

GRANT & KATIE JOHNSON, CPA, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

December 2, 2022

As we prepare for the 2023 tax season, we want to take a moment to update you on changes that might affect your tax preparation this year. While very little has changed in the tax code for this filing season, the last several tax seasons have seen over 10 Congressional tax acts which have prompted us to invest in hours of continuing education, seminars, and resources for us and our staff. As we have worked tirelessly to stay on top of the tax law changes, as well as COVID relief monies, we have determined that we need more time to process returns accurately and completely. Although it is a difficult decision to make, we have determined that we must raise our fees and reduce the number of tax appointments we do for this coming tax season. We wanted to inform you of this change, in advance, so that you will not be surprised when you visit our offices this year. Below is a brief list of changes that we think you should know about:

Pricing Changes: We have decided, without exception, to raise client fees. We base our return fees on a per form pricing structure and the base price of all of our forms will be adjusted to reflect inflation, increases in our overhead, such as staffing, continuing education, and technology, as well as to maintain competitive pricing for our industry. We understand that this increase may cause a burden for some of you, but we feel that an increase must be made, and we will apply the increase across the board to all clients, without exception. For those of you who wish to consult with other tax professionals as a result of this increase, we will be happy to assist your transition.

Changes to Appointment Times: We have also decided to reduce the times we will be available to do in-person tax interviews. Just as in the past, you may contact our offices to set up your tax interview with your tax preparer, but your interview may be limited to either a 15- or 30-minute appointment.

New Form 1099-K: Many of you will receive this new form for 2022 for things like EBay or Facebook Marketplace sales, and sometimes for simple cash transfers using cash between friends apps such as Venmo. Please make sure and send this form to us with your tax information.

Cryptocurrency: Cryptocurrency is taxable, reportable, and carries incredible penalties for not reporting, so make sure to discuss it with us if you have made cryptocurrency transactions.

Tax Credits: Many of the enhanced tax credits we saw during COVID have gone away or returned to pre-COVID amounts. The Child Tax Credit decreased back to \$2,000 per child for 2022. The Recovery Rebate Credit is no longer available. These types of changes will most likely decrease your anticipated refund on your 2022 tax return.

Please contact us before the tax filing season begins to discuss any questions that you may have. Thanks again for your past support, and thanks in advance for your future support.

Sincerely,

Grant & Katie Johnson