

OUT OF CONTROL

As automakers use more technology, software bugs follow.

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## CLIMATE COSTS

As natural disasters mount, Biden seeks to price out damage.

PAGE B4



## TAXMAN COMETH

If your life changed in 2021, watch for filing surprises.

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# BUSINESS

HOUSTON CHRONICLE • SUNDAY, FEBRUARY 27, 2022 • SECTION B



Marie D. De Jesús / Staff photographe

Kathy Ploch, a certified public accountant and tax expert with the Houston firm of Durio & Korpal, has helped with filings for 38 tax seasons.

### FINANCES

# This tax season could be even more taxing

By Jim Magill CORRESPONDENT

his year, taxpayers will be confronted with a number of major changes to tax laws as they prepare their 2021 federal income tax returns. In the past two years, Congress passed tax legislation to address the impact of coronavirus pandemic on household finances and the broader economy, and the measures enacted could significantly affect the refunds that taxpayers

receive, or the amount they owe. Kathy Ploch, a certified public From credits to deductions, major law changes are creating new challenges for taxpayers filing returns

accountant and tax expert with the Houston firm of Durio & Korpal, explained some of these changes and outlined what taxpayers should consider in preparing their 2021 returns. Ploch, who is in her 38th tax season as a tax preparer, became a certified public accountant in 1999. She has prepared all types of tax returns, including returns for individuals,

businesses, nonprofits, estates and

She is a former president of the Texas Society of Certified Public Accountants Houston Chapter (TX CPA Houston) and remains an active member of the society, serving on numerous boards and committees at the local state and national levels. For more than 20 years, Ploch has

donated her time to the Volunteer Income Tax Assistance program, an IRS-backed program dedicated to helping low-income people file their federal income tax returns.

Q: What changes to the tax laws will have the biggest effect on 2021 returns?

A: The biggest changes are some of the credits. The first one is the child tax credit. For 2021, it's increased from \$2,000 to \$3,600 for children under the age of 6 and \$3,000 for children under the age of

Taxes continues on B7

# Political games are driving up electricity prices for Texans

CHRIS TOMLINSON

Commentary



The man in charge of the Texas grid during the 2021 blackouts has laid bare how Gov. Greg Abbott imposed billions of dollars in unnecessary bills on consumers to protect his chances of getting re-elected, and Abbott is still driving up electricity prices.

On Abbott's orders, the Public Utility Commission of Texas is spending an untoward amount of consumer money in the name of resiliency but boosting corporate profits instead. These political shenanigans, at taxpayer expense, prove why we must remove politics from energy

regulation.

Texas voters — usually in the Republican primary now underway — elect the governor who appoints cronies to the Public Utility Commission. The PUC then oversees the executives who run the Electricity Reliability Council of Texas, a nonprofit that acts as an air traffic controller for the grid.

Abbott appointed his former policy adviser and Republican *Tomlinson continues on B6* 



Power generation in Texas has largely become about who is in power — at the expense of consumers.

Fochtman / Staff photographer

# HIGH CD RATES

total of at least \$1,000 direct deposited into a First Service checking account in the last 30 days. Dividends are compounded and credited monthly to

UP TO **0.90% APY\*** FOR **18 MONTHS** 

the Promotional CD account. Other restrictions may apply

**0.85% APY\***FOR 12 MONTHS

FOR 18 MONTHS FOR 12 MONTHS

HEUERALLY INSURED BY NOUA Membership required. "APY = Annual Percentage Yield. APYs are accurate as of 2/22/20/22 and subject to change. Dividends are compounded and credited monthly. APYs shown are for CDs with a minimum balance of \$50,000. 18-month CDs opened with \$1,000 to \$49,999.99 will earn 0.85% APY, and 12-month CDs opened with \$1,000 to \$49,999.99 will earn 0.85% APY. CDs may be subject to a penelty for early withdrawal. Fees may reduce earnings. "Promotional CDs are eligible to receive an extra 0.05% incentive rate each month if the member has a





To open a CD, call **713-676-5255** or visit **FSCU.com/SpecialCD**.



Melissa Phillip / Staff file photo

BakerRipley offers free tax preparation services through its Neighborhood Tax Centers program. Individuals with an adjusted gross income of \$58,000 or less qualify.

# **TAXES**

From page B1

18. Those who are up to 17 years old are now covered. The new law gave an advanced tax credit for onehalf of the credit amount in the second half of 2021. Then, when you file your 2021 return, you will receive the remainder of the child tax credit amount.

#### Q: What impact will pandemic-related tax legislation have on 2021 returns?

**A:** The main thing is probably with respect to the child tax credit. Raising the amount of the credit is definitely putting a lot more money in an individual's pockets.

In other changes, the American Rescue Plan Act (ARPA) increased, only for 2021, the amount of exclusion from employer-provided dependent care from \$5,000 to \$10,500. ARPA also expanded, only for 2021, the minimum age to qualify for the earned income credit (EIC) without a qualifying child, by reducing it from 25 to 19, except for specified students who must be at least age 24 at the end of the year.

Economic stimulus payments, those were really helpful for 2020 and 2021 for those people that were able to get them. The one in 2021 was \$1,400 for each person. That could be the individual, and if they have children, it's another \$1,400 for each child, plus \$1,400 for the spouse. It's putting a lot of money into the pockets of people that really need it.

Unfortunately, in 2021, anybody who was getting unemployment (benefits), that unemployment is all taxable. During 2020, the

rules said for the first \$10,200 you didn't have to pay tax on. Unfortunately, that was just for 2020.

#### Q: How should taxpayers account for any stimulus money they received in 2021?

A: The Economic Impact Payment's third round came in March/April 2021. The amount was up to \$1,400 for a single person, \$2,800 for married filing jointly, plus \$1,400 for each qualifying dependent. The age of the dependent didn't matter.

It's not taxable income. But, if you received it, you should have received a letter from the IRS, stating that this is how much you got. On your tax return, they'll be a section that asks, 'Did you get it?'

If you did not get it, they're going to give you that \$1,400 as part of your refund.

#### Q: What else will change for taxpayers filing their 2021 return?

A: Charitable contributions. You can deduct up to \$300 for single filers and \$600 for filers who are married filing jointly this year. In 2020, it was only \$300 for all filing statuses. This is available for those who don't have enough to itemize their deductions.

The standard deduction for single filers is \$12,550, for married filing jointly \$25,100 and for head of household is \$18,800. This must be cash contributions only. You must have a written acknowledgement from the charity if you have a contribution of \$250 or more.

#### Q: What are the different options for filing a 2021 tax return?

A: Many taxpayers can



Associated Press file photo

Some common mistakes in tax filings include incorrect Social Security numbers and misspelled names.

# 2022 tax season calendar

Key dates and deadlines to remember:

April 18: Deadline to file your 2021 tax return or request a six-month extension, though you'll still need to pay any taxes you owe to avoid penalties or fees.

April 19: Deadline to file your 2021 tax return for taxpayers who live in Maine or Massachusetts.

Oct. 17: Deadline to file your 2021 tax return if you requested a six-month extension.

Check with your state's tax agency to determine when your state taxes are due.

Tax-filing checklist: Key documents you may need to

Form W-2, which your employer will provide. This form lists how much you were paid in 2021, as well as how much in taxes you withheld.

Form 1098, which shows how much you paid in interest on a mortgage or student loan.

Form 1099, which reports income that you made working as an independent contractor or from unemployment benefits. You might also receive Form 1099-INT, which reports savings account interest earnings. Letter 6419 is intended to help you track Child Tax Credit

Letter 6475 is intended to help you track Economic

Impact Payments.

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Albany Times Union file photo

During tax season, a lot of services are hawked, but it's best to go with those who understand the changes.

## When to expect your refund — and how to get it fast

If you submit your tax return electronically and without errors, taxpayers should expect to see their refund within 21 days of when they file, so long as they choose direct deposit. The exact timeline, however, depends on how you file and how you want your refund paid out. Here's an estimate of what you can expect:

One to three weeks, for those who e-file with direct deposit:

Three weeks, for those who paper file with direct deposit; and

Six to eight weeks, for those who e-file or paper file with a refund check in the mail.

Important to note, the IRS cannot legally issue any child tax credit or earned income tax credit refunds before mid-February - a legal requirement designed to prevent the agency from paying out any fraudulent refunds. Last year, the average tax refund topped \$2,800, the agency said.

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file their taxes for free. The IRS has what they call Free File, and you can go on the IRS website to find out more information. This is done through partnerships with various software companies. It's generally for individuals with an adjusted gross income of \$73,000 or less. Other people will go out and buy TurboTax or some other software for a reasonable price and pre-

pare their return that way. Those taxpayers with income of \$58,000 or less can also get their return filed for free with the Neighborhood Tax Centers program through Baker-Ripley. (For information, contact the Baker Ripley Tax Center, 6500 Rookin Street, Suite C-101 Houston, TX 77074, (713) 273-3755. Or go online to bakerripley.org/services/

baker-ripley-tax-center.) There are IRS-trained volunteers and the centers are open various days and hours throughout the Houston area.

#### Q: What are the advantages/disadvantages of filing online vs. hiring an expert to prepare a return?

A: Being a paid preparer for 38 years now, I would advise that if taxpayers just have a very simple return, such as a W-2 or maybe just interest and dividends, they are just fine doing their taxes on their own. But if you have a business or more complicated issues, then it's better to hire an expert to prepare your return.

Although I've never used TurboTax, most people enter their information by being asked various questions by the software. If you don't understand the question, you can answer it wrong.

Good preparers will be up to date on all the latest tax laws, and they can also help with tax and retirement planning for the future. On the IRS website, they have a page called "Choosing a Paid Tax

Preparer." It's very helpful. You can also contact TX CPA Houston and they have a referral service that could assist in finding a

#### Q: What are the most common mistakes that taxpayers make in filing their returns?

A: The ones that I've seen most often are:

Inaccurate Social Security number and misspelled name. Most software won't allow e-filing without Social Security number, but the name and Social Security number must match, or the return will be rejected.

Incorrect filing status and dependents. These two issues can sometimes be very difficult, based on family situations. If this is wrong, then many credits or deductions may be inaccurate.

Incorrect bank account number. Make sure you've typed it correctly. If it's wrong, then the IRS will either send a paper check, further delaying vour refund, or it may get deposited in the wrong bank account. I've seen that happen.

Last year, many taxpayers' refunds were delayed due to the incorrect amount shown for the two **Economic Impact Pay**ments. If you don't have the letter that I discussed earlier, then look at your bank account and see if you got the payments. This will delay the processing of your return.

The last one I might mention is math mistakes. Of course, this only happens if you are preparing a paper return. I hope no one is doing this because this return could be sitting in a truck or someone's desk for another year before it's processed.



# **Legal Notices**

To place legal notices email legals@chron.com or call 713.224.6868.

Legals/Public Notices Legals/Public Notices Legals/Public Notices

The three properties commonly known as 11718 Spicewood, Houston, TX 77044, 6110 Cavalcade St., Houston, TX 77026, and 5011 Loch Lomond Drive, Houston, TX 77096 are scheduled to be sold at public foreclosure auction on 03/01/2022 at 10:00 AM or no later than 3 hours thereafter at The Bayou City Event Center Pavilion located at 9401 Knight Rd, Houston, TX 77045 in Harris County, Texas, or if the preceding area is no longer the designated area, at the area most recently designated by the Harris County Commissioner's Court. The Substitute Trustee will be Jack Palmer, Anna Sewart, David Barry, Byron Sewart, Helen Henderson, Nick Frame, Austin DuBois, Cheyanne Troutt, Patricia Poston, Rex Kessler, Selim Taherzadeh, Mo Taherzadeh, or Michael Linke, any to act. The winning bidder buys "as is" and must pay at the auction with certified funds.

Legal Bids & Proposals Legal Bids & Proposals Legal Bids & Proposals

Galena Park Independent School District ("GPISD" or "District") is seeking statements of qualifications from highly qualified design firms for RFQ 22-201 Architectural, Engineering, and Other Professional Services for future district projects. Services will include planning, design, and construction administration services for miscellaneous district projects including federally funded projects. Details are more fully set out in the Request for Qualifications (RFQ). The submission deadline will be Friday, March 18, 2022 at 10:00 AM CST at the GPISD Admin Building, Capital and Bond Projects Department, located at 14705 Woodforest Blvd., Houston, TX 77015.

Additional information may be obtained through the GPISD eBid system <a href="https://galenaparkisd.ionwave.net/Login.aspx">https://galenaparkisd.ionwave.net/Login.aspx</a> or by contacting the Capit Bond Projects Department at <a href="mailto:capitalprojects@galenaparkisd.com">capitalprojects@galenaparkisd.com</a>.

Galena Park ISD reserves the right to reject any or all proposals.

INVITATION TO BID CITY OF FRIENDSWOOD, TEXAS BID NO. 2022-05

FOREST BEND DETENTION POND CONSTRUCTION PROJECT

This project will be federally funded by the U.S. Housing and Urban Development (HUD) Department through the Texas General Land Office (GLO), and administered by the Harris County Community Services Department (HCCSD). Bidders shall comply with regulations governing the CDBG Disaster Recovery Program (Regulation 24 CFR 570). Applicable requirements include but are not limited to compliance with the Davis-Bacon and Related Acts, Fair Labor Standards, Equal Employment Opportunity, Affirmative Action, Section 3 of the HUD Act of 1968, and contracting with small, minority, and disadvantage firms, as detailed in the project manual.

Bidders will be required to furnish verifiable references with their bids/proposals

Project documents may be downloaded from the City of Friendswood's website at: ci.friendswood.tx.us/Bids.aspx

Project documents are available for review at City Hall from the City Secretary's Office. The address is 910 S. Friendswood Drive, Friendswood, TX 77546.

A non-mandatory pre-bid meeting will be held at 4:00 pm on Thursday, March 3, 2022 virtually via Microsoft Teams. The website address for this virtual meeting is: <a href="https://ht

Any questions regarding this BID must be submitted by 2:00 pm, Monday, March 7, 2022 to Bria A. Whitmire, PE, CFM, at bwhitmire@friendswood.com or (281) 996-3208.

Bids shall be submitted in sealed envelopes clearly marked with BID No. 2022-05 and addressed to the City of Friendswood, Attn: Leticia Brysch, City Secreta ry, and will be received at Friendswood City Hall, City Secretary's Office, 910 Sriendswood Dr., Friendswood, TX, 77546 before 2:00 pm, Monday, March 14,

A public bid opening will be held at Friendswood City Hall, City Secretary's Office, 910 S. Friendswood Dr., Friendswood, TX, 77546 at 2:00 pm, Monday, March 14, 2022.

The City of Friendswood reserves the right to reject any and all bids and to waive any informality in bids received. The City of Friendswood pays for goods and services according to the provisions of Chapter 2251 of the Government Code.

#### **NOTICE TO BIDDERS**

NOTICE TO BIDDERS
The Metropolitan Transit Authority of Harris County, Texas (METRO) is planning to issue the procurement documents listed in this advertisement. IFB No. 4022000072: Landscape Maintenance for Undeveloped Properties. Solicitation will be available on or about 02/28/2022. Prospective bidders/proposers can view and download these solicitations by visiting METRO's website at <a href="https://www.ridemetro.org/procurement/">https://www.ridemetro.org/procurement/</a>. If you are unable to download the documents or are having difficulty, please contact Jamie Williams at (713) 739-3771.

**NOTICE TO BIDDERS** The Metropolitan Transit Authority of Harris County, Texas (METRO) is planning to issue the procurement documents listed in this advertisement.

IFB No. 402200062: Red Lanes Traffic Markings for Bus (Pilot Program) Phase II and III. Solicitation is available.

Prospective bidders/proposers can view and download these solicitations by visiting METRO's website at <a href="https://www.ridemetro.org/procurement/">https://www.ridemetro.org/procurement/</a>.

If you are unable to download the documents or are having difficulty, please contact Jamie Williams at (713) 739-3771.

# The Metropolitan Transit Authority of Harris County, Texas (METRO) is planning to issue the procurement documents listed in this advertisement

IFB No. 4022000057: Landscape Maintenance for METRORail Line Transit Centers and Park and Rides. Solicitation will be available on or about

**IFB No. 4022000061:** Purchase and Delivery of Allison Dual Power Inverter Modules for METRO's Transit Vehicles. Solicitation will be available on or about 02/21/2022.

RFP No. 4022000048: Maintenance, Installation, and Integration Services for Metro's Intelligent Transportation System. Solicitation will be available on or about 02/21/2022.

Prospective bidders/proposers can view and download these solicitations by visiting METRO's website at https://www.ridemetro.org/procurement/. If you are unable to download the documents or are having difficulty, please

tact Jamie Williams at (713) 739-3771

# **NOTICE TO BIDDERS**

The Texas Department of Criminal Justice (TDCJ) invites bids to "Replace Region III Training Buildings" at the Ramsey Unit located in Rosharon, Texas. A Pre-bid Conference will be held at 10:00 A.M. on March 1, 2022, at the project site. Registration is required to attend. To register, contact the Contract Administrator, Aaron Martinez, at (936) 437-7055 or

Bid Documents can be purchased at a cost of \$60.00 (Sixty Dollars, non-refundable) per set, inclusive of mailing/delivery costs, or they may be viewed at various plan rooms. Payment checks for documents should be made payable to Texas Department of Criminal Justice.

Texas Department of Criminal Justice Attn: Aaron Martinez, CTCD Two Financial Plaza, Suite 525 Huntsville, Texas 77340 Phone: (936) 437-7055 Email: Aaron.Martinez@tdcj.texas.gov

REQUEST FOR PROPOSALS WILL BE RECEIVED BY PROCUREMENT SERVICES, PORT HOUSTON, UNTIL 11:00 A.M., ON MARCH 23, 2022, FOR THE FOLLOWING:

NON-HAZARDOUS AND HAZARDOUS WASTE RECYCLING, DISPOSAL, AND MANAGEMENT (RFP).

IN LIGHT OF CONTINUING CONCERNS ABOUT THE SPREAD OF COVID-19 IN THE GREATER HOUSTON AREA, PORT HOUSTON IS CONTINUING TO TAKE PROACTIVE STEPS TO PROTECT THE HEALTH AND SAFETY OF OUR EMPLOYEES AND VENDOR COMMUNITY. RESPONDENTS MUST SUBMIT RESPONSES ELECTRONICALLY VIA EMAIL TO:

PROCUREMENTPROPOSALS@PORTHOUSTON.COM. PLEASE INCLUDE THE SOLICITATION NUMBER AND THE PROJECT TITLE IN THE SUBJECT LINE.

SPECIFICATIONS MAY BE OBTAINED FROM PORT HOUSTON'S ePROCUREMENT WEBSITE <a href="https://buyspeed.poha.com/bso/">https://buyspeed.poha.com/bso/</a>.



Call the Legals Team 713-224-6868 Ext. 6435 or 4204 \*\$74.00 includes first 36 lines

and 1 Affidavit of Publication \*\$1.92 per line over 36 lines

Email legals@chron.com

or call 713.224.6868



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