**Editor’s Notes ISSUE | YEAR END 2022**

**January’s “Important Tax Information Enclosed”**

What documents to look for in January…W-2, 1099s and 1098s. New 1099NEC for self-employed and 1099K for Cryptocurrency. Watch for 1099-K reporting non-business transactions.

**Frequently Missed Info!**

Child Care expenses, Federal & State estimated tax payments, sales of property, college tuition, stock sales, K-1s, Social Security benefits, last pay stub and other miscellaneous items.

**Many Popular Tax Breaks from 2020 & 2021 have Gone Away.**

• Gone…Economic Stimulus Payments

• Gone…Earned Income Credit (EITC) for Seniors

• Gone…Earned Income Tax Credit for Younger Taxpayers

• Gone…Increased Child Tax Credit (CTC)

**Tax Tips for You…Now!**

**Required Minimum Distributions (RMDs)**

• Begin at age 72

• 1st RMD may be delayed to April 1, 2023

*Retirement Plan & IRA Contributions*

There is still time to make contributions that could help to reduce 2022 taxes.

*Realign Investment Portfolio*

Net capital losses up to $3,000 may be claimed to reduce 2022 taxes.

**Myth vs. Truth**

Social Security benefits are tax-free. Maybe false. Other income will determine if Benefits are taxable.

PayPal sent me a 1099-K, but I only sold some of my personal stuff so I don't have to report it, we can ignore it. False. It might not be taxable, but we need to report all items detailed on a 1099-K since the IRS has a record of the transactions.

Energy related tax credits have expired and are no longer available for the 2022 tax year.

False. The credits expired at the end of 2021 but, Congress has now revived them!

**Social Security Review**

COLA of 8.7% expected beginning January 2023. Medicare premiums expected to decrease about $5 per month. Wage base increases to $155,100.

**Qualified Charitable Distribution (QCD)**

• For IRA distributions

• Account holder must be at least 70 ½

• $100,000 limitation

• Counts toward Required Minimum Distribution

• Only distributions to IRS recognized charities



**Beware of Scammers Posing as the IRS**

**Inflation Adjustments: Greatest Interest to Most Taxpayers for Tax Year 2022**

Standard deductions for all filing statuses to increase.

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**Rich DeLand**

*Editor*

**Upcoming Key Dates:**

Mid Year 2023 Issue

Subscriptions & Masthead Change Deadline: April 23

Newsletter Ship Date: May 21