



Taxland Newsletter
2024

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JUNE ISSUE

By **Tina M Chandler EA CFS**

UPCOMING DEADLINES:

2nd QTR ESTIMATED TAX PAYMENTS DUE: 06-17-24

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Withholdings and Balance Dues:

This year some people experienced having a balance due for the first time, or noticed a higher balance due than their previous year's tax returns. There are a multitude of reasons as to why this could happen but a common one has to do with withholdings. In 2023, the default withholding rate changed which affected many taxpayers. If you are interested in learning how to adjust your withholdings from paychecks accordingly, or looking for assistance to avoid this issue for next year, please call our office to schedule an appointment. This is one of the many reasons we are open year round.

Energy Efficient Home Improvement Credit:

IR-2024-137, May 9, 2024

WASHINGTON — The Internal Revenue Service reminds taxpayers that making certain energy efficient updates to their homes could qualify them for home energy credits.

Taxpayers that make qualified energy-efficient improvements to their home after Jan. 1, 2023, may qualify for a tax credit up to \$3,200.

As part of the Inflation Reduction Act, beginning Jan. 1, 2023, the credit equals 30% of certain qualified expenses:

- Qualified energy efficiency improvements installed during the year which can include things like:
 - Exterior doors, windows and skylights.
 - Insulation and air sealing materials or systems.
- Residential energy property expenses such as:
 - Natural gas, propane or oil water heaters.
 - Natural gas, propane or oil furnaces and hot water boilers.
- Heat pumps, water heaters, biomass stoves and boilers.
- Home energy audits of a main home.

The maximum credit that can be claimed each year is:

- \$1,200 for energy property costs and certain energy efficient home improvements, with limits on doors (\$250 per door and \$500 total), windows (\$600) and home energy audits (\$150).
- \$2,000 per year for qualified heat pumps, biomass stoves or biomass boilers.

Delays for Tax Year 2023 Refunds:

If you are expecting a refund, it is not uncommon for there to be a delay. This year many taxpayers are experiencing this issue. If 21 business days have passed since you filed your return, we urge you to be diligent in checking to see if you have received any letters or notices from the IRS. If you have not received any letters we recommend checking your refund status on the IRS website to see if they have updated the status of your return.

If you use the “Where’s my Refund” tracking tool on the IRS website to check the status of your tax return there will be one of three messages displayed.

Here is what each message means:

Received: The IRS now has your tax return and is working to process it.

Approved: The IRS has processed your return and confirmed the amount of your refund if you're owed one.

Sent: Your refund is now on its way to your bank via direct deposit or as a paper check sent to your mailbox.

*If none of those options are displayed for you there will be an alternate message explaining why your return is taking longer than usual to process or a notice if you should be expecting a letter in the mail from the IRS.

IF YOU ARE INTERESTED IN LEARNING MORE, CONTACT OUR OFFICE TO SCHEDULE A TELEPHONE CALL OR MEETING. WE ARE HERE TO HELP YOU.

TAXLANDONLINE.COM - 413-782-8292