadline: October 23

Newsletter Ship Date: November 21