



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

Greetings!

Here's a few highlights from a recent meeting with colleagues from around the country.

IRS and State tax departments not yet back to work.

This is a common problem for everyone and not soon to be resolved. As difficult as the past two filing seasons have been due to COVID Relief legislation, attempting to correspond or talk with IRS staff has been very difficult. **Resolving problems is taking longer.**

Monitor the status of refunds. Limit over-paying. Apply unexpected refunds to future periods - even in cases where normal withholding may be adequate to retain control of your cash. Excessive refunds should be paid out only by direct deposit. Expect two months or more. If you are expecting a paper check it will be longer.

Several of our members have heard IRS agents confess that **5-7 million pieces of mail from 2019 have yet to be processed!**

The ERC hustle

Many of us have had clients that have been solicited by payroll providers and others offering to determine employer eligibility for the Employee Retention Credit in exchange for 15% of the eligible amount.

Several reported that the 15% became due upon a report of eligibility, then the taxpayer was left to apply on their own. Unfortunately, many taxpayers thought the 15% would be due after collecting a benefit and that the provider would guarantee application and monitoring until it was collected. Not so in all cases. **Caveat Emptor.**

Study the rules thoroughly. If you have good reason to believe you may qualify, ask us for help and a fee quote. At that point, you will be better informed of the cost and potential benefits.

While the Federal COVID Relief Programs are nearly over, New Mexico has several to offer. Seek guidance at your local Chamber of Commerce, NM Dept. of Workforce Solutions or the Nm Economic Development Department.

If you are eligible, we can help with the details so you can stay focused on rebuilding your business.

You will find an article at the first click box below on proposed solutions for narrowing the tax gap and improving IRS operations with investment in equipment, staffing, and training.

The economists don't get it!

Like Academia, the ivory tower often blocks the common experiences of the real markets. Government economists must toe the line of their bosses.

Will we have inflation because of excessive government pay outs? News flash. We already are experiencing rising wages and prices. Ask any general contractor. Do not wait to redo budgets and reevaluate your plans and goals for the remainder of the year.

Lastly...

In this month's article for the Rio Rancho Observer, I wrote about the need for better and timelier financial reporting. You will find it attached at the third click box below.

What I did not speak much about is deciding on a conversion to on-line software solutions. If you are unsure of whether to continue your Quick Books desk top version rather than convert to the new QBO (on-line solution) contact us for a few thoughts and discerning questions to help make a good, timely decision.

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

The tax gap has three distinct elements:

*Nonfiling 9%

*Underreporting 80%

*Underpayment 11%

Biden Administration Fleshes out its proposals to increase tax compliance



Rotary Club of Rio Rancho proudly presents . . .

Youth Art Show & Sale

You are invited to the first annual "Youth Art Show & Sale" sponsored by the Rotary Club of Rio Rancho. This free event provides a platform for young artists, youth groups and gifted individuals to showcase their beautiful creations. They will not only be displaying their works of art but selling them as well. Artists ranging from kindergarten to high school age will be participating. Bring your families and a blanket and enjoy an afternoon at the park having fun. Visit the food trucks for some yummy offerings, participate in activities, enjoy the live music and visit the youth exhibits to purchase some beautiful artwork while showing support for these skilled young artists. All sales will be collected and kept by the youth artist!

This event is supported through Rio Rancho businesses who sponsor the "Dick Hillier Tutoring Program."
www.dickhillertutoring.com

**SATURDAY
JUNE 5**
12 noon-5:00 pm
Haynes Park
Rotary Pavilion Area
Rio Rancho

**FUN ACTIVITIES
FOOD TRUCKS
LIVE MUSIC**

To register: Fill out attached registration form and mail to:
Earl Weid, 3824 Sierra Madre NE, Albuquerque, NM 87111
DEADLINE: WEDNESDAY, MAY 26, 2021
Artist participants are limited to youth artists, 5-18 years old

INFORMATION
Earl Weid, Club Services
Rotary Club of Rio Rancho
505-250-9070
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www.rioranchorotary.com



Please click on the picture to the left for more information on Rio Rancho Rotary's Art in the Park Youth Art show and sale.

Nagel on Finances: Accounting and accountability

..."One of the most common challenges we experience this time of year is 'bad books'."

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.



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