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MIERENDORF
CPAs

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Dear 1040 Clients:

As 2023 comes to an end, the tax reporting forms begin to arrive, and we want to remind you which ones we need you to accumulate and send to us with your tax information. First, there is a new form, the 1099-K that many of you will receive this year for things like eBay or Facebook Marketplace sales, and sometimes for simple cash transfers using a cash between friends app such as Zelle, CashApp or Venmo.

If you receive a 1099-K this year please make sure to provide it to us, and be prepared for a phone call and some questions from us so that we can report it properly to minimize income tax or determine that tax does not apply.

We still need the annual information forms that are sent to you for tax purposes. As a reminder, here is a simple checklist but be sure to review your 1040 organizer:

__ W-2 for wages __ W-2G for gambling __ 1099-Int for interest

__ 1099-DIV for dividends __ 1099-B Brokerage __ SSA-1099 Social Security

__ 1099-NEC for income __ 1099-Misc for income __1099-K for income

__ 1099-R for retirement __ 1099-G for refunds & unemployment

__ 1099-Int for mortgages __ 1098-T for tuition __ 1099-SA for HSA's

__ K-1 forms from investments in S corporations or partnerships

__ Form 5498 for IRA values __ IRA and Roth IRA contributions for 2023

__ Childcare costs, and the name, address, amount and ID # of the recipient

__ Charitable donations-total amounts and recipients

__ Property tax paid on your home, property or cars

__ Estimated tax payments and dates

__ Any letters you received from the IRS or state tax authorities

__ Our signed organizer client acknowledgement

Again, IRS scrutiny of foreign accounts means that you need to be absolutely clear about any non-US accounts or income so that we report it correctly. Digital or crypto currency accounts are also under IRS scrutiny so be sure to complete those questions on your client organizer acknowledgement and checklists.

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New credits for home improvements went into effect this year and can provide you with tremendous tax benefits. If you installed a new furnace, A/C, boiler, heat pump, water heater, woodstove, windows, doors, insulation, solar or battery storage please be sure to provide us with a copy of the invoice.

Similarly, if you bought a new electric or hybrid car in 2023 please be sure to provide that invoice copy as well.

Finally, there are some exciting new tax planning tools for 529 plans (not just for education anymore!) that we need to discuss!

Per IRS best practices, Mierendorf & Co PC's record retention policy is 7 years. This includes printed and electronic files.

We value your business and thank you for your opportunity to serve your tax and accounting needs.

Bottom line, we improve yours!

Sincerely,

MIERENDORF & CO PC