

WELCOME TO MSU INCOME TAX SCHOOL INTRODUCTION OF PRESENTERS

MSU INCOME TAX SCHOOLS for 2021

WELCOME to the first-time attendees

For the rest of you, welcome back

We are splitting the classes between online and in person with social distance and masks. The dress code is more flexible in the web-based class. Questions are easier to ask in person. Distractions are a constant challenge for me when I am online.

SCHEDULE: DAY 1 AM

P. xx

DAY 1 AM Bill VanEerden and Carol Wright
PM Sue Scioli online with MaryJane Hourani

Topics this morning

- Introduction & Tax Rate & Useful Tables
- Business Issues
- Retirement & Investments
- New Law on Trusts & Retirement
- Construction Pt. 1
- LUNCH



SCHEDULE: DAY 2 PM

Topics Bill & Carol

- Construction Pt.2
- Trusts and Estates
- Real Estate
- Ethics



ONLINE CHANGES FOR PRESENTATIONS

You have seen some of these details in the loop which runs before we start.

Technical backup for each session.

The other instructor will back up the presenter. Questions about the presented materials are encouraged. Post your questions in the Q&A section of the zoom screen. We will not be able to cover hypotheticals or specific client's concerns.

MEASURING ATTENDANCE - ZOOM REGISTERS YOUR ANSWERS

Questions will be asked during at rate of 4 per hour

Each questions will appear on your screen. Please answer each one in the Q&A section so that we can give you credit for being present.

In the past, we asked you to sign in. Enrolled agent education is our standard. Therefore, each must be answered in a timely manner. It does not have to be the correct answer just that you be responded. We want to move quickly.

The reason we ask 4 questions, is $\frac{3}{4}$ still equals 75%. Our goal is 100% pass rate!

REALITY CHECK QUESTION TO TEST THE SYSTEM

POLLING QUESTION # will be highlighted in red.

We will read the question. If you know the answer, click on the correct one. If you don't know the answer, click on any answer to register that you are present.

We want to give you a chance, but some people may not be interested in this specific topic. We will close the polling when at least 95% of you have responded.

Good luck.

ELECTRONIC BOOK FOR MSU INCOME TAX SCHOOLS OMNIPRESS.COM

From: digital@omnipress.com <digital@omnipress.com>

Sent: Monday, November 8, 2021 10:22 AM

To: Jones, John <jonesjo@msu.edu>

Subject: You Have Access to Taxworkbook Online

Hi John Jones,

Welcome to Taxworkbook Online at <http://taxworkbook.conferencespot.org>.

The information below will help you get started.

1.Where to go

Visit <http://taxworkbook.conferencespot.org>

We recommend bookmarking this address for future use.

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ELECTRONIC BOOKS FOR MSU INCOME TAX SCHOOLS

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SLIDES

You have computer access to our power points.

Like last year, we are all putting our slides online, at MSU.edu/incometaxschools

Each author has the files under their name by chapter title.

BOOKS

Each of you should have received a workbook prepared by Land Grant University Tax Education Foundation (LGUTEF). The book has more information that we can cover.

In your registration email, you received a link to the prior book in electronic format. The book is also available online and is easy to search.

Master Tax Guide is out and mailed to your registration address.

VIEW OF WEBSITE PRIOR BOOK TOPICS, LINK AT PAGE VI IN TEXT

National Income Tax Workbook

Land Grant University Tax Education Foundation

[Home](#) [About the Tax Workbook](#) [Workshop Locations](#) [Contact](#)

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Class 2021 Class2021

Sample Chapters from Past Workbooks

Chapter content sample provided below to evaluate the workbook's quality.

[Ch 12 on Business Entities \(2015\).](#)

[Click to download the instructions for using the CD of the 2019 and past years' National Income Tax Workbook.](#)

[2020 Workbook Updates \(developments since publication of 2020 workbook\).](#)

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[2019 Rates and Tables update](#)

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SUBJECT INDEX

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OTHER DETAILS

Please be patient with us. We know the tax law and have good platform skills. But the electronics can quit without warning.

Band width is a problem. If you have two session going in your workspace at the same time, you can get kicked out of the session. Please sign back in.

We have staff working in the background to make sure that you stay connected.

2021 NATIONAL INCOME TAX WORKBOOK

CHAPTER 13: TAX RATES & USEFUL
TABLES



TAX RATES & USEFUL SCHEDULE - TOPICS

P. 491

- Tax Rates 2021 p. 496
- Car Expenses \$.56 p. 498 2022 \$58.5
Medical/Military Moving \$.16 2022 \$.18
Depreciation built in rate for trade-in basis reduction
- Amount for various lease values p. 499

BUSINESS EXPENSE LIMITS

P. 501

Sec. 179 Expensing

Meals 50% limit unless

footnote: from a restaurant including delivery 100%

Rental real estate maximum for losses

QBI limits raised

CHILD TAX CREDIT

P. 503

Rules reviewed in chapter 15, new legislation

Credit up to \$3,000 for qualifying children who have attained age 6 but not age 18 by the end of the 2021 tax year

and up to \$3,600 for qualifying children who have not attained age 6 by the end of the 2021 tax year

2021 EARNED INCOME TAX CREDIT RATE & EARNED INCOME OR AGI RANGE

P. 505

Taxpayers Filing as Married Filing Jointly (Table in Text)

Qualifying Children	Credit Rate (%)	Income for Maximum Cr.	Phaseout	Rate (%)	Maximum Credit
None	15.3	\$9,820–\$17,560	\$17,560–\$27,380	15.3	\$1,502
One	34.00	\$10,640–\$25,470	\$25,470–\$48,108	15.98	\$3,618
Two or more	40.00	\$14,950–\$25,470	\$25,470–\$53,865	21.06	\$5,980
Three or more	45.00	\$14,950–\$25,470	\$25,470–\$57,414	21.06	\$6,728

ESTATE & GIFT LIMITS RAISED/ FRINGE BENEFITS FOR ADOPTION & TRANSPORTATION P. 510

P. 508

Limits listed here and covered in depth in chapter 10 \$11,700,000

Fringe benefits P.510

Adoption Assistance 2021 Maximum exclusion per child \$14,440

MAGI Phaseout \$216,660–\$256,660

Parking or transportation reimbursement \$270 per month

Check rules if TP has these fringe benefits

Health Saving Accounts

Maximums allowed are increased

Annual out of pocket \$14,000

Maximum Deductible Long-Term Care Premiums (Age at End of Year) p.512

At Age 70 \$5,640

2021 MEDICARE PART B PREMIUMS BASED ON 2019 MAGI (ERROR IN TEXT)

PP. 513

<u>Single, HoH, QW</u>	<u>MFJ</u>	<u>MFS</u>	<u>Beneficiary's Premium*</u>
\$88,000 or less	\$176,000 or less	\$88,000 or less	\$148.50
\$88,001-\$111,000	\$176,001-\$222,000	N/A	\$207.90
\$111,000-\$138,000	\$222,001-\$276,000	N/A	\$297.00
\$138,001-\$165,000	\$276,001-\$330,000	N/A	\$386.10
\$165,001-\$500,000	\$330,001-\$750,000	\$88,001-\$412,000	\$475.20
\$500,000 & above	\$750,000 & above	\$412,000 or above	\$504.90 *

*The standard premium will be \$148.50 (or higher) however, some who get SS benefits may pay less than this.

RETIREMENT PLANS

P. 522

2021 IRA Limits Maximum \$6,000

Roth Example MJF modified AGI \$198,000-208,000 phase out

Retirement Plan Contribution Limits

Table for all plans – Consider if more than one employer

Catch up remains \$6,500 over 50



RETIREMENT PLANS

P. 522

2021 401(k), 403(b) & SARSEP Maximum \$19,500

Please correct text 2021 5th column lists 19,600 (typo)

Amounts are adjusted for inflation for 2022 n 21-61

- 2022 Not in Book

SIMPLE1 457		401(k)	Defined cont./benefit	comp.
14,000	20,500	20,500	61,000	245,000
				305,000

CHAPTER 13 TAX RATES & USEFUL TABLES

SOCIAL SECURITY & MEDICARE

P. 528

MAXIMUM earnings for Social Security **2021 \$142,800**

AMOUNT TO EARN A QUARTER OF COVERAGE **2021 \$1,470**



QUESTIONS?