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concerns, a number of new tax law provisions will create complications for some filers, as well as potential pitfalls to avoid. And maybe new tax laws by year's end.

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The upcoming 2022 tax return season for filing 2021 returns will be the third one since the COVID-19 pandemic hit in early 2020. If you're like many tax practitioners, your staffers are returning to the business premises, or have already returned, as much of the country resumes regular business activities. So will the 2022 tax filing

tax return filing due date until July because of the COVID pandemic. In 2021 the deadline was pushed back to May. The IRS isn't expected to change the deadline for 2022, barring any unforeseen circumstances. At least that should be business as usual.

But consider some of the tax changes in the American Rescue Plan Act (ARPA) that went into effect in 2021. These could result in out-of-the-ordinary situations for clients. Here are a few common examples.

Economic Impact Payments: The third round of Economic Impact Payments (EIPs) began going out in March. The maximum EIP of $1,400, plus payments for qualified dependents, isn't subject to federal income tax. However, clients may have received less than they are entitled to and, therefore, are eligible for a credit on their 2021 return.

Child Tax Credit: ARPA enhanced the Child Tax Credit (CTC) by raising the maximum CTC to $3,000 ($3,600 for children under age six), making the credit fully refundable and authorizing advance payments of the credit. The IRS began issuing advance CTC payments in July. This must be factored into 2021 tax returns and could cause tax return headaches. Clients should be informed that their tax refund may be smaller than they expected due to advance CTC payments.

Dependent care credits: Under ARPA, the maximum dependent care credit for 2021 is increased for taxpayers with an adjusted gross income of $125,000 or less to $4,000 for one child; $8,000 for two or more children (up from $600 and $1,200, respectively). In addition, the credit is made fully refundable. Ensure that your clients are reaping the maximum tax rewards on their 2021 returns.

Unemployment benefits: The new law also provides a unique tax break for some workers who who lost their jobs in 2020. In brief, the first $10,200 of unemployment benefits is exempt from tax if your AGI was below $150,000. But many taxpayers have

Net result: This is shaping up as another challenging tax return season for taxpayers and tax return preparers alike. Plus, drums are beating louder in Washington for tax increases that might be enacted before the end of the year. Don't think that things are back to "normal" quite yet.

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