



# ANDES, ERNST & BLACKMER INCOME TAX

19401 E. US 40 Hwy Ste 170

Independence, MO 64055

Phone: 816-795-9882 Ext 6

Email: [BRIANBLACKMER@AEBTAX.ONMICROSOFT.COM](mailto:BRIANBLACKMER@AEBTAX.ONMICROSOFT.COM)

Website: [AEBTAX.COM](http://AEBTAX.COM)

To our valued Clients and Friends,

The 2024 tax season officially begins on January 29<sup>th</sup>, but our office will begin seeing clients on the 25<sup>th</sup>. We know it can be stressful, but we're here to help! Gather your tax documents and we'll handle the rest. We offer flexible filing options, from in-person to virtual. Contact us today with any questions - we're here to guide you every step of the way.

### **In-person appointments:**

Clients are seen by appointment only. If you or anyone in your household are feeling sick, please use one of our other options or call to reschedule your appointment. Likewise, our staff will not be working in the office if they are feeling sick.

We would like to limit in-person appointments to 2 individuals in the office at a time. Please let the receptionist know if you have multiple returns so they can schedule enough time to complete them.

### **Drop-off/Mail-in Services:**

You can leave your documents with the receptionist during business hours or use the secure lockbox at our front door. My staff or I will call or email with any questions. I can review your return when completed over the phone or virtually.

### **Remote/virtual tax service:**

Our remote tax services offer the opportunity to submit, review and complete your tax returns virtually over video conference. The process works as follows:

1. Submit your documents using one of the following:
  - Client Portal – I will email you an invitation to your secure client portal if you have not previously set one up. You will upload your tax documents after set-up.
  - **Please do not send any attachments or confidential information via email. They will not be opened.**
2. Call or email to set up a time for a video conference or phone call to complete and review the return. I will go over the return on screen with you and answer any questions as normal.
3. You will receive a pdf copy of your tax return uploaded to your secure client portal or paper copy can be mailed. Signatures and payment may be done electronically as well.

# Making Our Homes More Efficient: Clean Energy Tax Credits for Consumers



Equipment type	Tax Credit Available for 2023-2032 Tax Years
<b>Home Clean Electricity Products</b>	
Solar (electricity)	30% of cost
Fuel Cells	
Wind Turbine	
Battery Storage	
<b>Heating, Cooling, and Water Heating</b>	
Heat pumps	30% of cost, up to \$2,000 per year
Heat pump water heaters	
Biomass Stoves	
Geothermal heat pumps	30% of cost
Solar (water heating)	
Efficient air conditioners*	30% of cost, up to \$600
Efficient heating equipment*	
Efficient water heating equipment*	
<b>Other Energy Efficiency Upgrades</b>	
Electric panel or circuit upgrades for new electric equipment*	30% of cost, up to \$600
Insulation materials*	30% of cost
Windows, including skylights*	30% of cost, up to \$600
Exterior doors*	30% of cost, up to \$500 for doors (up to \$250 each)
Home Energy Audits*	30% of cost, up to \$150
Home Electric Vehicle Charger	30% of cost, up to \$1,000**

\*Subject to cap of \$1,200/year

\*\* The IRS will soon publish further information on eligibility requirements related to home electric vehicle chargers, but we know that credits are intended for residents in non-urban or low-income communities.



## What products are eligible for tax credits?

### Home clean electricity products

- Solar panels for electricity from a provider in your area.
- Home back-up power battery storage with capacity of 3 kWh or greater.

### Heating, cooling, and water heating

- Electric or natural gas heat pumps; electric or natural gas heat pump water heaters; central air conditioners; natural gas or propane or oil water heaters;
- natural gas or propane or oil furnaces or hot water boilers that meet or exceed the specific efficiency tiers established by the Consortium for Energy Efficiency.

- Solar water heating products that are certified for performance by the Solar Rating Certification Corporation or comparable entity endorsed by the state government in which product is installed.
- 

### Other energy efficiency upgrades

- Oil furnaces or hot water boilers if they meet or exceed 2021 Energy Star efficiency criteria and are rated by the manufacturer for use with fuel blends at least 20% of the volume of which consists of an eligible fuel.
- Panelboards, sub-panelboards, branch circuits, or feeders that are installed according to National Electrical Code and have load capacity of 200 amps or more.
  - Exterior windows that meet Energy Star's Most Efficient requirements.
  - Exterior windows that meet Energy Star's Most Efficient requirements.

# IRS Delays Implementation of New Rules for 1099-K Forms

Under a new rule enacted in 2021, third-party payment processors must issue a Form 1099-K to any individual who receives \$600 or more in payments for goods or services during a year. However, IRS officials have noted that this rule could cause widespread confusion, since many transactions completed through online payment platforms have no tax impacts. Examples of non-taxable transactions include settling up with friends and selling used personal items.

Therefore, the IRS will not enforce the new rules for tax year 2023. Instead, third-party payment processors may operate under the prior rules, only sending 1099-K forms to users who received over \$20,000 in payments through over 200 transactions. In addition, 2024 will serve as a phase-in year, with the 1099-K reporting threshold set at \$5,000. Full implementation of the \$600 threshold will not occur until at least 2025. Taxpayers should be aware that while the reporting threshold remains over \$20,000 and 200 transactions for 2023, companies could still issue the form for any amount.

## Beneficial Ownership Information Report

**Please do the research and file on your own. I wanted to give our clients an overview of what the BOI reporting was all about.**

### Who Has to Report?

While certain types of entities are exempt, if you are a small corporation or LLC, you will likely be required to report your beneficial ownership information to FinCEN. A key factor in determining whether your company will have to report is whether you had to file a document with your state's secretary of state or a similar office to create your company or, for foreign companies, register it to do business in the United States.

### Who is the beneficial owner of my company?

A beneficial owner is any individual who exercises *substantial control* over the company, or who *owns or controls at least 25 percent* of your company.

### When do I report?

Entities formed before January 1, 2024, must file initial BOI reports by January 1, 2025. Entities formed after January 1, 2024, must file within 90 calendar days of formation.

If there is any change to a report that has been already made with FinCEN (such as new address, new contact information, change in control or correction of information), you must report changes within 90 days after the change is made or the error is discovered.

### How do I report?

Companies will have to report beneficial ownership information electronically through FinCEN's website: [www.fincen.gov/boi](http://www.fincen.gov/boi)

### What Are the Penalties for Noncompliance with Beneficial Ownership Information Reporting Requirements?

Companies who do not comply with their reporting obligations may face civil penalties up to \$500 per day that a violation continues. Criminal penalties include a \$10,000 fine and/or up to two years of imprisonment. If a report is filed that contains mistakes or an omission of information, you can correct the report within 90 days to avoid penalties.

# Missouri changes effective Jan 1<sup>st</sup>, 2024

## RETIREMENT BENEFITS INCOME TAX DEDUCTION

This removes the income limits used for calculating how much of a taxpayer's social security or public pension benefits will be subject to tax.

Removing the income limits from the social security benefits will result in 100% of social security benefits no longer being taxable in Missouri.

Removing the income limits from the calculation of public pension benefits taxability means less public pension benefits will be subject to tax.

These changes are effective for the tax year starting January 1, 2024.

## Virtual Currency/Cryptocurrency

Cryptocurrency is a type of virtual currency that uses cryptography to secure transactions that are digitally recorded on a distributed ledger, such as a blockchain. Virtual currency is a digital representation of value only available in electronic form.

A taxpayer who provides goods or services and receives an airdrop or payment in virtual currency has taxable income equal to the fair market value of the virtual currency.

Taxpayers must report their virtual currency transactions in U.S. dollars using the fair market value at the time of receipt. If a market exists for the virtual currency, you must use that value at the date received.

Taxpayers who exchange virtual currency for other property have gain or loss on the transaction. The amount of gain or loss is based on the difference between the fair market value of the property received and the adjusted basis of the property given up.

Employees who receive virtual currency from their employer as payment must include the fair market value of the virtual currency in income. Employers report and withhold on these amounts on the employee's W-2.

## Identity Protection PIN (IP PIN)

An Identity Protection PIN (IP PIN) is a six-digit number that prevents someone else from filing a tax return using your Social Security number or Individual Taxpayer Identification Number. The IP PIN is known only to you and the IRS. It helps us verify your identity when you file your electronic or paper tax return. Even though you may not have a filing requirement, an IP PIN still protects your account. The fastest way to receive an IP PIN is by using the online Get an IP PIN tool. If you wish to get an IP PIN and you don't already have an account on IRS.gov, you must register to validate your identity. The IP PIN tool is generally available starting in mid-January through mid-November.



Please call our receptionist for your appointment. Please note, our receptionists cannot answer tax questions.

If you need immediate assistance, my assistant Megan can answer most questions.

Website: [AEBTAX.COM](http://AEBTAX.COM)

Office phone: 816-795-9882

Receptionist: Ext 0

Megan Sutton: Ext 4    Email: [assistant.brianblackmer@gmail.com](mailto:assistant.brianblackmer@gmail.com)

Brian Blackmer Ext 6    Email: [brianblackmer@aebtax.onmicrosoft.com](mailto:brianblackmer@aebtax.onmicrosoft.com)