

MARK A. FRAZIER C.P.A. & ASSOCIATES INC.
461 N. HIGH ST.
CHILLICOTHE, OH 45601

PH (740)775-6882
FAX (740)772-2979
MARK@MARKFRAZIERCPA.COM

Dear Client

As the year winds down, 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:

_____ 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	_____ 1098-T for tuition	_____ 1099-SA for HSA's
	_____ 1099-G for refunds & Unemployment	
_____ 1098-INT for motgages	_____ IRA and Roth IRA Contributions for 2024	
_____ 5498 for IRA Values		
_____ K-1s from Investments in S-Corps and Partnerships		
_____ Child Care Costs, with 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 received from the IRS or state/municipal tax authorities		
_____ Our Engagement Letter		

If you have a small business or rental property, we can provide you with a separate checklist for those activities if needed.

Please keep in mind the requirements of issuing 1099's.

It is imperative that all farmers and business owner's & rental owners issue form 1099-NEC (New form started with tax year 2020) for any payments you make for services that are \$600.00 or greater. Rental payments that are \$600.00 or greater continue to use the 1099-MISC. These forms are due January 31, 2024, and the IRS has increased the fines for non-compliance and are currently increasing enforcement through audit efforts. We are happy to assist you with the preparation of the 1099's.

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.

Cryptocurrency activities continue to cause major tax problems for people that believe it is not reportable. Bluntly, cryptocurrency is taxable, is reportable, and carries incredible penalties for not reporting, so make sure to discuss it with us if you dipped your toes in that water.

Office Operations

1. Our office will be preparing taxes three ways this tax season. 1. Drop off - where you simply drop off your questionnaire and tax info, we prepare the return, and we notify you within a week for pickup 2. Meet and greet - you schedule an appointment with our office, we meet with you to discuss tax issues, questions, etc., we prepare the return after the meeting, and we notify you within a week for pickup 3. Full virtual, no contact tax preparation through E-Delivery - allows for you to send tax information through a secure portal, receive your copy of your return in a pdf format, allows you to sign all necessary forms electronically, and make payment for our services. Just call our office and we will send you your link to the portal to get the process started. We will not be performing prepare while wait services this year.
2. We do not automatically file income tax extensions for our clients, you must contact our office via email or fax to request us to prepare an extension. There will be a \$25.00 service charge for tax year 2024 for preparing extensions.
3. Due to the many tax law changes that have occurred over the last 4 years, not all your relevant tax information comes to you with your tax forms. Therefore, we will not complete any returns that do not have a fully completed 2024 Client Questionnaire with their tax information. We apologize for any inconvenience, but this is necessary for us to have this information to accurately prepare your return, even if you have completed one in the past.
4. Additionally, we need copies of current drivers' licenses each year for the taxpayer and spouse at the time of drop off, this is a new requirement as a result of the increasing incidence of identity theft.

New Developments

With the increase of potential identity theft, in certain cases the IRS is issuing Identity Protection PIN (IP PIN) to taxpayers, or if you have been a victim of potential identity theft you can request a PIN # be issued. If you receive a letter from the IRS that notifies you of such a PIN, you must provide us this information at tax time, as this number is necessary to file your return.

Credits are still in place for home improvements 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 2024 please be sure to provide that invoice copy as well.

Finally, with the Corporate Transparency Act passed in 2021, if your business is an LLC or corporation, including a single member LLC, you must file with the Financial Crimes Enforcement Network before January 1, 2025, however in late December, a federal court has put a stay (hold) put on this act, stay tuned for future filing requirements. If you have not already filed, we suggest you contact us to be put on our list, in case the stay is lifted.

Every year we are reminded how much we value your business, and we want to once again say thank you. Please call us with any questions.

Sincerely,



Mark A. Frazier CPA



Kim J. Fallon CPA



Jamie A. Miller CPA