

# BUSINESS

BRUNETTE TAX & ACCOUNTING, LLC  
JANUARY 2024

## 1099s

A 1099 recipient is an independent contractor that receives \$600 or more in a calendar year for services or rent. 1099 Forms need to be filed by January 31, 2024.

## STATEMENT OF PERSONAL PROPERTY FORMS WILL NO LONGER BE REQUIRED AS OF 2024

## 'CLEAN' CREDITS

Businesses can also qualify for credits for making CLEAN purchases including electric vehicles and building upgrades. See individual section for more details. Commercial buildings: <https://www.irs.gov/credits-deductions/energy-efficient-commercial-buildings-deduction>. Clean vehicles: <https://www.irs.gov/clean-vehicle-tax-credits>.

## LARGE CA\$H PAYMENTS

Any payment made to a business of \$10,000 with cash or crypto requires the receiver to file Form 8300 with FinCEN within 15 days of the transaction. This can be considered suspicious activity to the IRS. Follow this link: <https://www.irs.gov/businesses/small-businesses-self-employed/form-8300-and-reporting-cash-payments-of-over-10000> for more details.

## 2024 CONTRIBUTION LIMITS

	LIMIT	50+
Simple	\$16,000	\$19,500
401(K), 403(B), 457	\$23,000	\$30,500
IRA	\$7,000	\$8,000

	SINGLE	FAMILY
HSA	\$4,150	\$8,300

\*Additional \$1,000 for those age 55+

FSA limit will increase from \$3,050 to \$3,200

## 2024 MILEAGE RATE 67¢/MILE

### ERTC EMPLOYEE RETENTION CREDIT

Beware of scams! The IRS put a hold on all incoming ERTC filers and is auditing business who made claims in 2023. Do not give classified information out to people you don't know! If you still haven't received your ERC please call the IRS helpline at 800-829-4933.

### MILWAUKEE TAX HIKE - 2024

Milwaukee City sales tax is jumping to 7.9% and Milwaukee County to 5.9%. Milwaukee shoppers may head north to make larger purchases - make sure they are taxed accordingly otherwise your business will have to pay the difference.

### NEW I-9 FORMS FOR NEW HIRES

As a result of Covid-19 and a large increase in work from home employees, Homeland Security created a new I-9 form to accommodate tablet and mobile phone users. It also has been reduced to one double-sided sheet: <https://www.uscis.gov/i-9>

### BOR BENEFICIAL OWNER REPORTING

Slated for 2024, companies will need to report information about the company to the IRS. Any changes in address, ownership, entity, will need to be reported via a FinCEN online portal. Existing companies have ONE year to comply and all new businesses have 30 days from start date to report. For more details, check out <https://www.fincen.gov/boi>.

Contact our office if you have any concerns or questions about your year end tax planning. We appreciate your business.

# INDIVIDUAL

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## PERSONAL TAX CREDIT OPPORTUNITIES

### Making Home Improvements?

You could be eligible to earn home improvement energy tax credits. Qualified windows, heat pumps, doors, biomass stoves and boilers can earn you up to a maximum \$1,200 credit each year. This goes for primary and secondary homes - but not rentals. See

<https://www.irs.gov/credits-deductions/energy-efficient-home-improvement-credit> for more details.

### Thinking of buying an electric vehicle?

Tax credit opportunities have been made available to those who purchase a 'clean' vehicle.

Buyer beware! There are numerous stipulations. See <https://fueleconomy.gov/feg/tax2023.shtml> to see qualified vehicles.

**\*\*Qualified solar and geothermal improvements can get you a 30% tax credit as well\*\***

**1099 RECIPIENTS: YOU MAY RECEIVE A 1099-K FROM A 3RD PARTY PLATFORM (PAYPAL, VENMO, ETC.) AND A 1099-NEC. MAKE SURE NOT TO DUPLICATE YOUR INCOME.**

## EARLY DISTRIBUTIONS OF IRAS

If you are in an emergency situation, there is an opportunity for you to withdraw money from your IRA. The additional 10% early distribution penalty will be waived if you use the money for the following:

Higher education, medical expenses, first time home buyer, birth/adoption of a child, emergency situations, terminally ill individuals and tax payers fleeing from domestic abuse.

\*Medical expenses must be 7.5%+ your income to qualify. <https://www.irs.gov/taxtopics/tc557> has more detailed information.

Please inform us of any changes in 2023 such as:

- you moved
- had a baby
- retired
- bought/sold a house
- got married/divorced

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We'd like to thank our loyal clients and wish you all a wonderful start to 2024!!



We look forward to seeing you soon!