

BEZOLD TAX AND ACCOUNTING SERVICES, LLC

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Clock is ticking! Count down has started! IRS has announced the start date for E-filing Business returns is January 16th and Individuals January 29th. However, a few forms may be held and not processed until a later date. It generally is the middle of February before all systems are ready and refunds start to process.

Times are changing and we are trying our best to keep up with it! In 2022 we introduced our "TaxDome" program and many of you showed interest and made good use of it. TaxDome allows you to upload personal information and tax documents to your personal portal. We receive a notice you have uploaded and begin the process. Communications through "TaxDome" are personal and discussions of the progress of your return or information needed is the perfect place for keeping a record of conversation for future use. When the return is finished we can upload to your portal for safe keeping. Signing of your tax return after you review or discuss with your advisor can be achieved electronically. If you are not currently using it and want to, call Christy, she will help you get started. A huge thank you to Linda and Christy for implementing this program which was a huge task and still ongoing for perfection and efficient use.

We are here to accommodate you. If you are used to dropping off your information and setting up a time to review and sign you are still welcomed to do so. There isn't a right or wrong way of getting your information to us, it is whichever you prefer.

There is nothing a taxpayer can do that does not affect their taxes. It is often when and how they do what they want to do that determines the best tax outcome. This is why your Tax Preparer has now become your Tax Advisor. The trusted professional to be contacted **before** the action is done, not after and is crucial to the planning process. We appreciate being part of your tax decisions. This allows us to be who we are – individuals critical to the tax well-being of our taxpayers.

We are sure we do not have to tell you the increase in cost that has plagued us all. Preparation of your taxes is based upon our knowledge and expertise, working in your best interest to prepare a return which is both complete and accurate. This requires not only hours of tax education but resources for research to determine the legal nature and best tax positions for

you on your tax return. With the additional requirements of education, security and client confidentiality we will be raising our fees for 2024 tax filing season. For prior clients up to a 20% increase based on the prior year returns will be applied. We value your business and want to be able to continue our partnership of being your trusted professional. Please contact me if you have any questions.

With many professionals choosing to retire or close their practice we have received numerous requests from taxpayers who have been left looking for professional services that we provide. Reluctantly we have limited our engagements of new clients because we want to be available to fulfill our obligations for you.

We receive invites each day to join a "Back Office". This is a company who prepares the returns for us. They are generally located in another country. We have not and will never be part of this activity. We value our personal contact with you and being the only preparer of your return. Although we may not be the fastest, we do try to be thorough and it is always personal with us.

For individuals the Tax Deadline this year is April 15, 2024. Business returns are due March 15, 2024. We encourage you to bring in your information as soon as you have gathered all tax documents. It's not how early you turn in your information, it is how complete the information is. One document we were consistently missing last year was the **1099-SA**. This document states how much you spent from your Health Savings Account. Please let us know if you spent it all on Medical. Very important that you used it all for Medical purposes. You may have to access your HSA account on line and look for "**tax document**".

For Parents who have children in college please print the **1098T** and the summary of charges and payments for the year. For Tuition paid using a **529 plan** please include the form **1099Q**. There are Education credits that may reduce your tax liability. You can get these forms from the online account of your student's college.

We have included a "**Checklist**" for other documents so you can confirm that you have included all tax documents relative to your tax situation.

Watch for "**Tax Documents**" to be delivered in the mail during January. Many Investment statements are now online which you will need to print. If you have moved please provide us with your **new address! New baby!! Congratulations!** Please include the SS card and copy of the birth certificate with your information.

It is our intention to have your return finished by April 15th, however, there are some circumstances when time just doesn't allow for a complete and accurate return to be prepared. Trust me, we more than you, do not like to file an extension. Extensions take as long, if not longer, to prepare due to estimating the amount of tax due to keep our clients from paying penalties. The extension is a request for additional time to file, not to pay. Payment is due with

the extension. We appreciate your cooperation and understanding if we need to file an extension for your return.

Looking forward to catching up with all of you this year!

Thank You!

Janet

FEW NEW THINGS:

The IRS has increased the thresholds for each tax bracket 5.4%. They also lowered the withholding tables and created a new W-4. These are extremely hard to complete, we may be making a suggestion for you to change your W-4 once we get through your tax return for 2023. We can help you with making the changes to get closer to the correct Federal tax withholding for your tax situation.

Many taxpayers use the Standard Deduction instead of itemizing their deductions. The Standard deduction for tax year 2023 – Single \$13,850; Married Filing Joint \$27,700; Head of Household \$20,800. For taxpayers over 65 add \$1,500 to the standard deduction. We always ask that you include your Charitable Contributions and Mortgage Interest and all applicable deductions so we can compare and use the most advantageous for you. In many instances it may not help you on the Federal return but does help you with your State return.

As of the date of writing this newsletter, the Child Tax Credit remains at \$2,000 per child. Refundable is \$1,500. A new proposed tax bill will increase the refundable amount for low to moderate taxpayers. It is proposed to pass for the 2023 filing season. We will definitely keep a close watch on this.

In 2024, the new annual exclusion for gifts is increasing to \$18,000.00, an increase of \$1,000 from 2023. The annual exclusion for gifts refers to the amount of money one person can “gift” another without being subject to a gift tax.

The optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical for 2024 is 67 cents per business mile up from 65.5 for 2023; 21 cents for medical down 1 cent from 2023 and 14 cents for charitable miles unchanged from 2023.

Credits available for 2023 are: up to \$7,500 credit for new, qualified plug-in electric vehicle or fuel cell electric vehicle, many required eligibility requirements apply. Additional eligibility requirement apply for 2024 will need to check the website for updated information. The Retirement Savings Contributions Credit provides a credit of up to \$1,000 for low and moderate income individuals; For 2023, the maximum contribution to an IRA is \$6,500 (\$7,500 for those

age 50 and over). The maximum contribution to a 401(k) is \$22,500 (\$30,000 for those age 50 and over).

Taking RMD (required minimum distributions) for 2023 the age requirement is 73. If you turned 73 in 2023 you are required to take a distribution from your tax deferred retirement account by April 15, 2024. A good deduction for anyone required to take a distribution is to dedicate an amount to a charitable organization before taking the distribution (QCD). The donation goes directly to the organization and you can reduce your taxable distribution by this amount. Your AGI is lower and your tax liability is lower.

CTA

CTA is the Corporate Transparency Act. Under the CTA, entities required to report their beneficial ownership information are identified as Reporting Companies. These encompass any domestic corporation, limited liability company (LLC) and similar entities formed by filing documents with the Secretary of State or a similar office under State or Indian Tribe laws.

Reporting Companies must disclose their beneficial owners' full names, dates of birth, address, unique identifying numbers (e.g. Social Security numbers, driver's license numbers, passport numbers) and a picture of the document containing the unique ID number.

Beneficial Ownership Information (BOI) will be submitted to FinCEN via an online interface and stored through "The Beneficial Ownership Secure System (BOSS). FinCEN will not accept reports until January 1, 2024.

Reporting Companies formed or registered **before January 1, 2024** must submit beneficial ownership information to FinCEN no later than **January 1, 2025**.

Reporting companies formed or registered on or **after January 1, 2024** originally were required to submit Beneficial Ownership (BOI) report to FinCEN within 30 days of formation or registration. **This has now been extended to 90 Days of formation or registration.**

Bezold Tax and Accounting Service is still reviewing all of the requirements and will guide you in the right direction to keep you compliant. CTA is a real thing and to be taken seriously, penalties for non-compliance are \$500 per day up to \$10,000.

ON THE HOME FRONT:

Debbie and Jeff are excited to announce they are first time grandparents! Tyler and Haylee moved back to Kentucky in early 2023 and welcomed baby daughter Billie Jo a few months later. They all couldn't be more thrilled! Kaitlyn still lives in California but was able to visit multiple times in 2023 as she too is excited to be an aunt and loves little Billie Jo.

Renee and Shaun are both doing great and still very busy with Laynie and Kye. Laynie is in the 7th grade and is shooting trap for Bracken County High School, 4-H, and Target Ridge League. Kye is in the second grade at Taylor Elementary and loves helping with all the farm work, and just being outside.

Tina and Jim Dawn 2024 is shaping up to be another exciting year for us. We are welcoming another daughter-in-law and 2 more grandbabies to the family. Jake and Brooke are adding daughter #3 to their family in May. Justin and Lydia are getting married in June. They are planning a beautiful wedding on her family farm. Joey and Lindsey are welcoming baby #1 in July. Jimmy and Tina are looking forward to a relaxing fall full of grandbaby sleep overs and weekends at the farm.

Christy and Justin better known as the Schneider's Express! We are busy with life, friends and horses. Carlee is still out on her own and enjoying life. Josie graduates from High School and is planning on taking on new adventures at UK this fall. Cassidy is still chasing cans and having a blast. She qualified for the National Barrel Horse Assoc. World show last year in Georgia. She didn't make it to the finals but ran her fastest time!. Justin and I are getting to hang out with friends again now that the kids require a little less attention. Having a Senior I am sure this year will fly by with all the Senior activities!

Haley is counting down the days! Graduating College May 5th, with a Bachelors in Accounting, Business Management and Human Resources, and plans to pursue my license as a CPA. Joy of life Wrenly Jo, my new puppy! A beautiful Chocolate Lab. She is a tax season baby, born on April 3rd! So excited to be back with my Bezold Tax Girls!! (Bezold Tax girls are even more excited!)

Linda and Rusty have had a whirlwind of activity in 2023. We sold our family farm of 33 years, and purchased a new home. Moving 33 years' worth of stuff was a challenge! We followed that up with our first trip to Europe – 16 days of planes, trains, automobiles, and of course walking as we visited London, Paris, Venice, Florence, and Rome. The highlight was Normandy and retracing the steps of our military who fought there. We also welcomed our first great grandchild – Remington Matthew Espelage. I ended the year with having surgery on my wrist and hand, still recovering but looking forward to being pain free.

Donna and Mac have enjoyed spending time with their three children, spouses and seven grandchildren. The grandchildren now range from the second grade to a sophomore at Thomas More University. We were very happy that the Hurricane Ian repairs could be completed in time for the family to enjoy a summer vacation together in Florida. I am looking forward to getting back and catching up with everyone!

Patti and Jim welcomed their first grandbaby in February 2023 and number two is coming in July 2024! Other highlights include a major home renovation project, trips to the beach to relax and play golf, and a trip to Sedona and The Grand Canyon! Enjoying Life!

Roger and Janet are still living the dream! Watching all the Grandchildren grow to be fun adults! Expecting 2 new great grandbabies in April! Andrew and Kayla welcoming their 3rd girl! Brandon and Katie also welcoming their 2nd in April. Trevor busy keeping up with his business. Haley graduating and back working with us! Yeah! Carlee is out living the dream. Josie excited about graduating high school and Cassidy enjoying riding her horse and competing. Life goes by so quickly, we are trying to catch all of the moon beams!!

Let's not forget **Kameron Steffen**! He came to work with us over the summer, graduated in December then came back and worked for about a month. He was a tremendous help and such a joy to work with. He plans to pursue his license as a CPA and is currently working with Clark, Schaefer and Hackett. Congratulations Kameron! You will do great and we miss you.

Premier Payroll Solutions - The new Payroll Company is growing thanks to the superb management of Sonya and Paige. They do a great job in meeting all of your payroll needs and being available whenever you need them. You can reach them at Premierpayrollsolutonsllc@gmail.com or 859-721-1287. If you know of anyone looking for a personable, easy to work with payroll service please give them our information. Thank You.

Paige has been with us now for over a year! It seems like I have been part of the team since the beginning. Paige and husband Alex celebrated their 10th wedding anniversary! We enjoy making memories and soaking in all the time that they have with their 2 daughters, Andrea, 9 and Pearl 4. We also enjoy helping our two girls run their own business called the "**Freeze Dry Sisters**". They are making freeze-dried candies that are amazing!! If you haven't tried freeze-dried candies, you are missing out. Check out their Facebook page when you get a chance.

Sonya (our crazy chicken lady) has started her farm fresh egg sales this past year, and her husband Matt is a very supportive farm helper! We are continuing to finish our home and make more additions to the farm, such as outbuildings, a goat (Lucy Lou) and goat proof fence?! Grant has decided to go back to school and work toward Architectural Engineering degree. In the meantime he has been in Chicago with the Marine Corps Reserves and trying to keep up a long distance relationship with Tara, his Austrian girlfriend. Daughter JoLee and husband Mason have both gone back to college and enjoying their new pups Milo and Nelli. Garrett is now 21 and in his 4th year of Aerospace and Mechanical Engineering at WVU. He continues to love everything about rockets. He also discovered a new love for cooking. Oh Yum!

Looking forward to catching up and wishing all a Great 2024!!

Your Bezold Tax and Accounting and Payroll Team!