



ROADARMEL SPRINGER LLC

Income Tax Preparation & Planning

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December 28, 2023

2023 Tax Updates and Reminders

Dear Clients and Friends:

Our phone lines are about to become the busiest they are all year! Here are a few recommendations to try and cut down on repeat calls:

1. Please put our name in your cellphone so you recognize the call, Roadarmel Springer, 570-672-9000. Our abbreviated version on your house-line caller ID will show RSLLC.
2. If our call goes to your voicemail, please listen to message before returning the call. It might be an appt reminder and you only need to call back if cancelling the appt. Or we might be requesting information that you can obtain before calling back.

HOME ENERGY CREDITS

Please include invoices with your tax papers.

Residential Clean Energy – credit is 30% of cost and includes solar electric, solar water heating, geothermal heat pump, fuel cell, small wind energy and battery storage technology. This credit can carryforward indefinitely.

Energy Efficient Home Improvement – There is no longer a lifetime cap of \$500, but a yearly 30% credit with a cap of \$3200. There are 2 separate categories for the \$3200 cap:

1. \$1200 cap for windows, skylights, doors, insulation, central air conditioners, home energy audit, natural gas/propane/oil water heaters, natural gas/propane/oil furnaces and hot water boilers, and electrical panel upgrades. Each of those items also has a cap. No credit for roofs this year.
2. \$2000 cap for electric or natural gas heat pump water heaters, electric or natural gas heat pumps, biomass stoves and biomass boilers.

CLEAN VEHICLE CREDIT

Please include the bill of sale with your tax papers.

New Clean Vehicle Credit- Up to \$7500 credit for four-wheeled plug-in electric vehicles manufactured for public roads that meet certain technical requirements, subject to phase-out based on income. There are also credits for commercial clean vehicles.

Previously owned Clean Vehicle Credit – Lesser of \$4000 or 30% of the sales price for four-wheeled plug-in electric vehicles, meeting certain requirements and subject to phase-out based on income.

PROPERTY TAX/RENTAL REBATE CHANGES

This rebate is based on income and age. Age is 65 or older, widowed age 50-64 or disabled age 18-64. The income limit is based on half of your social security, plus your other income (there are some income exclusions). If you are a **property owner the income limit increases from \$35,000 to \$45,000**. If you are a

renter the income limit increases from \$15,000 to \$45,000. If you think you might qualify, bring your stamped paid property tax receipts or your monthly rental payment amounts, and we will check it out.

OTHER CREDITS/DEDUCTIONS/INFO

Student loan interest – Up to \$2500 deduction for single or joint returns.

Educator Expenses – Give us the total amount spent for the classroom. You can deduct \$300 on the federal return and the full amount on the PA and local return.

Daycare credit – this credit is also available for Pre-School tuition and even summer day camps for qualified children. You need a statement from your provider with their name, address, phone number, EIN or SSN and the amount paid.

College Students - To claim a college tax credit up to \$2500 per student, we need Form 1098-T that the student can print from their college account web page if it is not mailed to them. Parents are the ones that need the form to claim credit. Also, give us the total amount spent on books and supplies.

Quarterly estimates – If you made estimates for federal, state or local taxes we need the payment amounts and dates for each.

1099-K – As of this moment the threshold for receiving a 1099-K is \$20,000 in transactions or 200 individual transactions. Payments made to you by credit card or payment services like PayPal or Venmo might cause you to receive one. Please bring to your appt. The threshold for 2024 tax year will be \$5000 (as of this moment).

Health Insurance – If you get your health insurance from Pennie.com we need the Form 1095-A which will be mailed to you in January.

Don't forget our **website**, www.roadspring.net, where you can get a Self-Employed Summary Sheet, Rental Summary, extra Drop Off Form and a Tax Appointment Checklist you might find helpful. They are under the Office Forms Tab.

Deb will continue to only do drop-offs. Please fill out the enclosed Drop Off Form, front and back. You can drop it off with the receptionist or put it through the door slot any time of day or night with the rest of your tax papers. You don't need to call for an appt to do either. Turnaround time is 2 weeks or less. Circle YES on top of front page of Drop Off Form if you want a call to discuss anything. If I have any questions, I will call you to clarify.

Joe does in person appointments and drop offs. Follow the same instructions in the prior paragraph if you are doing a drop off for Joe.

Deb Roadarmel & Joe Springer