
TAX BLAST

NEWS FOR THE TAX PROFESSIONAL

NOVEMBER 2022

<https://www.nystap.org>

We are here better than before.

- ❖ **Live meetings are back.**
- ❖ **Watch for our notice for our Verifyle and Data Security Webinar.**
- ❖ **Matthew Rappaport, Esquire, Esquire of Falcon Rappaport, and Berkman PLLC will speak at our November meeting at Umberto November 22, 2022**
- ❖ **Tri State meeting in December 6, 2022**
- ❖ **Year End Tax update meeting in December given by Rick Rottkamp at Umberto's Restaurant un New Hyde Park**
- ❖ **Have a question call or e-mail your tax buddy**
- ❖ **Come to our meetings and make new friends**

New York City pass-through entity tax (NYC PTET)



For tax years beginning on or after **January 1, 2022**, Tax Law Article 24-B allows eligible entities to opt- in to the new NYC PTET.

Partners, members, or shareholders of an entity that opts in to NYC PTET that are subject to the New York City personal income tax under Article 30 may be eligible for a tax credit against New York City personal income taxes on their New York State income tax returns.

NYC PTET is an **optional** tax.

- ❖ To receive information, click on the link <https://www.tax.ny.gov/bus/ptet/city.htm#optin>
- ❖ Only an authorized person can make the election on behalf of an eligible entity. Tax professionals cannot make the election on behalf of their clients.

Social Security



Benefit is based on the average of your highest 35 years of earnings. One or two years of big earnings will not have a significant effect on your benefit. Social Security Benefits will increase 8.7% for 2023 and the average benefit will be

increased by \$140.00. Taxable FICA Wages for 2023 will increase from \$147,000.00 to 160,200.00, an increase of 8.98%.

401(k)s and IRAs for 2023

- ❖ The Internal Revenue Service announced today that the amount individuals can contribute to their 401(k) plans in 2023 has increased to \$22,500, up from \$20,500 for 2022. Notice 2022-55.
- ❖ In 2023, eligible individuals can contribute up to \$6,500, up from \$6,000, to their IRAs.
- ❖ In 2023, the income phase-out range for single filers is \$138,000 to \$153,000. For married couples filing jointly, it's \$218,000 and \$228,000.
- ❖ Catch up contribution for taxpayers over the age of 50 is \$22,500.00 and the catch-up contribution is \$7,500.00.

2023 Estate and Gift Taxes

- ❖ Basic exclusion amount is \$12,920,000.00 up from \$12,060,00.00 for estates of decedents who died in 2022.
- ❖ The annual exclusion for gifts increases to \$17,000 for calendar year 2023 up from \$16,000.00 for calendar year 2021.

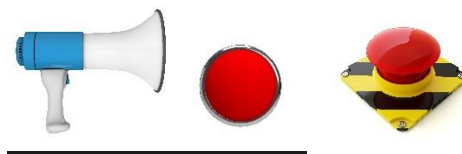
Pay Transparency in New York City: New Job Posting

- ❖ Effective November 1, 2022, in New York City.
- ❖ New York State Legislation awaiting Governor Hochuli's signature.
- ❖ Purpose of the law is to improve pay transparency for workers of color and women.

- ❖ Salary ads will have to include minimum and maximum salary for position.
- ❖ Law applies to business that have four employees or more.
- ❖ Maximum penalty for noncompliance is \$250,000.00.
- ❖ Free pass for first time offenders if they cure problem within 30 days.

Practice Management

- ❖ Do not be afraid to raise your fees. The cost of operating a tax practice have increased.
- ❖ Rate your clients A, B, C, D, F.
- ❖ If you are raising your fees 10% raise your fees 20% for D and F clients.
- ❖ Charge children for tax returns or let the parents do it themselves.



Dear Colleagues and Friends,

An organization is as good as the participation of its members. We have the nucleus of a good organization, but we need more help. What do we need?

- 1) Seminar Committee determine which seminars topics and speakers our members would be interest in attending
- 2) Recruitment Committee-Develop Strategies to recruit new members
- 3) Communication committee-Forward information on new laws to our membership.
- 4) Research committee Answer tax questions from our members

5) Joining our committees is a great way to help improve our organization and you will make some wonderful friends in the process.

Watch for notices for our November meeting at Umberto's Restaurant in New Hyde Park.

Regards,

Leonard E. Mandel

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