

## MAJOR 2023 INCOME TAX CHANGES and Key Topics

- **Residential Energy or Energy Efficiency Credits** have increased this year. If you made energy efficient improvements, be sure to include them. Unused credits can be carried forward to future tax years.
- **Clean Vehicle Electric Car Credits**-The new credit this year for qualifying EV auto purchases made in 2023 is \$7,500
- **Form 1099-K** the new \$600 threshold for K-1 issuance for sales made through merchant service hubs has been once again been extended, thus K-1s should not be issued except under the old rules. However, if you made sales through merchant hubs and transactions exceeded \$600, it is advisable to check to ensure nothing is going to be issued to you and the in error.
- **Adopted a child**-If you adopted a child this year, even if the adoption did not go through, you may be entitled to an adoption credit on your tax return.
- **Student Loan Interest** may be deductible. Be sure to obtain your Form 1098 from the lender.
- **Long Term Care Premiums** are deductible
- **Health Savings Account contributions** are deductible
- **The threshold for Gifts requiring tax reporting** are increased to \$17,000 to any one person.
- **Foreign persons.** If you received or made gifts from foreign persons you may be subject to additional tax reporting on Form 3520. Failure to do so can result in hefty penalties.
- **Purchased Health Marketplace Insurance**-Obtain Form 1095-A is necessary
- **Business/medical/ mileage expenses** have increased for 2023 to 65.5 cents for business, 22 cents for medical. Charitable mileage remains at 22 cents for charitable mileage.
- **Worked-Lived outside the U.S.**-If you worked outside the U.S. you may be able to deduct or exclude up to \$120,000 or more of your income (including housing allowances)
- **Worked in a Designated Combat Zone** the U.S. Abode rules were repealed beginning 2017
- **If you were widowed during the year**, and filed jointly, do so for the year. If you had a qualifying child, you may be entitled to the two year MFJ rule