

On Course | February 22, 2022 | Volume 22, #2

Welcome. We at Compass Planning continue to appreciate your support. Thank you.

Tax filing deadline is right around the corner. Tax payers in Massachusetts will have until Tuesday, April 19, 2022 to file their 2021 taxes; the deadline for everyone else is Monday April 18. By now, you should have your tax documents -- either online or paper. Here are some tips as you gear up to file your taxes!

If you missed our series on retirement, you can still access the issues. For Retirement, Part 1 - Retirement Savings, click [here](#). For Retirement, Part 2 - Social Security, click [here](#). For Retirement, Part 3 - The Retirement Paycheck, click [here](#).

If you would like assistance in tax planning, we are here to help you stay *On Course!*



Jennifer Lane, CFP

Filing Your Taxes for 2021

Tax Prep: Make sure you have everything you need to file your taxes!

- Gather all of the tax reporting forms you have received.
- If you have your 2020 taxes handy, double check against the forms you have to make sure you are not missing anything. Many organizations now post them online to your account instead of mailing them to you.
- Click [here](#) and [here](#) and [here](#) for different checklists that are pretty comprehensive.

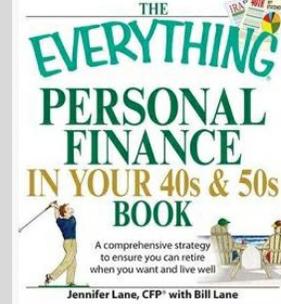
Tax Preparation - Give it a try on your own!



Don't forget to file IRS form 8606 when you make nondeductible contributions to your IRA. When you retire, you or your heirs will be able to prove how much of your IRA balance is the money that you contributed after tax and is available to withdraw without additional tax and how much is investment growth and is taxable income on withdrawal.

Get more tips in Jennifer's book

- Consider preparing your own tax return. TurboTax, TaxAct, TaxSlayer, and H&R Block are great options to prepare your own return.
- If you feel more comfortable having a professional prepare your return, turn to a CPA or enrolled agent. If you don't have a tax pro, ask for a referral from a trusted source.
- Even if you have a tax pro prepare your return, try running your information through online tax software as a double check. The software options may ask you more questions than the tax pro!



[Buy Now](#)

Tax Filing - Know your deadline

- For Massachusetts residents, the deadline is April 19, 2022. For all others, it's April 18, 2022.
- You can e-file your return through tax software or your tax pro.
- If you aren't going to be ready to file by your filing date, then make sure you file an extension. Remember that you need to pay the tax liability of money you expect to owe by your filing date but have until October 15 to file the return.

Roth IRA or IRA contributions

- You have until April 15, 2022 to make a 2021 contribution!
- IRA contribution limits for 2021 are \$6,000 for those 49 and younger, and \$7,000 for those 50 and over.
- If you plan to make a Roth IRA contribution, check to make sure you are under the income limit. Click [here](#) for the IRS explanation of Roth IRA contributions.

And -- once you've filed your taxes, take a little time to get set up for 2022 so you're prepared and organized when it comes time to do your taxes next year! Create a place to save tax-related paperwork, including donations, expenses, and medical bills.

Jennifer and Sarah were both named
2022 Boston Five Star Wealth
Managers.



Helpful Websites

[IRS tips for filing](#)

[Tax Checklist \(1\)](#)

[Tax Checklist \(2\)](#)

Jennifer In The Media

Below are links to Jennifer's frequent contributions to financial planning articles.

- **NEW** Jennifer contributed to a WBUR Radio Boston segment, ***How to Look Before Your Leap into the "Great Resignation."*** Click [here](#) to listen.
- NBC10 consumer investigative reporter Leslie Gaydos interviewed Jennifer for savings tips. For a great video, ***How to Save \$1,000 in 5 Months***, click [here](#). For the written article, click [here](#).
- Jennifer contributed to a timely article, ***How to seek forbearance on your mortgage***, for The Boston Globe. [Read article.](#)
- If you're interested in dividend funds, Jennifer contributed to **The New York Times** article, ***Dividend Funds Can Add Income, and Risk, to Your Portfolio.*** [Read article.](#)
- Jennifer contributed to a **BankRate** article, ***Should I combine my mortgage and student loans?*** [Read article.](#)
- Need help with your 401(k) during the pandemic? Jennifer contributed to a **Boston Globe** article, ***Five tips for***

- Need help with your 401(k) during the pandemic? Jennifer contributed to a [Boston Globe](#) article, *Five tips for managing a 401(k) during the pandemic's turbulence*. [Read article.](#)
- Jennifer contributed to the [Bottom Line Inc](#) article *Prepare your Finances for a Possible Recession*. [Read article.](#)
- Jennifer contributed to [The Wall Street Journal](#) article *If Saving During a Pandemic Is Hard, Here's How to Stay Motivated*. [Read article.](#)
- The [New York Times](#) featured Jennifer in an article titled, *Balanced Funds Don't Inspire Fear or Greed. That's Why They Are So Useful*. [Read article.](#)
- With a contrarian view, Jennifer contributed to an article, *People are enraged by the idea that you should have twice your salary saved by the time you're 35!* published recently by [Business Insider](#). [Read article.](#)
- Moving in together? Check this article from [Business Insider](#), *Five questions you and your partner should answer before taking the biggest step in your relationship*. [Read article.](#)
- [Insider](#) asked Jennifer to contribute to an article on old fashioned ways to manage your money, *Six money-saving tips your grandma used that are way more effective than any budgeting app*. [Read article.](#)
- Jennifer contributed to an article on [Business Insider](#), *This is the best way to do your taxes online - according to experts*. [Read article.](#)
- [CNN Money's](#) Money Moves featured Jennifer in an article on how to strike the right balance between retiring early and saving enough. [Read article.](#)
- Jennifer contributed to a [CNN Money](#) article *When is the Right Time to See a Financial Advisor?* [Read article.](#)

Compass Planning News

- Compass Planning is a sponsor of YW Boston's 2021 two-part [Elevating Lives Series](#).
- Compass Planning continues to meet with clients as well as those interested in learning more about the firm via phone and web-based video conferencing. Email info@compassplanning.com to learn more.
- Compass Planning has become a supporter of [The Center for Financial Planning](#) at the sustainer level. The CFP Board created the center to achieve a more diverse and sustainable financial planning profession so that every American has access to competent and ethical financial planning advice.
- AdvisoryHQ named [Compass Planning](#) as one of the ten best Boston financial advisors. ([Disclosures](#))

Compass Planning Associates helps families, individuals, and small-business clients achieve financial security, knowledge, and control over their money. Our fee-only, client-centered approach provides education and guidance for achieving financial goals and dreams.

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