

# QUOTES: TAX SEASON 2022

## CHANGES AND UPDATES TO KNOW

Below is commentary from chief tax officer of H&R Block Kathy Pickering and director of the H&R Block Tax Institute Andy Phillips on a variety of consumer tax topics for 2022. This includes information on new tax laws and changes that people will notice when filing this year.

You are encouraged to use this commentary within your online, print and broadcast stories related to tax season 2022.

### Tax Season 2022

“There are a variety of changes people will notice when filing taxes this year. There were expansions in the tax code designed to help the U.S. economy and families recover from the pandemic. There’s more money for more people – from new incentives to help families and people get back to work to programs that help businesses hire. A tax pro can help navigate all of these changes and make a real difference with this filing season.” – **Kathy Pickering, chief tax officer of H&R Block**

### Stimulus Payments or Economic Impact Payments; Recovery Rebate Credit

“It’s extremely important to be accurate when reconciling the stimulus payments received in 2021. Otherwise, any errors or mistakes could delay a refund or result in a lower refund than expected. Those who have had a child or added a member to their household, or had a change in income, could be impacted. This year (more than ever) working with a tax pro can help make sure your tax return is correct so taxpayers can receive a refund that is accurate and not delayed by mistakes.” – **Kathy Pickering, chief tax officer of H&R Block.**

RRC: “If your situation changed in the last year, you should work with a tax pro to ensure you claim a Recovery Rebate Credit,” said Kathy Pickering, chief tax officer of H&R Block. “You’ll want to make sure it’s claimed correctly, to avoid any delays or missed expectations, but it could lead to a bigger tax refund if you had a child or a change in income during the last year.” – **Kathy Pickering, chief tax officer of H&R Block.**

### Child Tax Credit

“The expanded child tax credit and new, advance payments could lead to a change in your tax refund. Work with a tax pro to make sure you file your taxes correctly this year, and to determine if you should make any withholding adjustments moving forward to get the outcome you want next year.” – **Kathy Pickering, chief tax officer of H&R Block**

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### Earned Income Tax Credit

“Last year’s changes to the earned income credit provide more money for more people, especially those without children. The changes to this tax policy have made it more helpful to a wider range of people. Not only did the IRS expand the age and redefine the requirements, they also increased the amount a person without children could receive from about \$500 to about \$1,500. There are people who, in previous years, may not have filed because they didn’t think they qualified for this benefit or that the amount wasn’t worth it, but the expansion really changes that perspective.” – **Kathy Pickering, chief tax officer of H&R Block**

### Child and Dependent Care Credit

“The change to the child and dependent care credit should lead to a lot more people using this credit. The maximum credit increased nearly fourfold. What’s also new and important is that this credit could increase your refund. In the past, the child and dependent care credit would take your taxes owed to zero – if you had more credit than tax liability. With the change this year, if your credit is more than your tax liability, the balance will be added to your refund. In addition, this credit also covers any dependent (such as an aging parent, spouse with a disability or someone with other mental or physical needs) who isn’t mentally or physically able to care for themselves who lives with the taxpayer more than half of the year. A tax pro would have a full understanding of how someone can take advantage of this valuable credit.” – **Kathy Pickering, chief tax officer of H&R Block**

### Charitable Contributions increasing up to \$600

“We’re glad to see the non-itemized deduction for cash charitable contributions is back, along with a larger deduction for those filing jointly. A tax pro can help you navigate the new aspects of the deduction.” – **Kathy Pickering, chief tax officer of H&R Block**

### Premium Tax Credit for Health Insurance

“For those households purchasing health insurance through federal or state exchanges, this important credit is now more valuable. A tax pro can help you determine how to use the credit to pay a smaller share of your income towards premiums.” – **Kathy Pickering, chief tax officer of H&R Block**

### Education Credit Changes

“More Americans than ever are reevaluating their careers and how they want to make a living. The changes to education tax credits, including the updated lifetime learning credit, make it easier than ever to help Americans gain new skills and make the changes they want.” – **Kathy Pickering, chief tax officer of H&R Block**

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## 100% Business Meal Tax Deduction

“The change made it easier than ever to support the restaurant industry with business meals – to help bring the restaurant industry back after the pandemic. The business meal tax deduction covers 100% of business meals that are dine-in, catered or take-out; and a 50% limit is in place for food and beverage not from restaurants. To use, this, your business must pay qualifying expenses and you should keep your receipts as that’s important back up for filing.” – **Kathy Pickering, chief tax officer of H&R Block**

## 1099K for Gig Workers

“So many people turned to gig work over the last year so it’s important for any gig worker to work with a tax pro to better understand and properly report their income and expenses. Whether you have been a gig worker who had never received a 1099 form before or are new to the industry, almost every gig worker will be receiving a 1099K starting with tax year 2022, so working with a tax pro to properly track income and expenses and prepare to file next year will be more important than ever. Gig workers may also want to consider making estimated tax payments throughout 2022, to avoid an unexpected tax bill when they go to file their return.” – **Andy Phillips, director of the H&R Block Tax Institute**

## Employer Incentives & Payroll Credits for Small Business

“These new incentives and credits were designed to help small business owners keep people on payroll through a long period of economic uncertainty. There are multiple credits employers can use for their payroll tax filings. If you’re a small business owner and you have people on payroll, there may be credits and incentives you’re unaware or this may be your first year with employees on a payroll. In either case, it’s important to work with a tax pro in order to determine which credits apply to your situation.” – **Andy Phillips, director of the H&R Block Tax Institute**

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