



2024 Tax Year Client Letter



Dear Client,

January 2, 2024

The 2023 tax season is upon us!

We thank you for your business.

We want to remind you of the tax information we need you to compile and send to us along with your signed Engagement Letter and Tax Organizer or Tax Questions.

Here is a simple checklist of 2023 tax year forms that you should provide us:

- W-2 for wages
- 1099-DIV for dividends
- 1099-NEC for income
- 1099-R for retirement
- 1098-MIS for mortgages
- 1099-G for refunds & unemployment
- K-1 forms from investments in S corporations or partnerships
- Form 5498 for IRA values
- IRA and Roth IRA contributions for 2023
- For taxpayers age 70 ^{1/2} or older, any qualified charitable distributions (QCD)
- Medical and dental expenses
- Insurance premiums
- Childcare costs and the name, address, amount, and ID # of all recipients
- Cash and non-cash charitable donations - total amounts and recipients
- Property tax paid on your home, property or vehicles
- Estimated Federal and State tax payments and dates
- Any letters or notices you received from the IRS or State tax authorities
- Rental income and expenses
- Business income and expenses
- W-2G for gambling
- 1099-B brokerage
- 1099-MISC for income
- 1099-E for student loans
- 1098-T for tuition
- 1099-INT for interest
- SSA-1099 Social Security
- 1099-K for income
- 1099-SA for HSAs

If you have a small business or rental property, we can provide you with a separate checklist for those activities if needed.

IRS scrutiny of foreign accounts means that you need to be clear about any non-US accounts or income so that we report it correctly.

New credits for home improvements went into effect in 2023 and can provide you with tax benefits. If you installed a new furnace, A/C, boiler, heat pump, water heater, woodstove, windows, doors, insulation, solar or battery storage please be sure to provide us with a copy of the invoice.

If you bought a new electric or hybrid car in 2023, please be sure to provide that invoice copy as well.

One area of increased tax exposure comes from an unexpected source: the internet. If you are selling goods or services out of state over the internet, or if you have employees working out of state you may need to file sales tax and/or income tax returns in those states. This is something we do not normally prepare unless you tell us about any out-of-state activity.

In 2021 Congress passed the Corporate Transparency Act aimed at reducing money laundering. It is a small business reporting requirement with potential penalties including prison for committing a felony by not reporting.

If you have a business that is an LLC or corporation, including a single member LLC, you must fill out this form by the end of 2024, and if you start a new business in 2024, you must report within 90 days of formation. Reporting is done with a special electronic filing with the Treasury Department's Financial Crimes Enforcement Network (Not the IRS).

The required information includes owners and, for new businesses formed in 2024, the company applicants. Even if you have set up an LLC just to own a rental property this form is required, and a separate filing and form is required for every single entity, whether it's an LLC, an S corporation, or a C Corporation. Some exemptions exist, primarily for larger companies and not-for-profit entities. We can complete this form for you but as a separate engagement.

The 2023 tax year filing deadline is Monday April 15, 2024.

To ensure we complete your return(s) by this deadline please submit your tax data to us as soon as you have it compiled. We work on a first-in, first-out basis.

Reminders

- We again will offer online Tax Organizers and Engagement Letters using SafeSend (www.tpeterscpa.com/safesend)
- We will also continue to use SafeSend Returns to deliver our completed individual, business, and fiduciary tax returns to you electronically
- We provide invoice payment options online, free of charge (www.tpeterscpa.com/pay-your-fee)

Tracey S. Peters CPA, AEP®
410.418.9111
info@tpeterscpa.com
www.tpeterscpa.com