

INCOME TAX & ACCOUNTING SERVICES

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Dear valued client:

Thank you for being a valued customer. We need to start working on the accounting for the year to prepare your business income taxes. Your cooperation is essential in gathering all the necessary information to avoid penalties and minimize the probabilities of an audit. It is also important that we document all the income and expenses. Please, gather all the information you already have and send it to us **before January 31**. Later, you can bring the remaining documents.

Below are the deadlines for the various corporate deadlines. We are NOT responsible if you incur penalties due to failing to submit information on time to file or request an extension:

- **1/31/2022 Form 1099 due to Subcontractors & Internal Revenue Services (NO EXTENSION):**
This form is required by the IRS, for employers to provide any subcontractor that worked for you and earned over \$600 during the year. At the time the subcontractor is hired, they should be informed that at the end of the year, they will be given a 1099 Form with their earnings for them to file their personal taxes. In case of an audit, the IRS will be looking for filling compliance or else the expense will be disallowed. The penalty for not filing 1099 is \$ 50 - \$ 260 per 1099.
 - **1/31/2022 Form W-2 due to the IRS and employees (NO EXTENSION).**
 - **3/15/2022 S Corporation and Partnership Corporate Taxes due to the Federal and State Govt:**
If you do not file your taxes or do an extension by the due date, you will incur penalties of \$200 per month per shareholder (\$2,400 in penalties per shareholders) and interest. Please, let us know if you are planning to file an extension by **March 1**.
 - **3/15/2022 Extension for S Corporation and Partnership corporate taxes:**
March 15th is the last day to file an extension for corporate taxes for additional 6 months. If an extension is in not filed, you will incur penalties from IRS and the state of Florida of \$ 300 of \$2,400. Let me know by March 1.
- Important for New corporation or inactive (no income or expenses):**
Please, note that new corporation or previously created companies must file taxes even if no activity. You will incur penalties of \$200 per shareholders to IRS and up to \$300-\$500 to the State.
- **4/15/2022 Personal Income Tax due, Regular Corporations, Trust and FBAR for foreign Assets.**
Please, let us know ahead of time if you are filing an extension **by March 1**.
 - **4/30/2022 Uniform Business Report Annual Report (Florida Only). (Must be filed online only):**

The filing fee of the annual report to the FL Department of Revenue is \$150 if **filed before** May 1. If filed **after** May 1, additional \$400 penalty. If you **do not file** the report at all, they will **close the corporation**. The re-instatement fee for a closed corporation is between \$600 and \$950.

Documents needed to prepare the accounting work papers and corporate tax return:

- Bank Statements for the entire year 2021 and **copies of checks or check stubs**.
- If you do not have a bank account, we need a summary of the income and expenses for the year.
- List of expenses **paid in cash or by credit card that did not go through the business bank account**.
- If you bought equipment, machineries, vehicles, etc., bring the contract or invoice or a list of new equipment with the date of purchase & cost.
- Name, Social Security number, and addresses of all subcontractors for 1099's. Verify to social security card
- For auto expenses, we need the car or truck model, original cost, repairs, maintenance, and insurance expenses, etc. Also, the total miles driven during the entire year.

Documents needed for personal taxes:

- Please, refer to our personal income tax newsletter that will be mailed by January 15, for detailed instructions.

We appreciate your cooperation so that we can guarantee the promptness and efficiency of our work. Please, call us if you have specific questions or required detailed information pertaining to your corporation or self-employment tax.

Please, feel free to fax or email us the information jhortafl@aol.com

Sincerely,

Maria Estela Lorenzo, MBA
Certified Public Accountant

Jacqueline Horta, BA
Tax Manager