
5333 Meadow Lane Ct., Sheffield Village, Ohio 44035

Phone: 440-366-4829 or 440-365-4010

Website: jlfinancialservices.com

It's that time of year again! Time to start thinking about taxes and scheduling your tax appointment! Last year's tax season was one for the ages, as Covid-19 made the tax season unlike any other. Fortunately, we were able to stay open all season and serve our clients safely and timely.

This year, you can expect the same professional tax preparation and excellent service, as all of our tax advisors are back for the 2020 tax year. **Please Note:** Lorain County Tax preparers will be doing in-person appointments only, and American Tax preparers will be doing both in-person appointments and drop offs. For in-person appointments, all staff will be required to wear a mask, and we've also added protective germ shields in all offices.

In addition to **Tax Preparation**, we also provide service in the areas of **Retirement Planning**, **Medicare Plans**, and **Home & Auto Insurance**. Many of you have already worked with Kevin Kovach on Medicare consulting, and new to the practice this year is David Walsh of the Walsh Insurance Group. David has one of the most accredited Erie Insurance agencies in Ohio, and he'll be happy to work to get you better coverage/lower rates for your home & auto insurance needs.

We hope you had a safe holiday season, and we look forward to seeing you again soon!

Note: Please see inside this mailer for important tax information that can help you better prepare for your appointment.

American Tax Advisors Available

Jason Leppla Thom Fitzhugh
Sandy Scott Kerry Skowronsky
Danielle Rourke

Lorain County Tax Advisors Available

George Shupp Diane Shupp
Joel M. Shupp Al Urban
Tom Tomasheski

American Tax Hours (Starting 01/25)

Monday – Thursday: 9:00a – 7:00p
Friday & Saturday: 9:00a – 5:00p
Sunday: Closed

Lorain County Tax Hours (Starting 02/01)

Monday – Friday: 9:00a – 9:00p
Saturday: 9:00a – 5:00p
Sunday: Closed

**CALL NOW TO SCHEDULE YOUR
APPOINTMENT!**

PHONE: (440) 366-4829 OR (440) 365-4010

Jason Leppla, Owner, Investment Advisor Representative

5333 Meadow Lane Ct., Sheffield Village, Ohio 44035

Phone: 440-366-4829 or 440-365-4010

Website: jlfinancialservices.com

2020 INCOME TAX CHECKLIST

INCOME ITEMS

- W2 from employer(s)
- 1099-SSN (Social Security)
- 1099-MISC (Self Employment)
- 1099-R (Retirement)
- 1099-G (Unemployment)
- 1099-DIV, INT (Investments)
- 1099-B (Sale of assets)
- 1095-A (Healthcare)
- 1095-B (Healthcare)
- 1095-C (Healthcare)
- W2G (Gambling/prize income)
- State / City prior-year refunds
- Rental income
- K1 from trust or partnership
- Alimony received
- Jury duty pay

DEDUCTION ITEMS

- Unreimbursed medical and dental expenses
- State and local taxes paid
- Home mortgage interest
- Property and real estate taxes
- Gifts to charity
- Clothing donations
- Education expenses (1098T)
- Student loan interest
- Child-care expenses
- Alimony paid
- IRA contributions
- Health Savings Account (HSA) contributions + distributions
- Self-employment work expenses
- Rental expenses
- Solar or Geothermal Property cost

*** Please bring the following:**

1. Driver's License
2. Dependent information (Social Security Number, Birthdates)
3. Bank account information for direct deposit
4. STIMULUS PAYMENT AMOUNT – How much did you receive?
5. Home & Auto Insurance Declaration Pages (For quotes during tax appointment)

SECURITY REMINDERS FOR TAXPAYERS

Again, we are warning taxpayers to learn to recognize and avoid phishing emails, threatening phone calls and texts from thieves posing as legitimate organizations such as your bank, credit card company and government organizations, including the IRS. Do not click on links or download attachments from unknown or suspicious emails. Also, hang up the phone if someone is claiming to be the IRS. The IRS does not call taxpayers.

REMINDER - Some refunds will be held until Mid - February

Taxpayers who claim the Earned Income Tax Credit or the Additional Child Tax Credit may experience a refund hold. According to the Protecting Americans from Tax Hikes (Path) Act, the IRS cannot issue these refunds before mid-February.

EDUCATIONAL TAX CREDITS

Many clients depend on federal tax breaks to help offset the cost of higher education for themselves and dependents. A provision in trade legislation enacted in 2015 requires taxpayers to have in hand the 1098-T to claim any education tax benefits. This statement, which for several years has been sent by schools to students with copies to the IRS, verifies that you paid what the IRS calls “qualified educational expenses” in the preceding tax year. Please remember to bring your **1098-T** statement with you along with any receipts for books, course materials and required equipment for this year’s tax filing, it will save you time and money. The **1098-T** can also be found online in your student’s college account.

2020 TAX BRACKETS

10% for incomes of \$9,875 or less (less than \$19,750 for joint filers)
12% for incomes over \$9,875 (\$19,750 for joint filers)
22% for incomes over \$40,125 (\$80,250 for joint filers)
24% for incomes over \$85,525 (\$171,050 for joint filers)
32% for incomes over \$163,300 (\$326,600 for joint filers)
35% for incomes over \$207,350 (\$414,700 for joint filers)
37% for incomes over \$518,400 for single filers (\$622,050 for married couples filing jointly)

CAPITAL GAINS RATES

0% for incomes up to \$40,000 (\$80,000 for joint filers)
15% for incomes over \$40,000 (\$80,000 for joint filers)
20% for incomes over \$441,451 (\$496,601 for joint filers)

REQUIRED MINIMUM DISTRIBUTIONS

RMD’s do not need taken until age 72 per the 2019 SECURE Act

CONTRIBUTION LIMITS

401k - \$19,500 (Extra \$6,500 age 50+)
IRA - \$6,000 (Extra \$1,000 age 50+)
HSA - \$3,550 single, \$7,100 family

TAXPAYERS ARE NO LONGER SUBJECT TO THE HEALTHCARE PENALTY

For the tax year 2020, if you don’t have minimum essential health care coverage, you don’t have to pay the shared responsibility penalty.

STANDARD DEDUCTION INCREASES

For 2020, the standard deduction increases to the following:

Single – \$12,400
Married filing jointly or Qualifying widow(er) – \$24,800
Head of household – \$18,650

Remember, for taxpayers over 65, they receive an additional \$1,300 for their standard deduction.

MEDICAL EXPENSE THRESHOLD

For the 2020 tax year, the medical expense threshold will be 7.5% of AGI.

Here’s an example. Allie’s adjusted gross income is \$100,000, she needs to be able to deduct more than \$7,500 in medical expenses in order to be eligible for the deduction. Only expenses greater than \$7,500 will count toward the deduction.

MILEAGE RATES

57.5 cents per mile for business miles
17 cents per mile for medical miles

14 cents per mile for charitable miles