



Kristel's 52 YRS OF TRUST

2024 New Tax Law Update & Newsletter



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Two locations

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Corner of Thompson & Madison
Across from Perry Meridian Middle School

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317-888-4828 1-888-283-8959

NEW TAX LAWS for Tax Year 2023

Electric Vehicle Purchases

Taxpayers purchasing electric vehicles could qualify for up to \$7,500 credit on qualifying new vehicles.

The purchase of used electric vehicles could qualify for up to \$4,000 credit.

Contact your auto dealer and tax preparer for information.

Child Tax Credit

For 2023 taxpayers receive \$2,000 for each eligible child under age 17.

Additionally, if your credit exceeds your tax, it is fully refundable as an Additional Child Tax Credit

All other dependents qualify for \$500 each

Online Gambling?

Taxpayers participating in online betting and other gambling may receive W-2G's.

Educator Expenses

For tax year 2023, eligible educators paying out-of-pocket costs for supplies used in the classroom can deduct up to \$300 in expenses

Contributions without itemizing

Taking RMD's from your IRA? Consider a qualified charitable contribution and avoid paying tax on part of your distribution.

Required Minimum Distributions

Taxpayers who reach the age of 73 during tax year 2023 must start taking RMD's from their Traditional IRA's, SEP's, and SIMPLE plans.

IRS will NOT accept returns from anyone until Late January

However, we can prepare your return anytime after Indiana releases their forms

Regular hours Jan 3rd thru Jan 21st
8:00 AM til 5:00 PM (close 11:30 – 1:00 for lunch)

Starting Jan 22nd Monday thru Friday

First appt 9:00AM - Last appt 8:00PM

Saturdays & April 15th

First appt 9:00AM - Last appt 4:00PM

If you need an appointment before 9:00 AM or after 8:00 PM, or Sunday, call and we will try to assist you.

New IRS Refund Policy for returns claiming . . .

"Earned Income Tax Credit" or

"Child Tax Credit" or

"Additional Child Tax Credit", or

"Education Credit" or

"Head of Household Status",

During 2023, IRS was randomly pulling these returns and we figure at least 30% of these returns took a minimum of 16 weeks and longer to process.

Loan Product in 2024

"Refund Advance" tax refund-related loans will be available in amounts to be determined by Refund Advantage from \$150 to \$6,000

Beginning Late January Get Your Refund in as little as 7 days

with Free Electronic Filing

Direct Deposited in a checking, savings, or retirement account (tax preparation fees due at filing)

OR

**with No Money needed to file
using a bank product with bank fees**

If for any reason, you are unable to pay for the tax preparation fees, you can have your tax preparation fees deducted from your refund

We Love New Client Referrals, Get \$20 or \$40 or more

You get a **\$20 Thank You check** for your first **NEW** referral each year, and we will **double that to a \$40 Thank You check** for each additional **NEW** referral during that same year. (some restrictions, see our "Refer A Friend" card)

Plus the new client will get a \$20 Discount that first year.

If you don't have any of our "Refer A Friend" cards, simply tell your referral to mention your name and that you referred them, we'll gladly give them a discount and send you our thank you check.

2023 Tax Law Changes

Standard Mileage Rate

The 2023 standard mileage rates per business mile are:

65.5 cents/mile

Virtual Currency

As more taxpayers are venturing into the crypto world IRS is adjusting to the reporting needs.

For tax years 2023 and later, all platforms will be required to provide their investors with the proper 1099-B, 1099-DA, and/or 1099-MISC forms to prepare their tax returns you will need to have this Form before completing your tax return.

Energy Efficient Home Improvements

For 2023, the lifetime limit is replaced with an annual limit of \$1,200. New limits for windows, doors, and heating components.

Plus, Electric or Natural gas heat pump water heaters and heat pumps could qualify for up to a \$2,000 credit.

IRA Deduction for Seniors

Regardless of age, you can now contribute as long as you are still working.

Annual Gift Exclusion

For 2023, the first \$17,000 of gifts to any one person do not have to be reported.

ObamaCare is still with us, and if you had insurance thru the Marketplace at "ANY" time during the year, we need to know it

You will be receiving a Form 1095-A from the ObamaCare Exchange

We must have this form in order to determine if you are entitled to a credit or have to repay any credit you may have already received.

Self Employed Independent Contractors

Form 1099-NEC & 1099-K

IRS has two forms that can indicate independent contractors.

Form 1099-NEC (Non Employee Compensation) indicates the person or company who hired you is treating you as being self-employed

Form 1099-K (Payment Card & Third-Party Transactions) indicates you received money from an electronic payment system.

As before, you can deduct ordinary and necessary expenses you had to earn the money received. It is a requirement that your preparer have some sort of documentation to those amounts you provide.

Tax Law Changes for Individuals with businesses and rentals

► 20% Qualified Business Income Deduction (QBID)

Includes individuals who are self employed, a partner in a partnership, or a shareholder in an S-Corporation, or investors receiving REIT dividends, **and it now includes individuals who own rental property.**

This is without a doubt a big and beneficial part of the tax law, however, it is also very complex.

Without going into the complexity, it generally includes the NET amount of any qualified business and/or required rental activity of the taxpayer.

The QBID is a deduction from your taxable income after applying the standard deduction or itemized deduction, the best case scenario.

Now for some of the ifs, ands, & buts

Good for anyone whose taxable income is less than \$182,100 or if married filing joint \$364,200. If your taxable income exceeds those amounts there are phase-outs for certain specific service businesses.

Depreciation

Bonus depreciation, immediate expensing, remains at 100%, **and includes used equipment as well as new equipment.**

Section 179 immediate expensing of personal property is \$1,160,000. **Also new, qualified property includes improvements to non-residential real property such as roofs and HVAC.**

Don't forget to document, document, document!!

Tax, Accounting and Payroll Services

Tax Preparation

Individual, Partnerships, LLC's, Corporations, Estates, Trusts, Personal Property, etc.

Payroll Processing

After initial set up, you only have to send us hours worked.

We will then issue checks and/or make direct deposits for your employees.

Delivery is available also.

We will also electronically file all government reports, etc

Accounting/Bookkeeping

Recordkeeping and Financial statements, reconciliations, etc

Call us, office consultations are free

get added peace of mind with

◆ Audit Guard® ◆

IRS has stepped up their auditing, especially their correspondence audits.

IRS audits taxpayers in three ways

"Correspondence Audit" where they request more information be mailed to them

"Office Audit" where they want to see you at the IRS office

"Field Audit" where they want to visit you at your home or business

Our work has been and always will be guaranteed, however, IRS can select any return for audit, even a perfect one.

"Audit Guard®" allows us to legally represent you and handle these audits for you without you ever being present or dealing with them.

Legal Services

**Randy Kristel
Attorney at Law**

**Chapter 7 Bankruptcy,
Wills, Estates, Trusts,
Divorce, Small Claims,
Real Estate, Litigation**

Free Initial Consultation

(317) 435-3092

Legal Services

Randolph B Kristel, Attorney at Law,

Is available to discuss:

**Chapter 7 Bankruptcy,
Wills, Estates, Trusts,
Divorce, Small Claims,
Real Estate, Litigation**

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Prepared your own return?

If you want us to just **Electronically file** your return for you , you could have your refund direct deposited in your checking, savings, or retirement account **in as little as 7 days**

Fees must be paid at time of filing