

HIBBS & ASSOCIATES, LLC

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Dear Client,

As important tax documents begin to arrive, we want to remind you which ones we need you to compile and send to us with your tax information. We also want to make you aware that due to the increase in tax return processing costs and complexity of tax reporting our fees will increase this year. Your cooperation in providing all necessary information in an organized and timely fashion will help keep our fees to a minimum and ensure the timely filing of your tax return. *If you can upload documents rather than mail them or drop them off please do so by using the File Exchange option in your secure Net Client CS portal. It is best to wait and upload all documents at one time. If you do not have a portal and would like this option please contact our office so that we can quickly set one up for you. Also feel free to secure your documents in an envelope and use the drop box mounted to our office building to the left of the front door.*

First, there are a couple of new forms this year that most people will see, and which we need you to provide to us:

- IRS Notice 1444-C for the 2021 stimulus check; and**
- IRS Letter 6419 for those that received the advance child credit.**

If you received the child tax credit in advance, please understand that your refund this year may be greatly reduced!

We still need the annual information forms that are sent to you for tax purposes. As a reminder, here is a simple checklist:

- | | |
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| <input type="checkbox"/> W-2 for wages | <input type="checkbox"/> 5498-SA for HSA's |
| <input type="checkbox"/> W-2G for gambling | <input type="checkbox"/> K-1 forms from S corporations, partnerships, trusts, or estates |
| <input type="checkbox"/> 1099-Int for interest | <input type="checkbox"/> Year-end IRA values |
| <input type="checkbox"/> 1099-DIV for dividends | <input type="checkbox"/> IRA and Roth IRA contributions for 2021 |
| <input type="checkbox"/> 1099-B Brokerage | <input type="checkbox"/> Child care costs, and the name, address, amount and ID # of the recipient |
| <input type="checkbox"/> SSA-1099 Social Security | <input type="checkbox"/> Charitable donations-total amounts and recipients |
| <input type="checkbox"/> 1099-NEC for income | <input type="checkbox"/> Property tax paid on your home, property or cars |
| <input type="checkbox"/> 1099-Misc for income | <input type="checkbox"/> Estimated tax payments and dates |
| <input type="checkbox"/> 1099-K for income | <input type="checkbox"/> Any letters you received from the IRS or state tax authorities |
| <input type="checkbox"/> 1099-R for retirement | <input type="checkbox"/> Our engagement letter |
| <input type="checkbox"/> 1099-G for refunds & unemployment | |
| <input type="checkbox"/> 1098-Int for mortgages | |
| <input type="checkbox"/> 1098-T for tuition | |
| <input type="checkbox"/> 1099-SA for HSA's | |

The IRS continues to scrutinize foreign accounts so please be absolutely clear about any foreign accounts or income you may have so we can report it correctly.

If you have bought and/or sold a home in 2021 we need all closing statements.

Virtual currency transactions are becoming more common. There are many different types of virtual currencies, such as Bitcoin, Ethereum and non-fungible tokens (NFTs). The sale or exchange of virtual currencies, the use of such currencies to pay for goods or services, or holding such currencies as an investment, generally has tax impacts. Please let us know if you have any virtual currency activity.

Every year we are reminded how much we value your business, and we want to once again say thank you. Please call us with any questions.

Sincerely,
Hibbs & Associates, LLC