



Taxland Newsletter
2024

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OCTOBER ISSUE

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UPCOMING DEADLINES:

4th QTR ESTIMATED TAX PAYMENTS DUE: 01-15-25

2023 Tax Deadline for those on Extension: 10-15-24

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Taxland and TCR Financial Annual Shred Event:

We will be hosting our annual shred event on October 10th. It will be at our Springfield location, 1206 Boston Road. This event is free to attend and open to the public. It will run from 4:00 to 6:00 in the evening. Bring all those personal documents you've been waiting to get rid of!

Reminder to take your Required Minimum Distributions (RMDs):

Required minimum distributions (RMDs) are the minimum amounts you must withdraw from your retirement accounts each year. You generally must start taking withdrawals from your traditional IRA, SEP IRA, SIMPLE IRA, and retirement plan accounts when you reach age 72 (73 if you reach age 72 after Dec. 31, 2022).

Account owners in a workplace retirement plan (for example, 401(k) or profit-sharing plan) can delay taking their RMDs until the year they retire, unless they're a 5% owner of the business sponsoring the plan.

Roth IRAs do not require withdrawals until after the death of the owner. Designated Roth accounts in a 401(k) or 403(b) plan are subject to the RMD rules for 2022 and 2023. However, for 2024 and later years, RMDs are no longer required from designated Roth accounts. You must still take RMDs from designated Roth accounts for 2023, including those with a required beginning date of April 1, 2024.

- You can withdraw more than the minimum required amount.
- Your withdrawals are included in taxable income except for any part that was already taxed (your basis) or that can be received tax-free (such as qualified distributions from designated Roth accounts).

Beginning in 2023, the SECURE 2.0 Act raised the age that you must begin taking RMDs to age 73. If you reach age 72 in 2023, the required beginning date for your first RMD is April 1, 2025, for

2024. [Notice 2023-23 PDF](#) permits financial institutions to notify IRA owners no later than April 28, 2023, that no RMD is required for 2023.

For defined contribution plan participants or IRA owners who die after December 31, 2019, (with a delayed effective date for certain collectively bargained plans), the entire balance of the deceased participant's account must be distributed within ten years. There's an exception for a surviving spouse, a child who has not reached the age of majority, a disabled or chronically ill person, or a person not more than ten years younger than the employee or IRA account owner.

The new 10-year rule applies regardless of whether the participant dies before, on, or after the required beginning date. The required beginning date is the date an account owner must take their first RMD.

Source:

<https://www.irs.gov/retirement-plans/retirement-plan-and-ira-required-minimum-distributions-faqs>

Tax Planning Tips:

Meeting with a Tax advisor can help you reduce your overall tax liability. As we near the end of the year let us help you navigate the puzzle pieces in your financial life. The impact of IRS tax rules to your personal finance and tax planning picture can be difficult to navigate. Here are a few items we recommend discussing:

Tax-loss Harvesting-

This is a strategy that changes an investment that has lost money into a tax winner. Tax-loss harvesting may be able to help you reduce taxes now and in the future.

Tax-loss harvesting allows you to sell investments that are down, replace them with reasonably similar investments, and then offset realized investment gains with those losses. The end result is that less of your money goes to taxes and more may stay invested and working for you.

Year-end Tax Tips-

Fall is upon us and it's a great time consider year-end tax tips, such as deferring income, maximizing retirement contributions, and monitoring flexible spending accounts

Dependents- If your family has multiple children but your not married, let us help you decide on who benefits the most to have the children on their return - this could save you thousands of dollars

There are less than three months to go! Contact us to schedule an appointment to discuss YOUR year end tax planning. WE ARE HERE TO HELP YOU.

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