**TAX NEWS & TIPS – Editor’s Notes – FALL ISSUE 2021**

**Where’s My Refund?**

Some Taxpayer refunds have been delayed due to a variety of factors. Comparing taxpayer stimulus payments reported on their tax return versus amounts actually paid. Also, changes during the tax season for Unemployment Benefits and the beginning of Advance Child Tax Credit payments has slowed return processing.

Unemployment benefits up to $10,200 per taxpayer may be exempt when AGI is less than $150,000. IRS will automatically calculate refund if return was filed before this provision was enacted.

*New Child Tax Credit Portal*

<http://www.irs.gov/credits-deductions/advance-child-tax-credit-update-portal>

Cryptocurrency transactions are taxable like other forms of property like stocks, bonds, and real-estate.

Third Stimulus Payment (Economic Impact Payment) continue and will be reconciled in 2021 like the first two Stimulus Payments on the 2020 tax return.

**Tax Tips for You… *Now!***

* New child tax credit increases from $2,000 to $3,000 ($3,600 for child under age 6). Advance payments of up to $300 per month started July 15, 2021.
* Required Minimum Distributions for age 72 begin in 2021. May delay until April 1, 2022.
* Child and Dependent Care Credit Enhancements. Allowable expenses increased and reimbursable percentage increased.
* Charitable contributions for non-itemizers expanded.
* Tuition & Fees Deduction eliminated but American Opportunity Credit and Lifetime Learning Credit income limits are increased.

**Myth vs. Truth**

* College student are eligible for stimulus payments if not claimed as dependent by their parents. Covering various itemized deductions that no longer exist or have limitations. Unreimbursed employee expenses, SALT (taxes), casualty losses, investment related fees and moving expenses.

**Various Miscellaneous Items**

* Capital Gains tax rates at historically low rates.
* Extension Deadline for 2020 Tax Returns approaching.
* Milage deductions for 2021 decreasing.
* Certain Coronavirus related distributions from 401(k), 403(b) and IRAs can be taxed ratably over 3 years in 2020. Do not forget to include 1/3 in 2021.



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*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 2021 Issue

Subscriptions & Masthead Change Deadline: October 23

Newsletter Ship Date: November 21