



Taxland Newsletter
2024

.....

SEPTEMBER ISSUE

By **Tina M Chandler EA CFS**

UPCOMING DEADLINES:

3rd QTR ESTIMATED TAX PAYMENTS DUE: 09-16-24

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

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 open to the public and will run from 4:00 to 6:00 in the evening. Bring all those personal documents you've been waiting to get rid of!

IRS Addresses CP14 - Balance Due, No Math Error Notice:

The IRS has communicated that some taxpayers are receiving CP14 (Balance Due, No Math Error) notices indicating a balance due even though payments were made with their 2023 tax return.

Who is affected: Taxpayers who paid electronically or by check with their 2023 tax return, may show their accounts as pending, although the IRS has received and processed payment through their banking institution. The notice may have been initiated before the payment was processed on the account, or the payment may have been processed but contained errors and requires additional handling to address the error before updating the tax account.

No immediate action or phone call needed: Taxpayers who receive a notice but paid the tax they owed in full and on time, electronically or by check, should not respond to the notice at this time. The IRS is researching the matter and will provide an update as soon as possible.

Note that any assessed penalties and interest will be automatically adjusted when the payment(s) are applied correctly by the IRS.

Taxpayers who paid only part of the tax reported due on their 2023 return are instructed to pay the remaining balance or follow instructions on the notice to enter into an installment agreement or request additional collection alternatives.

For affected taxpayers, the IRS has apologized for any inconvenience this may have caused.

The IRS Wants to Remind You Not to Take Tax Advice from Social Media:

We know those posts and video reels can be compelling and convincing, but as social media continues to grow so does the misinformation. It is important to always discuss any tax advice you pick up on the street with a tax professional. Below is a publication from the IRS that is a good example of this modern problem.

IR-2024-187, July 15, 2024

WASHINGTON — The Internal Revenue Service issued a consumer alert today following bad advice circulating on social media about a non-existent “Self Employment Tax Credit” that’s misleading taxpayers into filing false claims.

Promoters and social media are marketing something they describe as the “Self Employment Tax Credit” as a way for self-employed people and gig workers to get big payments for the COVID-19 pandemic period. Similar to misleading marketing around the Employee Retention Credit, there is inaccurate information suggesting many people qualify for the tax credit and payments of up to \$32,000 when they actually do not.

In reality, the underlying credit being referred to in social media isn’t called the “Self Employment Tax Credit,” it’s a much more limited and technical credit called Credits for Sick Leave and Family Leave. Many people simply do not qualify for this credit, and the IRS is closely reviewing claims coming in under this provision so people filing claims do so at their own risk.

“This is another misleading social media claim that’s fooling well-meaning taxpayers into thinking they’re due a big payday,” said IRS Commissioner Danny Werfel. “People shouldn’t be misled by outlandish claims they see on social media. Before paying someone to file these claims, taxpayers should consult with a trusted tax professional to see if they meet the very limited eligibility scenarios.”

People who were self-employed can claim Credits for Sick and Family Leave only for limited COVID-19 related circumstances in 2020 and 2021; the credit is not available for 2023 tax returns.

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

