

GETTING READY FOR THE UPCOMING TAX SEASON

This information isn't intended to be a substitute for specific individualized tax advice. We recommend discussing your specific tax issues with a qualified tax advisor.

Tax Season is approaching and being prepared is the best way to make this tax season your easiest yet. Here are important information and tools to help you get ready. As always, meeting with your financial advisor early and often will ensure your questions are answered, so reach out to him/her today.

Why are there different mailings for 1099-Consolidated Statements?

During the 2021/2022 tax season, LPL will mail 1099 consolidated statements in multiple waves (similar to other major financial firms) to meet all IRS deadlines, reduce errors, and cut down on the need to mail corrected forms.

See [Important Tax Season Mailing Dates](#) below for a full list of mailing dates. Certain investment types are more likely to experience income reclassification (sometimes referred to as income reallocation) and other adjustments made by issuers each year after original financials are reported, which will result in your tax statement not arriving on the anticipated February date. In these cases, your 1099 tax statement will be mailed February 18-March 18, 2022.

If your 1099 consolidated tax statement is not available on or before February 18, 2022, you'll have access to a [Preliminary 1099-Consolidated Tax Statement](#). This is an advanced draft only, subject to change, and should not be used for tax filing purposes. The preliminary form will be available electronically and won't be mailed. You can access a preliminary 1099-consolidated tax forms statement in Account View.

Reclassification: What is it and what do I need to know?

Income reclassification (sometimes called income reallocation) is an annual process where security issuers change the tax characterization of distributions that were paid during the tax year. Often, the result of income reclassification is a more favorable tax treatment. The income reclassification process takes place after the end of the tax year, during the first quarter, when security issuers announce their income reclassification for the previous tax year. The income reclassification process affects income distributions you may have received during the previous tax year. The IRS requires final income reclassification to be reported to you on Form 1099.

Please note: Reclassification is an industry-wide activity. All financial industry firms receive reclassified data from issuers.

Should I file an extension?

It is always a good idea for you to maintain an open line of communication with your financial professional and your tax advisor throughout the year to ensure the best tax strategy and outcomes for you. This dialogue will help you decide if filing an extension is the best course of action. There are many reasons why filing an extension might make sense for you. For example, the volume of data or complexity of certain transactions inside or outside your account may require additional time to address. In addition, if you are expecting to receive your 1099 in the final mailing waves in March, it may be reasonable to consider filing an extension to allow sufficient time for your tax advisor to accurately complete your tax return forms.

If you are unsure about your holdings, be sure to discuss them with your financial or tax professional.

Corrected Forms: What do I need to know if I receive a corrected tax form in the mail?

Further delayed reporting and reclassification from security issuers can sometimes occur with our staggered mailing system, which could result in you receiving corrected 1099 forms after the referenced mailing dates. The IRS requires that a corrected form must be sent for any adjustments received from the security issuers after the original tax form is produced.

Security types most likely to reclassify are:

- Regulated investment companies (mutual funds)
- Unit investment trusts (UITs)
- Real estate investment trusts (REITs)
- Widely held fixed investment trusts (WHFITs)

There is not an IRS cutoff or deadline for providing corrected 1099 forms. If you need to file an amended tax return, it's recommended that you discuss the situation with your tax advisor prior to refile so they can determine the best course of action based on your individual circumstances.

For help answering tax season questions and finding additional saving opportunities, contact your financial professional.

When can I download my documents on TurboTax®?

You will need to have an active AccountView profile to upload your tax data into TurboTax®. Forms will be available for download once all of the forms for your account(s) are available. We recommend you wait to download your tax forms until you have received your tax statements in the mail to compare the data and ensure the TurboTax® download is complete and accurate.

For technical questions, please contact Intuit TurboTax® or visit <http://turbotax.intuit.com/support/>.

How do I convert to paperless for my tax forms?

- 1) Log in to your account at www.myaccountviewonline.com.
- 2) You will need to be on the latest version of Account View in order to use this feature for your tax forms. You can determine this after you are logged into your account, and if you see a paperless link at the top of the page that says "You are X% paperless" then you are on the latest version and can click on that link to proceed.
- 3) From there you can choose to either go 100% paperless for all documents or pick and choose what you receive paperless and by mail delivery.

Important Tax Season Mailing Dates

Becoming familiar with the mailing schedule is one of the most important ways to stay organized for tax season. During the 2021 tax season, to meet all IRS deadlines, reduce errors, and reduce the need to mail corrected versions, LPL will be mailing the 1099 Consolidated Statements in multiple phases.

Form Name / Description	Week of
Consolidated 1099 Tax Statement: Includes accounts with the simplest tax information and not subject to income reclassification	January 21 & 28
Form 1099-R and Form 1099-Q	January 31
Accounts holding more complex securities, for which issuers provided final tax information after January 28	February 4, 11, 18 & 25
Preliminary 1099 Consolidated Tax Statement: Includes accounts that won't receive a final 1099 Consolidated Tax Statement until all income data is finalized	February 18
Form 5498	February 25 & May 27
Includes tax information that investment companies did not furnish to LPL Financial, the broker of record, in time for the anticipated February mailing deadline, such as accounts holding securities that may be subject to income reclassification and/or that provide mortgage-backed income reporting information (AMBIR)	March 4, 11 & 18
IRS Tax Filing or Extension Deadline Request Deadline	April 18
IRS Extension Tax Filing Deadline	October 17

For more information on IRS tax filing or extension deadlines, see IRS.gov.

Further delayed reporting and reclassification from security issuers can sometimes occur with our staggered mailing system. This may result in you receiving corrected 1099 forms after the above referenced mailing dates.

For correction, mailing dates please contact your financial professional.

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Not Bank/Credit Union Deposits or Obligations | May Lose Value