

2023 Tax Documents Gathering Reference

All documents related to you, your spouse and your dependents

Mark If you have	Form Description	Number of Forms
	Forms W-2 (Wages or Salaries) Please provide <u>ALL</u> your W2s if you had more than one employer or you changed to a new company during 2023	
	Form W-2G: Certain Gambling Winnings	
	Form 1099-INT for interest you received from financial institute.	
	Form 1099-OID for Original Issue Discount	
	Form 1099-DIV for dividends	
	Form 1099-NEC for Nonemployee compensation	
	Form 1099-MISC for Payer made direct sales of \$5,000.00 or more, Corp Insurance proceeds, Gross proceeds to an attorney, Nonqualified deferred compensation income	
	Form 1099-R for annuities, pensions, IRAs, SEPs, pensions, 401(k) or other retirement plan withdrawals (including amounts rolled over and in-plan Roth rollovers)	
	Form 1099-G for state tax refunds or unemployment compensation	
	Form 1099-S if you sold real estate, example sold house, land etc.	
	Form 1099-B/Form 8949 for sale of securities: stocks, mutual funds, and options.	
	Form SSA-1099 / Form RRB-1099 for Social Security benefits or Railroad Retirement Benefits	
	Form RRB-1099 for Railroad Retirement Benefits	
	Form 1099-K for merchant card and third-party network payments	
	Form 1099-A or 1099-C for cancellation of Debt or reduced (including credit cards), property repossessed or foreclosed	
	Copies of Schedules K-1 for partnerships, S Corporations, Estates or Trusts.	
	Form 1098-T for scholarships and college tuition	
	Form 1099-Q for Education Saving Account or 529 Plan Withdrawals	
	Form 1098-E for Student Loan Interest Statement.	
	Form 1095-A for Health Insurance Marketplace statement Federal (Health Insurance Marketplace Statement)	
	Form 1095-B Health Coverage and/or Form 1095-C for Employer-Provided Health Insurance Offer and Coverage	
	State and Local Sales Tax Paid for Major Purchases Invoices or Receipts (motor vehicles, boats, airplanes, homes or home building materials, if rate same as general sales tax rate)	
	Retirement Plan, IRA or 401(K) or other qualified employer plan contribution	

Mark If you have	Form Description	Number of Forms
	***** If you own a house or real estate, please continue to check	
	Form 1098-INT for home mortgage, home improvement loan, or home equity loan	
	Real Estate Taxes	
	Other Real Estate Taxes (second home, cabin, etc.)	
	Personal Property Taxes (auto licenses tags-DMV Renewal Fee, etc.)	
	If you acquired, sold or refinanced a home or other property in 2023, provide a copy of the escrow closing document	
	Item donation tickets such as Goodwill, Salvation Army	
	Cash Donation Receipts, Confirmation letter, and checks copy	
	From 1098-C: Donation and Contribution of Motor Vehicles, Boats, and Airplanes	
	Medical Expense Receipts from out of your packet for insurance premiums, prescribed drugs and insulin, doctors and clinics, dentists and orthodontists, glasses, contact lenses, eye exams, laser eye surgery, hospitals, nurses, and medical travel, parking, ambulance.	
	** U.S. Taxpayers Working Abroad: Qualified individuals may elect to exclude up to \$120,000 (for 2023) of foreign earned income from taxable income.	
	*** Taxpayers generally will not qualify for the EIC if investment income exceeds \$11,000.00 in 2023.	

***** Think about tax credit which might write-off your tax liability when:**

1. Residential Energy Efficient Property: 30% of Cost. Property installed on taxpayer's residences: qualified solar electric, solar water heating, small wind energy, geothermal heat pump, fuel cell, and biomass fuel.
2. Energy Efficient Home Improvement Credit (Formerly Known as Nonbusiness Energy Property Credit): For 2023-2032, the credit percentage is 30% of qualified expenditures, generally subject to an annual limit of \$1,200. There is no longer any lifetime limit. While the overall credit is limited to \$1,200 per year, the following additional limits also apply: (1) \$600 limit annually for residential energy property such as central air conditioners or hot water boilers. (2) \$600 limit annually for exterior windows and skylights. (3) \$500 limit annually (\$250 each) for exterior doors and (4) \$150 limit annually for home energy audits. Homeowner who installs certain energy saving improvements such as insulation, doors, windows, heat pump, etc.
3. Child and Dependent Care credit: Depending on AGI, 20% to 35% of qualifying (limited) expenses. \$1,050 maximum credit with one qualifying individual, and \$2,100 with two or more qualifying individuals. Care expense for dependent(s) under age 13 or incapacitated that allow taxpayer to work or look for work. The credit is generally available to married taxpayers only if both spouses have earned income, unless a spouse is a full-time student or disabled.
4. Child Tax Credit: Up to \$2,000 per child under the age of 17. Phase-out begins at modified AGI over \$400,000 for MFJ and \$200,000 for all other taxpayers.

5. Retirement Saver's: 10% to 50% of contributions. Maximum: \$2,000.00 MFJ, \$1,000.00 for other. Individuals who make retirement plan contributions. Credit in addition to tax deduction. Subject to Adjusted Gross Income \leq \$73,000.00 for married filing jointly; \$54,750.00 for Head of Household; \$36,000.00 for Single, Married filing separately, and Qualifying Surviving Spouse.

*****Special attention when encountering the following situation:**

1. Do you own any Securities or hold any debts that became worthless during the year? If yes, please prepare details and supporting documents.
2. If you a grade K-12 teacher, please collect receipts and compute amount of out-of-pocket classroom costs you paid or incurred. (Deduction amounts paid for books, supplies, computer software, personal Protective equipment (PPE), and other equipment and materials used in the classroom as well as certain expenses for professional development courses.
3. If you pay child care costs for a dependent child under age 13, or costs of caring for a disabled dependent or spouse, so you work, attend school or look for a job, please provide the amounts paid for each individual or organization for the Names, Addresses, and either Social Security Number or Employer Identification Number of the care providers.
4. Moving Expense (**new law 2018-2025**). Only members of the armed forces on active duty (and their spouses and dependents) who move pursuant to a military order and incident to a permanent change of station can deduct moving expenses and exclude moving expense reimbursements.
5. In 2023, a net loss due to a **casualty** (such as **flood**, fire, etc.) must be attributable to federally declared disaster to be deductible to the extent it exceeds 10% of your AGI.
6. Clean Vehicle Credit: Taxpayers who purchase new four-wheeled plug-in electric vehicles manufactured primarily for use on public street, roads, and highways that meet certain technical requirements. Credit amounts up to \$7,500. \$3,750 for vehicles meeting the critical minerals requirement. \$3,750 for vehicles meeting the battery components requirement.
7. Commercial Clean Vehicle Credit: Business that purchase certain clean vehicles or mobile machinery subject to depreciation. \$7,500 or \$40,000 Limited to the lesser of 15% of the vehicle's cost (30% for vehicles not gasoline or diesel powered) or the incremental cost of the vehicle as compared to vehicles powered with a gasoline or diesel internal combustion engine.
8. 80% bonus depreciation is generally allowed on new and used qualified business property acquired and placed in service in 2023. Qualified business property includes such property as office furniture, computers, machinery, and equipment. Limits apply to certain automobiles, trucks, and SUVs.
9. The Section 179 business property expensing allowance is \$1.16 million (for 2023) and includes tangible personal property and off-the-shelf computer software. Limits apply to certain automobiles, trucks, and SUVs.
10. If you receive money (usually wire) from oversea in total amount of \$100,000.00 and up, please remind your tax preparer.
11. If you have financial accounts maintained by a foreign (non-U.S.) bank or financial institution that totaled more than \$50,000.00 on the last day of the year or more than \$75,000.00 at any time during the year (\$100,000 and \$150,000, respectively, if married filling a joint return).

12. If you own any other foreign financial assets (such as stock in a foreign corporation or an interest in a foreign partnership) that are not held in a financial account.
13. If you make gifts to a trust or gifts totaling more than \$17,000 to any individual during the year. If so, provide recipient's name, address, relationship to you and the amount of the gift.
14. Loan origination fees (points) paid on a loan to buy or build a principal residence are generally deductible as interest in the year paid. Points paid on refinancing an existing mortgage or on a loan to purchase or improve a second home must be deducted (amortized) over the life of the loan. Exception: if part of the proceeds were used to improve your main home, points related to the improvements may be deducted in the year paid.
15. You can exclude up to \$250,000 (\$500,000 if married and filing jointly or certain surviving spouses) of the gain on a sale of a principal residence if you owned an occupied the residence for two out of the five years before the date of sale. If the home was used other than as your principal residence any time after 2008, some of the gain may be taxable.

******Gather Records.** Good recordkeeping is important. It helps to ensure that nothing gets overlooked.

Records such as receipts and cancelled checks also provide expense documentation. Please keep:

1. Receipts supporting tax deductions at least 4 years.
2. House purchasing/sold, and improvement documents for 10 years
3. Investment statements, Stock/mutual fund, etc. for 7 years
4. If you're an employer, please keep your business employment returns and records at least 4 years.