



News, information, perspectives for small business clients, owners and managers of Nagel CPAs, LLC.

**We're
Hiring!**

We are currently seeking to fill three positions:

- *[Director of Tax Planning and Compliance](#)
- *[Mid-Level Tax Manager](#)
- *[Seasonal Technical Tax Reviewer](#)

Follow the links above to our website for complete job descriptions. Please email resumes with a cover letter to rlamar@nagelcpa.us

Focus on the Economy

Stock market volatility doesn't seem to directly impact most small businesses. Let's face it, most of us are investing all the excess cash we can retain, back into our own businesses.

Inflation, on the other hand, affects us all.

So does the government's responses to correct inflation. Over reaction can lead to a recession, or at least a cooling off the economy.

Click [here](#) to read my recent article on this subject.

Click [here](#) for data from our colleagues at Archer Investment Corporation and First Trust. First Trust, rising rates.pdf

Update on new forms 7203 and K-2, K-3.

Although the new form 7203, used to report S-corporation stock and debt basis limitations, slowed us down this tax season, working through these issues will ultimately prove beneficial. In future loss years, these limits should be easier to determine and useful for advanced planning. In the event of a proposed ownership change, gain or loss should be easier to obtain for determining after tax consequences. In other words, today's investments will minimize future costs.

Not so, with the deferred rules on forms K-2 and K-3.

All partners and S-Corp. shareholders know about form K-1, used to report pro-rata activity on individual tax return Form 1040. These new forms are intended to add additional reporting for foreign investment activity. Unfortunately, as of this writing, no de minimis threshold has been established. Consider ending all mutual fund investments causing foreign tax payments for which US credits might be available. At least until the rules are clarified. In the alternative, consider forgoing the filing of form 1116 on which foreign credits may be taken.

You will likely have questions on the direct impact this new reporting requirement has on your tax work. If so, please contact us.

We need your help!

Since July of last year, we have been searching exhaustively to fill positions we knew would be opening soon. That effort will continue for 2022 as you can see by the banner ad above. What you may not know is that nearly all our staff, bottom to top, came to us because of an existing relationship with family and friends of our firms. Please take a moment to review the job descriptions, found [here](#), for these openings.

Do you have family or friends who may qualify? Not sure? Just call us. We've been known to make a new role for good people.

Remembering...

As you took a few special moments this past Memorial Day weekend in honoring those lost members of our armed services, it is natural to reflect on the recent losses of family or friends, military or otherwise. The death rate in our clientele this past tax season was 5 -10 times more than any normal year of the past 43. There's been a lot to reflect on lately.

On May 15, after 3 years in assisted living, my father Russ Nagel passed away, in his sleep, of natural causes. Not the cancer he suffered from, nor COVID-19. For that, we are grateful. Those that knew him, knew he was a modest and humble man, who left a rich legacy of Christian values. Oh, how we will miss him.

Roger C. Nagel, CPA/PFS, CMA, CGMA

If you know someone that would benefit from the information provided in these newsletters please contact rlamar@nagelcpa.us, or call 505-898-2558 to add them to our subscriber list.



Visit our website



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