

IRS recommends taxpayers plan now to make tax filing easier in 2022

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Taxpayers, including those who received stimulus payments or advance Child Tax Credit payments, should take steps now to make filing their tax returns easier in 2022, according to an IRS News Release. Planning will help taxpayers file an accurate return and avoid processing delays that can hold up refunds, the IRS says.

Gather and organize tax records. The IRS first recommends that taxpayers organize their tax records. Having all the necessary documents and information will help taxpayers to avoid filing errors that lead to processing and refund delays. Important records for individual taxpayers include:

- Forms W-2 from employer(s),
- Forms 1099 from banks, issuing agencies and other payers including unemployment compensation, dividends, interest, distributions from a pension, annuity or retirement plan,
- Form 1099-K, 1099-MISC, 1099-NEC or other income statement for workers in the gig economy, and
- Other income documents (such as brokerage statements) and records of virtual currency transactions.

For more information about keeping good tax records, see [here](#).

In addition, taxpayers who received an Advance Child Tax Credit (ACTC) and/or Premium Tax Credit (PTC) or who received an Economic Impact Payment and want to determine their eligibility for a Recovery Rebate Credit, should also keep the following documents on hand:

- Letter 6419, 2021 Total Advance Child Tax Credit Payments, to reconcile advance Child Tax Credit payments,
- Form 1095-A, Health Insurance Marketplace Statement, to reconcile advance Premium Tax Credits for Marketplace coverage, and
- Letter 6475, Your 2021 Economic Impact Payment, to determine eligibility to claim the Recovery Rebate Credit.

The IRS will mail Letters 6419, 6475 and Form 1095-A to taxpayers, so taxpayers should be sure to notify the IRS of any change of address. Taxpayers who don't receive, or can't find their Letters 6419, 6475 or Form 1095-A, can retrieve the information on these letters using their online account.

IRS Online Account. Next, the IRS suggests that taxpayers sign up for an online account. Taxpayers with an online account can log into that account to:

- See the amount of their Economic Impact Payment (EIP) so they can accurately claim a RRC.
- Gain entry to the Child Tax Credit Update Portal to see the payment dates and amounts paid. Taxpayers will use this information to reconcile their ACTC payments with the Child Tax Credit they claim on their 2021 tax returns.

Check tax withholding and/or estimated payments. Finally, the IRS recommends that taxpayers should check their tax withholding to see if they owed taxes or received a large refund last year. If a taxpayer owed taxes last year, they might want to consider having additional amounts withheld or making estimated tax payments to avoid an underpayment penalty.

Note. A withholding check is especially important for taxpayers who got married or divorced, had a child, or took on a second job.

Taxpayers can make withholding changes by completing Form W-4, Employee's Withholding Certificate, and giving a copy of the form to their employer.

Taxpayers should also consider whether they need to make estimated tax payments. Taxpayers who receive a substantial amount of non-wage income, such as self-employment income (including non-wage gig income), investment income, taxable Social Security benefits or pension and annuity income, should make quarterly estimated tax payments or increase their wage withholding to cover the taxes on this type of income.

The last quarterly estimated tax payment for 2021 is due on January 18, 2022. Taxpayers can make an estimated payment through their online account or through [IRS.gov/payments](https://www.irs.gov/payments).

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