2023 Newsletter & Tax Update

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CERTIFIED PUBLIC ACCOUNTANT, PLLC

Please have all 2023 Tax Documents to our office by April 1, 2024

It's that time of year again!

In an effort to streamline our processes and help control the rising cost of doing business, (and, save some trees) we have made the decision to take our annual newsletter virtual. After this tax season, the newsletter will be provided through e-mail and made available in your TaxDome account. If you have received this newsletter mailer, please update our office with your current e-mail address.

TaxDome is utilized at our firm, as more than just a communication platform. We utilize TaxDome as a practice management tool allowing our staff to access your tax documents, communications, and to monitor your return's status. Over the past year that we have rolled out this new platform, we have received a very positive client response by those who used it.

New this tax season, once your online account is activated, we can begin sending notification via SMS communication (text messages), if preferred. This will be a 2-way communication tool allowing us to reach out to you and for you to respond directly to our office.

Organizers will also be available on your TaxDome account. If you would like to receive your organizer on our portal, please call our office at **315-548-8017** or email Elaina at elainas@cheneycpa.com with the email address you would like us to use.
If you requested a hard copy of your tax organizer last year, it is included in this packet. If you did not request a hard copy last year and would like one, please email Elaina at elainas@cheneycpa.com.
If you do not wish to use a tax organizer (either virtual or hard copy), we request that you fill out the attached Information Verification Form.

Don't worry – for those who prefer paper and a live person, we're still just a phone call away and are happy to accommodate client requests.

Enclosed Documents

Enclosed in this packet is :

- An **Engagement Letter.** As a CPA firm, we are required to have you sign this agreement that states the services we are both agreeing to. **<u>Please sign the Engagement Letter enclosed within this packet and return to our office with your tax information.</u>**

- An **Information Verification Form**. This Form is to help save you time when you drop off your documents. Please take a moment to fill out this information and bring it with your documents. If you are using the full organizer, this form does not need to be completed.

- **Release of Information Form.** We're happy to send a copy to a third party for you, however, we must have a signed Release of Information form, which is enclosed. If you know of anyone that you want us to send a copy of the return to, such as your financial planner or banker, please indicate that on the form, sign and return to us with your tax information.

- Our **Privacy Policy,** which we are required to provide to you. Please keep this for your records. Do not return to our office.

Extensions

It is our policy to do whatever we can to avoid extending the due date of returns. Occasionally, because complete information is not available on a timely basis, we have to do so. Please help us avoid this situation, if at all possible, by getting your documentation to us as soon as possible. ***If information is not received by April 1st, it is very possible that we would have to request an extension and that additional fees by the IRS and NYS could apply.*** In addition, there will be a $25 fee to our office for extensions filed, unless it is at our request.
**Please note: We will not automatically file an extension if you have not submitted any documents to our office. If you know you'll need an extension, please contact our office before the April 18 deadline.

Checklist

- ☐ Complete Organizer online or bring in hard copy
- ☐ **Signed Engagement Letter**
- ☐ Signed Release of Information form (if applicable)
- ☐ Copy of Identification (driver's license for both spouses, if married)
- ☐ Completed Information Verification Form (unless using an organizer)
- ☐ Voided Check for direct deposit or payment (if applicable)
- ☐ Receipts for charitable donations
- ☐ Receipts for real estate taxes paid **Note: This is no longer just for people who itemize**
- ☐ Receipts and proof of payment for education expenses (if applicable). The 1098-T alone is no longer sufficient. Please request a statement from the college showing all the charges and payments to your student's account.
- ☐ Copy of payments for estimated tax payments (if applicable)
- ☐ Original W-2's,1098's & 1099's as detailed in organizer if you are a returning client. We are not allowed to submit a return based on amounts provided verbally or via e-mail. We must see original documents (or copies / scans of the original).
- ☐ 1095-A if you received state health insurance assistance
- ☐ 1099-G if you received unemployment benefits ***Please note the state does not automatically send these, you will need to request it or retrieve it online***
- ☐ Documentation on the cost basis of stocks sold, if broker statement is not accurate.
- ☐ If claiming a child as a dependent, documentation that they lived with you for more than half the year (daycare receipts, school records, medical record, etc.) *Yes, the IRS actually wants us to verify that your child lived with you (and makes it very expensive for us if we don't).*

*****Please note: Our phone number is now 315-548-8017 for all locations*****

E-filing

We are required to have your signature on an **e-file Authorization Form**, after you have had the opportunity to review your return before we can submit your return for processing to the government. The IRS requires this because when you sign this form, you are attesting to the accuracy of the return and accepting responsibility for it. ***Therefore, when you receive your tax packet from us, either via TaxDome, mail, e-mail or in person, please be sure to return the authorizations to us as soon as possible.*** We have found this to be one of the biggest delays to clients getting their refunds timely. The IRS has made it easier for us to accept the forms electronically, as well.

Our Payment Policy

We have updated our billing system. Your invoice will now be available on your TaxDome portal with the option to pay online.

Please note that our new policy is that all invoices must be paid in order for us to file your return. We ask that you pay at the time of pickup or signing. As stated in our engagement letter, any accounts over 30 days past due are subject to interest.

Tax Law Changes

- The increased itemizing threshold is $13,850 for single filers, $27,700 for married filers, and $20,800 for head of household
- In 2024, the IRA contribution limit is increasing to $7,000 for those under 50 and $8,000 for those over 50
- The maximum IRA contribution for 2023 is $15,500. Those over 50 can put in an additional $3,500
- You can now elect to have your employer make your matching retirement contributions to a Roth plan even if your contributions are to a traditional IRA
- The penalty for not taking your RMD has been reduced to 25%
- The age for RMDs has been raised to 73, in 2033 it will be raised to 75
- The standard mileage rate for business purposes for 2023 is $0.655/mile. For medical purposes it is $0.14/mile and for charitable purposes it is $0.22/mile
- In 2024, the NYS Empire State Child Tax Credit will be expanded to include children under the age of 4. It was previously for children aged 4-16

Meet Our Staff

Phelps Office:

James. E Cheney - *Certified Public Accountant*. Oversees day to day operations of all offices, Business Valuations, Consulting, Budgeting, Financial Statement Compilations and Reviews, Tax Return Preparation, Tax Planning, Controllership Services.
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Paige Cheney-Bianchi– *Certified Public Accountant.* Individual Tax Returns, Corporate Tax Returns, Partnership Tax Returns, Not-For-Profit Tax Returns, Financial Statements, Consulting, and Bookkeeping.
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Megan Westfall- *Office Manager, Payroll Director & Staff Accountant.* Payroll Processing, Payroll Tax Returns, Sales Tax Returns, Individual Tax Preparation and Bookkeeping.
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Kathleen Wise—*Senior Manager.* Corporate Tax Preparation, Partnership Tax Preparation, and Bookkeeping Services Manager
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Alyssa Consiglio– *Bookkeeping and Payroll Specialist*. Bookkeeping, Payroll Processing, Individual Tax Preparation, Billing Manager
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Canandaigua Office:

Kristin Burnett– *Canandaigua Office Manager*. Bookkeeping, Client Services,.
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Geneva Office:

Kelly Perry - *Senior Staff Accountant*. Individual Tax Return Preparation, Corporate Tax Preparation, Partnership Tax Preparation, Sales Tax Returns, and Bookkeeping. Email address: kellyp@cheneycpa.com

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