

WALLATAX FACTS

2024

WELCOME BACK!

We are pleased to have Nancy and Carol helping us out again this year. They will assist you with scheduling, fielding your phone calls, dropping off and picking up your documents, and keeping the office running smoothly.

LOTS OF OPTIONS!

We continue to offer a Zoom option for your tax meeting. If you had a Zoom last year, we scheduled one for this year. We're happy to change your preferences, just give us a call. (And if any of our WallaGram or drop-off clients are interested in a Zoom meeting, we'll be happy to accommodate you, too!) You must check "YES" on your Consent to Disclose Tax Information form, however, for all Zoom meetings.

\$30 OFF TAX PREP FEE FOR EARLY BIRDS!

If we receive all your tax information by February 3, 2024, we will reduce your tax-preparation fee by \$30. **All records and documents**, including W-2s and 1099s, must be in our hands by the deadline to qualify for the discount.

RETIREMENT ACCOUNTS

There are some new rules regarding distributions from your retirement accounts that started in 2023. In general, the RMD age changed to 73 starting on Jan 1, 2023 (it was 72 in years after 2020) and will be increased to 75 in 2033. The catch-up amount taxpayers may contribute to their IRAs will be indexed for inflation starting in 2024. Starting in 2024, subject to limitations, unused funds in 529 plans may be rolled into Roth IRAs. Special tax treatment is now available for a variety of reasons to withdraw funds from your retirement accounts (some don't start until future years). If you withdrew retirement funds for a disaster or terminal illness, or you are a public safety officer, you may want to schedule a tax planning meeting to see how these new regulations affect your personal tax situation.

ENERGY & ELEC VEHICLE CREDITS, 1099-K REPORTING

Many new and improved **energy credits** are available in 2023 from your home to your electric car. There are two **Residential Energy Credits**: Energy Efficient Home Improvements (up to \$3,200) and Residential Clean Energy Property credits. The **Clean Vehicle Credit** (up to \$7,500, based on certain requirements) is also available to taxpayers for both new and used electric vehicles. There are many rules and limitations surrounding these credits, so be prepared to provide receipts and other documents so we can be sure you are receiving the proper credits... The IRS will soon require all third-party payment networks to issue form **1099-K** for any transactions over \$600. This is being phased in over the next few years. If you receive one of these forms, even if in error, we must account for it on your tax return. Please provide this document with your paperwork to avoid possible IRS matching letters.

Note these deadlines:

Tue, Jan 16 – Final due date for 2023 federal, state & local estimated taxes.

Wed, Jan 31 – Deadline for employers to mail all 2023 W2, 1099-NEC and 1099-MISC forms to taxpayers and to the IRS and Social Security Administration.

Sat, Feb 3 – Early Bird Deadline! \$30 off your fee!

Fri, Mar 15 – IRS due date for 2023 calendar-year S-Corporation & partnership tax returns and extensions.

Sat, Mar 16 – I am likely to file an extension for you on April 15 if you don't deliver your paperwork by March 16.

Mar 17 – Mar 31 – This is my "yellow zone" information-in period. You are likely to have an extension filed if you provide any info to us during this period.

Apr 1 – Apr 15 – This is my "red zone" all information-in period. You will receive an extension if you deliver your paperwork during this period. Your extension will be filed based on your 2022 tax situation if you deliver paperwork between **April 8 and April 15**.

Mon, Apr 15 –The BIG DAY! Also the last day to make 2023 IRA contributions, amend 2020 returns, and pay first-quarter 2024 estimated taxes.

Mon, Sept 16 – Due date for extended Corporate and Partnership 2023 Tax Returns.

Tue, Oct 15 – If you received a six-month filing extension on April 15th, this is the final date to file your 2023 income tax return and make 2023 SEP and HR10 contributions.

SUSAN M. WALLA, CFP, EA

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ATTENTION: LLC & CORPORATE OWNERS OF ANY SIZE

If you opened an LLC, Corporation, or other entity (or are planning to) – A new reporting requirement (Beneficial Ownership Information) has been established with FinCEN effective 1/1/2024. This is really important! Big fines are possible if you don't comply. See our additional BOI notice for more info.

EMAIL AUTHORIZATION & SECURE LINKS

Because of conflicting rules between FINRA and the IRS, clients MUST sign & agree to the Consent to Disclose Tax Return Information in order to send e-mails to anyone in our office or set up a Zoom meeting. You can still send documents by fax, drop-off and mail, see us personally or speak to us by phone. When sending attachments via email, please call us first to request a secure link. Please use standard .pdf, .doc or .xls format and include your name in the file name.

MISSING INFORMATION

A major reason for the delay in the processing of your returns is that something is missing and we are unable to file a complete return. The later your information arrives after March 16, the more likely you are to receive an extension. We will make every attempt to complete your returns but be aware that your tardiness puts you further back in the line. Send missing information via fax (215) 540-0970, email (call for a secure link) missinginfo@wallatax.com, regular mail, or drop-off.

IDENTITY CHECK ✓ (ATTN: New York workers/residents)

...and some other folks, too: the IRS is collecting driver's license data to verify identity and many states are requiring driver's licenses to e-file state returns. This is mandatory in: **AL, NM, NY, OH & VT** and is *optional* in **NJ and PA**. Provide your details in our Client Questionnaire.

YES, WE REALLY DO NEED THESE PAPERS

Paperwork? Please sign our Consent forms, Engagement Letter, and Client Questionnaire. Any missing or incomplete paperwork could cause delays in processing your returns or cost you money in lost deductions. Also, we will not file your return until we have received your signed Form 8879 (provided upon completion of the return). **If we do not receive payment or required signatures by April 15th, an extension will be filed. Any tax owed must be paid by April 15th.**

YEAR-ROUND HELP AVAILABLE

We are available all year to answer your tax questions. We may charge for inquiries requiring 15 minutes or more, or involving computations. Fees are based primarily on the time devoted to the assignment, including conferences, phone calls, factual investigations & analysis, research, document preparation and other services rendered on your behalf.

For the latest tax news, please visit our website, **www.wallatax.com**. You will find tax information, useful links, FAQs, a map and much more!

Standard Deductions		
2023 Tax Year	65+	
MFJ	27,700	+1,500
S	13,850	+1,850
HOH	20,800	+1,850
MFS	13,850	+1,500
2023 Exemptions		
Suspended (2018-25), 0		
2024 Mileage Rates		
Business	.67	
Medical/Moving	.21	
Charity	.14	
2023 Mileage Rates		
Business	.655	
Medical/Moving	.22	
Charity	.14	
IRA Contributions		
Age	2023	2024
Under 50	6,500	7,000
50 +	7,500	8,000
Yrly Gift Tax Exclusion		
For 2023	17,000	
For 2024	18,000	

WALLA-GRAM

Our mail-in service makes filing your returns easy & convenient. Ask for yours today!

HELPFUL LOGS AVAILABLE

We have several log books available for your use, just ask!

GET YOUR NERF BALLS!

We still have some anniversary gifts in the office, stop in today!

Reminder:

If sending missing information documents via e-mail, use missinginfo@wallatax.com

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New for 2024 – Corporate Transparency Act (CTA) Reporting Requirements (passed 1/1/21)

For Owners of Small LLCs and Corporations

If you are an owner or partner of a Limited Liability Corporation (LLC) or of a corporation, you may be required to report to FinCen your current beneficial ownership information (BOI).

Newly registered entities (registrations after January 1, 2024) must provide their information within 30 days of registration.

Existing entities (formed before January 1, 2024) have until January 1, 2025 to complete their reports.

If previously reported information changes or needs to be corrected, the company must update their records to FinCen within 30 days of discovery.

Information collected includes: full legal name, current address (business or residential), date of birth, unique id number (i.e. passport, driver's license), and the name of the state or jurisdiction that issued the identification document.

This information is required of all owners who control at least 25% of the ownership interests of the reporting entity.

“Large” operating companies are exempt from these filing requirements (more than 20 employees, more than \$5 million gross receipts and/or publicly traded companies). Companies such as banks, nonprofits, utilities, and a few other types are also exempt.

Why should I care? Civil penalties for non-compliance: \$500/day for *each day* a violation continues or hasn't been fixed. Criminal penalties: a fine up to \$10,000 and imprisonment for up to 2 years or both.

We (Susan Walla, EA, CFP) will NOT file these reports for you. Please refer to **FinCEN.gov** for more information and to file your reports if required.