



Wolters Kluwer

# Tax Breaks, Tips, and Updates: Part 2

## Course Instructions

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## Instructions to Participants

To assist the participant with navigating the learning process through to successful completion, this course has been produced with the following elements:

**Overview of Topics / Table of Contents:** In this electronic format you'll find a slide menu on the left side of the screen. This serves as your overview of topics for the program. You may navigate to any topic by clicking on the slide name.

**Definition of Key Terms / Glossary:** You'll find key terms defined for this program in the course information on the following page(s).

**Index / Key Word Search:** You can find information quickly in the PDF materials (slide handout plus any additional handouts) by using the search function built into your Adobe Reader.

**Review Questions:** Questions that test your understanding of the material are placed throughout the course. You'll see explanatory feedback pop up for each incorrect answer, and reinforcement feedback for the correct answer for every review question.

**Final Exam:** The final exam measures if you have gained the knowledge, skills, or abilities outlined in the learning objectives. You may submit your final exam at the end of the course. Exams are graded instantly. A minimum score of 70% is required to receive the certificate of completion. **You have one year from date of purchase to complete the course.**

**Course Evaluation:** Once you have successfully passed your online exam, please complete our online course evaluation. Your feedback helps Wolters Kluwer maintain its high quality standards!

## About This Course

This section provides information that is important for understanding the course, such as course level and prerequisites. Please consider this information when filling out your evaluation after completing the course.

**Publication Date:** January 2022

### Course Description

This course covers the gig economy, Schedule C tips and traps, alimony updates, employer amnesty, and more. Learn how to how to implement tax breaks that impact the Federal 1040 return.

Part 2 of a 2 part series on a variety of tax tips and updates.

### Learning Objectives

Upon successful completion of this course, participants should be able to:

- Recognize how to implement tax breaks that impact the Federal 1040 return
- Identify the maximum contribution amount allowed to a 401(k) and Roth IRA in 2021
- Recognize the changes to filing deadline and the new form due dates
- Identify an example of business income versus deposits to a business account
- Describe the benefits to employers of putting employees on payroll instead of 1099s — the VCSP amnesty
- Identify the maximum earning subject to social security tax for 2021
- Describe standard per diem rates and how they work
- Recognize and apply the new rules for depreciation
- Identify the new alimony rules and dispel myths
- Identify which form a taxpayer may receive relating to cancellation of debt
- Describe the taxable income amount the Foreign Earned Income Exclusion allows American taxpayer working outside the US to exclude
- Identify and apply gift and estate tax rates
- Identify the 2022 Roth IRA contribution limit for taxpayers younger than 50
- Recognize which type of nexus reflects the situation where a merchant in one state ships merchandise (or provides services) to customers in other states
- Identify the 2022 standard business mileage rate per mile
- Recognize which form is used to claim a Residential Energy Credit

### NASBA Field of Study

Taxes. Some state boards may count credits under different categories—check with your state board for more information.

### Course Level

Update. Program knowledge level that provides a general review of new developments. This level is for participants with a background in the subject area who desire to keep current.

### Prerequisites

A basic understanding of tax prep.

**Advance Preparation**

None.

**Course Expiration**

AICPA and NASBA Standards require all Self-Study courses to be completed and the final exam submitted within 1 year from the date of purchase as shown on your invoice. No extensions are allowed under AICPA/NASBA rules.

## Key Terms

- **Bonus Depreciation:** Allows a business to take an immediate first-year deduction on the purchase of an eligible business property, in addition to other depreciation.
- **Gig Work:** Certain activity you do to earn income, often through an app or website (digital platform).
- **Net Operating Loss:** A tax credit created when a company's expenses exceed its revenues, generating negative taxable income as computed for tax purposes.
- **Nexus:** The connection between a seller and a state that requires the seller to register then collect and remit sales tax in the state.
- **Paycheck Protection Program:** A \$669-billion business loan program established by the Coronavirus Aid, Relief, and Economic Security Act to help certain businesses, self-employed workers, sole proprietors, certain nonprofit organizations, and tribal businesses continue paying their workers.
- **Sole Proprietor:** A person who is the exclusive owner of a business, entitled to keep all profits after tax has been paid but liable for all losses; a sole trader.