



Martz & Wilson, LLP
Certified Public Accountants

2021 tax filing season begins Feb. 12

The Internal Revenue Service announced that the nation's tax season will start on Friday, Feb. 12, 2021, when the tax agency will begin accepting and processing 2020 tax year returns.

Key filing season dates

There are several important dates taxpayers should keep in mind for this year's filing season:

- Feb. 12. IRS begins 2021 tax season. Individual tax returns begin being accepted and processing begins.
- Feb. 22. Projected date for the IRS.gov Where's My Refund tool being updated for those claiming EITC and ACTC, also referred to as PATH Act returns.
- April 15. Deadline for filing 2020 tax returns.
- Oct. 15. Deadline to file for those requesting an extension on their 2020 tax returns.

New SBA PPP Loan Program: UPDATE 2

The Small Business Administration has reopened its Paycheck Protection Program (PPP) in accordance with the Economic Aid to Hard-Hit Small Businesses, Non-Profits, and Venues Act by making \$284 billion available to new (First Draw) and certain existing (Second Draw) borrowers. The SBA portal reopens to all participating PPP lenders on Jan. 19 .

The SBA has issued the following new PPP loan guidance:

- [Top-Line Overview of First Draw PPP Loans;](#)
- [Form 2483 – First Draw Borrower Application;](#)
- [Procedural Notice: First Draw PPP Loan Increases After Enactment of Economic Aid Act](#)
- [Top-Line Overview of Second Draw PPP Loans;](#)

- [Form 2483-SD: Second Draw Borrower Application;](#)
- [Guidance on Accessing Capital for Minority, Underserved, Veteran, and Women-owned Business Concerns;](#)
- [Interim Final Rule on Paycheck Protection Program as Amended by Economic Aid Act;](#)
and
- [Interim Final Rule on Second Draw PPP Loans.](#)

Under the new PPP loan program:

- there may be a time lapse between loan application and loan funding, but the loan forgiveness process should be quicker;
- maximum potential loan amounts for Second Draw PPP loans are \$2 million per loan and \$4 million per corporate group;
- borrowers can adopt covered periods of between eight and 24 weeks;
- in addition to previously allowed expenses, new loan proceeds may be used for certain operational, property damage, supplier and worker protection expenditures;
- potential PPP borrowers now include 501(c)(6) nonprofits; and
- certain First Draw PPP loan borrowers are eligible to modify their loan amounts.

A PPP borrower is generally eligible to apply for a Second Draw PPP loan if it:

- has received a First Draw PPP loan and fully uses the proceeds for authorized expenses only;
- has no more than 300 employees; and
- can show at least a 25% reduction in gross receipts between comparable calendar quarters in 2019 and 2020.

Important: Borrowers applying for a new PPP loan must certify that the loan is “necessary to support ongoing business operations in light of current economic conditions.” This parallels the certification borrowers made when applying for PPP loans in 2020. But for many businesses, current market conditions and economic circumstances are better than what they were when PPP loan applications were filed between April and August 2020.

All taxpayers now eligible for Identity Protection PINs

The Internal Revenue Service today expanded the Identity Protection PIN Opt-In Program to all taxpayers who can verify their identities.

The Identity Protection PIN (IP PIN) is a six-digit code known only to the taxpayer and to the IRS. It helps prevent identity thieves from filing fraudulent tax returns using a taxpayers’ personally identifiable information.

The IRS launched the IP PIN program nearly a decade ago to protect confirmed identity theft victims from ongoing tax-related fraud. In recent years, the IRS expanded the program to

specific states where taxpayers could voluntarily opt into the IP PIN program. Now, the voluntary program is going nationwide.

About the IP PIN Opt-In Program

Here are a few key things to know about the [IP PIN Opt-In program](#):

- This is a voluntary program.
- You must pass a rigorous identity verification process.
- Spouses and dependents are eligible for an IP PIN if they can verify their identities.
- An IP PIN is valid for a calendar year.
- You must obtain a new IP PIN each filing season.
- The online IP PIN tool is offline between November and mid-January each year.
- Correct IP PINs must be entered on electronic and paper tax returns to avoid rejections and delays.
- Never share your IP PIN with anyone but your trusted tax provider. The IRS will never call, text or email requesting your IP PIN. Beware of scams to steal your IP PIN.
- There currently is no opt-out option but the IRS is working on one for 2022.

How to get an IP PIN

Taxpayers who want an IP PIN for 2021 should go to [IRS.gov/IPPIN](#) and use the Get an IP PIN tool. This online process will require taxpayers to verify their identities using the Secure Access authentication process if they do not already have an IRS account. See [IRS.gov/SecureAccess](#) for what information you need to be successful. There is no need to file a Form 14039, an Identity Theft Affidavit, to opt into the program

Once taxpayers have authenticated their identities, their 2021 IP PIN immediately will be revealed to them. Once in the program, this PIN must be used when prompted by electronic tax returns or entered by hand near the signature line on paper tax returns.

All taxpayers are encouraged to first use the online IP PIN tool to obtain their IP PIN. Taxpayers who cannot verify their identities online do have options.

Taxpayers whose adjusted gross income is \$72,000 or less may complete [Form 15227](#), Application for an Identity Protection Personal Identification Number, and mail or fax to the IRS. An IRS customer service representative will contact the taxpayer and verify their identities by phone. Taxpayers should have their prior year tax return at hand for the verification process.

Taxpayers who verify their identities through this process will have an IP PIN mailed to them the following tax year. This is for security reasons. Once in the program, the IP PIN will be mailed to these taxpayers each year.

Taxpayers who cannot verify their identities online or by phone and who are ineligible for file Form 15227 can contact the IRS and make an appointment at a [Taxpayer Assistance Center](#) to verify their identities in person. Taxpayers should bring two forms of identification, including one government-issued picture identification.

Taxpayers who verify their identities through the in-person process will have an IP PIN mailed to them within three weeks. Once in the program, the IP PIN will be mailed to these taxpayers each year.

No change for confirmed identity theft victims

Taxpayers who are confirmed identity theft victims or who have filed an identity theft affidavit because of suspected stolen identity refund fraud will automatically receive an IP PIN via mail once their cases are resolved. Current tax-related identity theft victims who have been receiving IP PINs via mail will experience no change.

Remember: Please update your email address with us when you change internet companies or employers.

Please visit our website for the latest tax information and articles, tax calendars, financial tools and tax forms. www.mwstlcpa.com

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