

## **Communication is Key**

While we don't anticipate the horrors of the tax season of last year, bumps in the road can, will, and are happening with the filing season.

## **Individuals**

The date the IRS will accept e-filed returns has already been pushed back nearly 2 weeks. And if new stimulus legislation is passed there is a possibility of additional time needed for more changes to the forms.

Some forms are still being updated by the software providers for the recent changes.

## **Businesses**

A second round of Paycheck Protection Program, PPP, loans are in process. And there is back and forth on questions, answers, and guidance from the IRS and SBA.

With the changes made to the first and now introduction of the second PPP loans, review of potential payroll tax credits for the current and prior year may be prudent. This could delay filings.

Some forms are still being updated by the software providers for the recent changes.

## **Minnesota**

Currently, Minnesota has not conformed to numerous of the federal tax law changes in the past year. They are being lobbied strongly to conform to federal law in regards to the PPP loan forgiveness, among others. At this time, you must addback to Minnesota income any PPP loan forgiven on your federal return.

## **In Summary**

Patience is a key word in dealing with the IRS this past year and potentially this year.

We are not generally in favor of extensions but this may be the right choice for many clients this year due to uncertainties.

We will continue to keep you updated.