

Accounting Aid Society
Site Coordinator Update – April 1, 2023

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Filing an Extension and Tax Filing Deadlines

Please encourage taxpayers you can't serve by April 18, and who believe that they have a 2022 filing requirement or owe tax, to file an extension. If they believe they will owe tax, they should pay the estimated 2022 tax with the extension and before the due date. Filing an extension allows for an extension of time to file, but not to pay. Payment is due no later than April 18, 2023, for federal, Michigan, and Detroit returns (April 30 or next business day for other city returns); otherwise, penalty and interest may apply.

Federal — Due Date April 18

File IRS extension Form 4868, available at www.irs.gov

State of Michigan — Due Date April 18

File a copy of IRS Form 4868 or file Michigan extension Form 4, available at <https://www.michigan.gov/taxes/iit-forms> (See page 5 of the 2022 MI-1040 instructions.)

City of Detroit — Due Date April 18

File Form 5209 for a Detroit extension, available at <https://www.michigan.gov/taxes/citytax/detroit/forms>

Other Cities — Due April 30 (or next business day)

For other cities, taxpayers should contact the local city tax office for an extension form. Information can also be found at the following web sites:

- Hamtramck – <https://hamtramck.us/income-tax-forms/>
- Highland Park – <https://www.highlandparkmi.gov/Reference/Forms-Permits-Applications.aspx#Tax>
- Pontiac – https://www.pontiac.mi.us/departments/income_tax/tax_forms.php#outer-570

OTHER IMPORTANT 2023 DUE DATES — NO EXTENSIONS AVAILABLE

2022 Michigan Home Heating Credit Claim — Due September 30, 2023

2019 Federal income tax return (claiming a refund) – Due July 15, 2023

2018 Michigan income tax return (claiming a refund) – Due April 15, 2023

2018 Michigan Homestead Property Tax Credit Claim – Due April 15, 2023

2018 Detroit city income tax return (claiming a refund) – Due April 15, 2023

2018 Other City income tax returns (claiming a refund) — Due April 30, 2023

Reminder: If you have clients who need to file any of the above-listed prior year tax returns, please contact your assigned VITA Program Manager who will ensure that an appointment is made before the filing deadline.

BEST PRACTICES

- Review the tax return with the client – Before each client signs Form 8879 (or their paper return), be sure to go through the tax return with the client. Share with them the items that are on their return such as W-2 income, Social Security income, AGI, taxable income, withholdings, EITC and other credits, refund/amount due, Michigan exemptions, items included in total household resources, rent/property taxes claimed, information on lines 10-17 of the CR-7, the amount of their home heating credit, additions/subtractions on the Michigan and city returns ...

Don't forget to ask them to double check the spelling of their name (and others on the return), dates of birth, addresses, bank routing number and account number.

- Clients are responsible for what is on their return; the review of the tax return with them ensures that they get a chance to ask questions and better understand the tax return as a whole.

TaxSlayer

Simplified Method – At times the 1099-R pages in TaxSlayer will show as \$0 taxable income when using the simplified method to calculate the taxable amount of a pension annuity. If this occurs, check the PDF of the tax return to ensure a taxable amount is being populated. On the PDF, look at line 9 of the Simplified Method Worksheet and lines 5a and 5b of Form 1040. We recommend adding a Note in TaxSlayer to indicate “The annuity pension is taxable; however, the 1099-R screens show zero taxable amount. See the PDF of the return for the taxable amount.”