

# Tips & Blips

## Tax Scams -Protect Yourself

There are many tax scams out there with the purpose of stealing your identity, stealing your money, or filing fraudulent tax returns using your private information. Tax scammers work year-round, not just during tax season and target virtually everyone. Stay alert to the ways criminals pose as the IRS to trick you out of your money or personal information. The best thing to remember to protect yourself is that the IRS will never initiate contact with you via telephone, text message, email, or social media to request personal or financial information. The IRS will always first send a letter requesting information.

### **IRS– Impersonation Telephone Scam**

**What to do.** If you receive a phone call from someone claiming to be from the IRS and asking for money, take the following steps.

- Do not provide any information to the caller. Hang up immediately.
- If you know you owe tax, or think you might owe, you should call the IRS at 1-800-829-1040 where you can get help with a payment issue.
- If you know you do not owe any tax, or have no reason to believe that you do, report the incident to TIGTA (Treasury Inspector General for Tax Administration) at 1-800- 366-4484 or at [www.tigta.gov](http://www.tigta.gov).
- You should also contact the Federal Trade Commission and use the “FTC Complaint Assistant” at [www.ftc.gov](http://www.ftc.gov). When filing the complaint, add “IRS Telephone Scam” to the comments.

### **Text Message Scams**

Text scams are sent to your smartphone and can reference things like COVID-19 and/or “stimulus payments.” These messages often contain bogus links claiming to be IRS websites. Other than IRS Secure Access, the IRS

does not use text messages to discuss personal tax issues, such as those involving bills or refunds. The IRS also will not send taxpayers messages via social media platforms.

**What to do.** If you receive an unsolicited SMS/text that appears to be from either the IRS or a program closely linked to the IRS, take a screenshot of the text message and include it in an email to [phishing@irs.gov](mailto:phishing@irs.gov) with:

- Date and time you received the text message.
- Phone number that received the text message.
- Do not click links or open attachments in unsolicited, suspicious or unexpected text messages whether from the IRS, state tax agencies or others in the tax community

### **Phony IRS Emails- “Phishing”**

Scammers copy official IRS letterhead to use in emails they send to victims. The IRS does not notify taxpayers of refunds or payments due via email. Additionally, taxpayers do not have to complete a special form or provide detailed financial information to obtain a refund .

**What to do.** If you receive an email from someone claiming to be from the IRS and asking for money, take the following steps:

- Do not reply to the email message.
- Do not give out your personal or financial information over email.
- Do not open any attachments or click on any of the links. They may have a malicious code that will infect your computer.
- Forward the email to the IRS at [phishing@irs.gov](mailto:phishing@irs.gov).
- Delete the email.



## Let us help your business grow!

- Bookkeeping
- Payroll
- Financial Statements
- Tax Filings
- Tax Planning
- Financial Planning

## Tax Year 2023 Deadlines

- Personal Income Tax Returns  
April 15, 2024
- Schedule C-Sole Proprietor  
April 15th 2024
- Estates and Trust Returns  
April 15th 2024
- C-Corporation Returns  
April 15,2024
- Partnership Returns  
March 15th 2024
- S Corporation Returns  
March 15th 2024

# What to do with Form 1099-K?

## Who Gets Form 1099-K ?

You received any payments with payment cards. This includes credit cards, debit cards, and stored value cards (gift cards).

You received payments over \$600 with a payment app or online marketplace. This includes payments for a personal item you sold or for goods you sell, services you provide, or property you rent through any:

- Peer-to-peer payment platform or digital wallet.
- Online marketplace (sale or resale of clothing, furniture, and other items).
- Craft or maker marketplace. Auction site.
- Car sharing or ride-hailing platform.
- Real estate marketplace.
- Ticket exchange or resale site.
- Crowdfunding platform.
- Freelance marketplace.

Gifts or reimbursement of personal expenses from friends and family should not be reported on Form 1099-K. They are not payments for goods or services.

\$600 reporting threshold. Payment apps and online marketplaces are required to file a Form 1099-K if the gross payments to you for goods and services are over \$600. The \$600 reporting threshold starts with tax year 2025. There are no changes to what counts as income or how tax is calculated. But you may get one for the tax year 2023 as companies prepare for this new reporting threshold.

## Reporting Form 1099-K payments and other income on your tax returns

You must report all income you receive on your tax return. This may include the gross payment amount on Form 1099-K and amounts on other reporting documents like Form 1099-NEC or Form 1099-MISC. It should also include amounts not reported on forms, such as payments you receive in cash, property, goods or digital assets.

**Let us help you find the right way to report your 1099-K income!**

What to do if you get a Form 1099-K when you shouldn't have

You may get a Form 1099-K when you shouldn't have if it:

- Reports personal payments from family or friends like gifts or reimbursements
- Doesn't belong to you
- Duplicates a Form 1099-K you already received

If this happens:

- Contact the issuer immediately – see "Filer" on the top left corner of Form 1099-K to find out the name and contact information of the issuer.
- Ask for a corrected Form 1099-K that shows a zero amount.
- Keep a copy of the original form and all correspondence with the issuer for your records.

Don't wait to file your taxes. File even if you can't get a corrected Form 1099-K.

# What information should I bring to my Tax Appointment?

- Copies of last year's Federal, State, and Local Tax Returns, if new clients.
- Form **1095 A** Health Insurance from the Market Place
- 2023 **Final Local** Return Forms. (Contact your local government for these returns)
- 2023 **W-2s, 1099s, or K-1s.** For a Sale of Stock you must obtain your cost basis from your broker, or there will be additional fees.
- Amount of any **estimated tax payments** made to the Federal, State, or Local governments for Tax Year 2023.
- **Social Security Numbers** and **birthdays** for all taxpayers and dependents.
- **The closing/settlement sheets for any home purchased, sold, or refinanced.**
- **Amount of any education expenses.** The educational institution that you attended must supply you with a Form **1098-T. Required to complete return**
  - Any **interest** paid on a mortgage, home equity loan, second mortgage, and student loans. Your lender should provide this information by February 1, 2024. If you do not receive this information, contact the lender and request it!
- **Property Taxes paid** on *all* property you owned in 2023.
- Amounts paid for **employee business expenses** such as books, publications, licensing fees, uniforms, union dues, etc.
- Medical expenses such as long-term care insurance, health insurance, doctors' fees, prescriptions, hospitalization fees, mileage, and parking. Remember, these expenses have to exceed **7.5%** of your adjusted gross income in order to be deducted.

For our clients that are in Sales or Construction, Self-employed, and/or own Rental Property, please call to find out what possible deductions apply since the list is rather extensive.

## ADAMS & ASSOCIATES

Adams & Associates is a family-run business that has been successful helping Pittsburgh residents with their Income Tax, Accounting, and Financial Planning needs since 1978. We offer Payroll Services, Bookkeeping, and all kinds of Tax Planning and Filings. We are available all year to our clients to help with their financial needs!

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