

2024

Tax Tips e-Newsletter



Serving Vermilion Parish for over 58 years!



Clients First

By: [Pamela Chauvin Trahan](#)



Dear Valued Clients and Friends,

I am delighted to welcome you to the latest edition of the **FACTS-5 Tax Client Newsletter**. It's hard to believe that we have been on this remarkable tax journey together for over 58 years. Time has flown by, and our client relationships have grown stronger over the years, evolving into something that feels more like family than just a business transaction.

At **FACTS-5** our commitment goes far beyond simply completing tax forms. We understand that your financial well-being is at the core of everything we do. With each tax return we prepare, we strive to offer exceptional service and valuable insights that help you make informed decisions about your finances.

Our philosophy has always been to put our clients first. That means staying up-to-date with the ever-changing tax laws and regulations to ensure that you receive every deduction and credit you're entitled to. It means providing you with clear explanations of complex tax concepts so that you can feel confident in your financial decisions. And, perhaps most importantly, it means being here for you year-round, not just during tax season.

In this edition of our newsletter, we're excited to share with you a wealth of information and updates. From the latest tax changes to tips on maximizing your deductions, you'll find a variety of articles and resources to help you navigate the intricacies of taxation.

Our goal is to empower you with the knowledge you need to make the most of your financial situation. As we embark on another tax season, please know that we are here for you, ready to assist and support you in every way possible. Whether you have questions about your taxes, need assistance with financial planning, or simply want to discuss your financial goals, don't hesitate to reach out to us.

*Give you
a big one!*

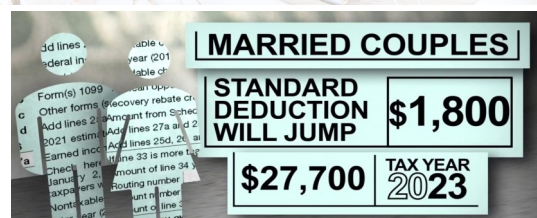
Your success is our success, and we take great pride in being your trusted advisors. **Thank you** for your continued loyalty and trust in **FACTS-5**. It is an honor to serve you, and we look forward to another year of partnership and shared success.

Tax Tips e-Newsletter offers practical advice and money saving tax tips to help you minimize tax debt and be prepared for each new filing season.

Visit us online @ www.facts-5.com for more valuable resources to help you be prepared in 2024.

2023 TAX BRACKETS

Tax Rate	Taxable Income (Single)	Taxable Income (Married Filing Jointly)	Taxable Income (Head of Household)
10%	Up to \$11,000	Up to \$22,000	Up to \$15,700
12%	\$11,001 to \$44,725	\$22,001 to \$89,450	\$15,701 to \$59,850
22%	\$44,726 to \$95,375	\$89,451 to \$190,750	\$59,851 to \$95,350
24%	\$95,376 to \$182,100	\$190,751 to \$364,200	\$95,351 to \$182,100
32%	\$182,101 to \$231,250	\$364,201 to \$462,500	\$182,101 to \$231,250
35%	\$231,251 to \$578,125	\$462,501 to \$693,750	\$231,251 to \$578,100
37%	Over \$578,125	Over \$693,750	Over \$578,100



RefundTRANSFER

Available at FACTS-5. Ask your preparer for details.



Let's take a look at a few things you can do now to be prepared for the upcoming tax season...

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Call Today...
337-893-6798
Online: @ www.facts-5.com

**New Federal Tax Laws For 2023****What to know to maximize your 2023 tax**

Don't worry — you will not need to have a tax law degree to follow what changes could affect you this tax year. Instead, check out the situations below and see what's relevant to your life.

In 2023, did you...?**Restart or make student loan payments?**

After a repayment freeze due to the pandemic, borrowers were required to make student loan payments again starting in the fall of 2023. If this includes you, the silver lining is that you may be able to receive a student loan interest deduction based on any interest payments you've made.

Buy healthcare coverage from the ACA market-place?

(healthcare.gov)? A temporary rule change lets more people take the Premium Tax Credit (PTC) and receive a larger credit when they do. The law expands eligibility to those with a household income above 400% of the federal poverty level. Taxpayers who are eligible can receive larger credits due to the lower premiums that households must contribute (now between 0-8.5% of their income).

Make energy efficient home improvements?

The value of two "green" credits has expanded starting with 2023 taxes.

- **Energy Efficient Home Improvement Credit (EEHIC).** If you installed qualifying exterior windows/doors, skylights, insulation materials and more, or purchased a new furnace, hot water heater, or central air conditioner you may be eligible for this tax break. The credit limit is up to \$1,200 per taxpayer per year with a \$600 per item cap on most types of property. And, there's a higher credit limit of up to \$2,000 for a separate category of heat pumps, heat pump water heaters, and biomass fuel stoves.
- **Residential Clean Energy (RCE) Credit** – If you installed equipment such as solar panels or solar water heaters, you could get a credit valued at 30% of your qualifying expenditures.

Purchase an electric vehicle?

Starting in 2023, if you purchased a used electric vehicle, you can get a credit of up to \$4,000 (or 30% of the purchase price). Bought a new car? That credit is now worth up to \$7,500. For both credits, you could claim the tax breaks if you purchased qualified vehicles and your income does not exceed a certain threshold.

Take a retirement plan distribution to cover disaster expenses?

For those in federally declared major disaster areas, a new tax law for 2023 lets you take up to \$22,000 from certain retirement plans without a 10% early distribution penalty. Additionally, you'll have three years to pay the tax on how much you take out.

Receive a state tax rebate or relief payment?

If you received a rebate or relief payment from your state, this money is often not considered income on a federal tax level.

Great Tax Tips to Start the New Year

The old year is ending and the new one is about to start. Here are some tax tips to get you going into the new year with a brighter tax future on your horizon.

1. Review beneficiaries. Now is the time to review beneficiaries in all your retirement accounts and insurance policies. While it might not impact your tax situation, it could impact others if not structured correctly.

2. Fully fund FSA or MSA. Flexible Savings Accounts and Medical Savings Accounts are a great way to pay for qualified, medical, dental and vision care. But it only works if you fund your account. So check with your employer and plan to take full advantage of this great tax benefit.

3. Plan fully fund retirement accounts. Plan now to take advantage of the many retirement planning options. Whether it be a 401(k) or one of many versions of IRAs, they are a great way to manage your tax obligation, while planning for your future.

4. Consider any anticipated tax events. Life events are the biggest cause of tax surprises. So if you are planning to move, retire, get married or divorced, have kids or change jobs you should know of the tax impact BEFORE it happens. You could save thousands.

5. Review withholdings. Coupled with number 4, any changes could impact your tax obligation and should impact how much you have withheld during the year. So consider an annual review of your situation and adjust your withholdings accordingly.

6. Consider the child factor. This one is important because of the numerous tax benefits associated with children. It can mean funding a 529 program, or opening a Roth IRA if your older children have earned income. It can mean understanding when benefits expire as your children age or planning for college age children. The bottom line, conduct a tax review specific to your children.

7. Consider your property. Selling a home, stocks, bonds or digital currency all have potential tax implications. So if any of these are on the horizon consider taking a planned approach. It could save you a bundle.

**Electric Cars (Clean Vehicle Credit)****Qualified Vehicles**

The individual credit requires that the vehicle have 4 wheels and be manufactured primarily for highway use, with a GVW less than 14,000 pounds. It must have been placed in service on or after 1/1/2023 (a late 2022 order may qualify in 2023 if placed in service in 2023) as a new vehicle that is not for resale. A demo is not considered a new vehicle, but test drives by potential buyers prior to purchase are allowed.

The credit amount is either \$0, \$3,750 or \$7,500 or an odd number if placed in service early in 2023. Again, the VIN will determine the amount.

Get more info @: www.facts-5.com



American Opportunity Credit

The familiar Hope Credit has been replaced by the new and improved American Opportunity Credit.

For your 2023 taxes, the American Opportunity Tax Credit can be claimed in amounts up to \$2,500 per student, calculated as 100% of the first \$2,000 in college costs and 25% of the next \$2,000.

Federal Higher Education Tax Benefits

Tuition and Related Expenses	Employment-Related	Student Loans	Education Savings
<ul style="list-style-type: none"> American Opportunity Tax Credit HOPE Scholarship Credit Lifetime Learning Credit Tuition and Fees Deduction Qualified Scholarship Exclusion Personal Exemption for Dependents Ages 19-23 Gift Tax Exclusion for Education 	<ul style="list-style-type: none"> Employer-Provided Educational Assistance Employer-Provided Qualified Tuition Reduction Business Deduction for Education-Related Expenses 	<ul style="list-style-type: none"> Student Loan Interest Deduction Exclusion of Qualifying Cancelled Student Loans 	<ul style="list-style-type: none"> 529 Plans Coverdell Education Savings Accounts Exclusion of Interest on Education Savings Bonds Early Withdrawals from IRAs

College students should study up on these two tax credits

It is the time of the year we start planning for your year-end taxes. To be sure there are no surprises when your taxes are prepared, it is time to verify your payroll withholding or estimated tax payments prior to the September 15th deadline.

For our clients who do not have a business, we will review the education credits, what is the kiddie tax and is your family subject to this additional tax, and the traditional IRA vs. the Roth IRA. For our business clients we look at an overview of what meals are allowed for 2023 and the requirements of the Corporate Transparency Act (CTA).

If you have had any life changes that may affect your tax filing, such as a marriage or divorce, a birth or deceased family member, now is the time to let your office know. If you have had a change of address, it is important to let both our office and the IRS know so that any notices or refunds are sent to the correct address. If you have received unexpected funds from the sale of an asset or a withdrawal from your IRA or pension plan these are all events that may affect your tax liability.

Now is the time to review what tax issues we may need to consider and plan your potential tax liability accordingly.

We encourage you to contact our office if you have any questions regarding life events or taxable events. We are available to help you year-round with any concerns regarding your personal taxes or business events.

2023 Tax Information	American Opportunity Tax Credit (AOTC)	Lifetime Learning Credit (LLC)
Maximum Credit	\$2,500	\$2,000
Refundable?	Yes, up to 40% of credit	NO
Income Limit (MAGI) Single Filers	\$90,000	\$90,000
Income Limit (MAGI) Joint Filers	\$180,000	\$180,000
Dependent Status	If you're listed as a dependent on someone else's tax return, you cannot claim the AOTC or LLC	
Eligible Programs	Student must be pursuing an undergraduate degree or other recognized education credential	Student doesn't need to pursue a degree or other recognized education credential
Enrollment Requirement	At least half-time	Available for 1 or more courses
Number of Years You Can Take The Credit	4 years per student	Unlimited
Felony Drug Conviction	Students with a felony drug conviction are ineligible	Does not apply
Qualified Expenses	<ul style="list-style-type: none"> Tuition Enrollment fees Materials required for study 	<ul style="list-style-type: none"> Tuition Enrollment fees
For Whom Can You Claim The Credit?	You, your spouse, or a student you claim as a dependent on your tax return	
Who Must Pay The Qualified Expenses?	You, your spouse, the student, or a third party	
Payments For Academic Periods	Made in 2023 for academic periods beginning in 2023 or the first 3 months of 2024	

Benefits of Digital Tax Preparation

- Saves you a trip to the office
- **FASTER PROCESSING = FASTER REFUNDS**
- Communicate by email/text and/or Zoom, directly with our tax team
- Quickly & conveniently upload your W2's and other tax docs 24/7
- No contact tax preparation
- No appointment needed
- Access current and prior year tax returns from our secure ShareFile Client Portal



What is the Kiddie Tax?

The "kiddie tax" was instituted by Congress to prevent parents from moving assets into a child's name and taking advantage of the lower tax rate for their child. Under the regulations the child's unearned income (interest, dividends, capital gains) will be taxed at the parent's rate.

This applies to your child under the age of 19 who has unearned income which exceeds the threshold for that year, for 2023 that amount is \$2,500. If their unearned income is under the threshold, then the family is not subject to the kiddie tax rules. The kiddie tax also applies to those full-time students between the ages of 19 through 23. The kiddie tax will not impact those adult children who are 24 years of age or older.

The following requirement determine whether the child will be subject to the parent's tax rate:

- The child does not file a joint tax return for the year;
- One or both of the child's parents are alive at the end of the year;
- The child's net unearned income for the year exceeds the threshold for that year (which is \$2,500 for 2023), and the child has taxable income after adjusting for allowable reductions such as the standard deduction. If the threshold is exceeded only unearned income in excess of the threshold is subject to the kiddie tax.
- **The child meets one of the following age categories:**

- ⇒ **Age 17 or younger**—the kiddie tax applies if the above three thresholds are met.
- ⇒ **Age 18**—if at year end the child does not have earned income that exceeds half of their support, the kiddie tax applies if the above three requirements are met.
- ⇒ **Age 19-23 (and a full-time student)** - if the child is a full-time student and does not have earned income that exceeds half of their support if the above three requirements are met. A full-time student is defined if they attend school full-time for at least five months during the year.

There is an option to either report the child's unearned income on the parent's return or file a separate tax return for the child and calculate the tax bill, based on the parent's tax rate, for the unearned income in excess of the threshold. If the child has paid in taxes through either withholding or estimated tax payments, then they must file their own return and report the income.

This can be a complicated area of tax law and we are available to help you determine if the kiddie tax rules apply to your family. Contact our office if you have any questions regarding this area of tax law or to determine if your family may be subject to this tax.

FACTS-5®**ACCOUNTING
SERVICES**

What We do?

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- QuickBooks Accounting Help & Assistance
- Tax Management Services
- New Business Accounting System Setup
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Payroll and Bookkeeping

Yes!
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Contact:
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 Schedule an AppointmentEmail: **Nina @**
nina@facts-5.com**OR**Email: **Cynthia @**
c.cottrell@facts-5.comCall Today: **337-893-6798****In-office appointments are back and booking up FAST!**For your convenience, we offer several very simple ways for you to get your important tax documents to us:**IMPORTANT**

You **MUST** get your tax documents to **FACTS-5** a minimum of **2-weeks** prior to your scheduled appointment.

This will allow us time to make any necessary scheduling adjustments, insuring your tax return is prepared before April 15th.

**IMPORTANT****Consent Forms Packet**

Attached to this newsletter are important documents which require your signature.

Please complete these forms and return them to our office a minimum of **2-weeks** in advance of your scheduled appointment.

Digital/Fillable forms are available via our [website](http://www.facts-5.com) or by email request to: todd@facts-5.com.



- ⇒ You can scan or take pictures of all your important tax documents, with your smart device. Use our secure ShareFile Client Portal to upload your imaged documents, just as you did last year! or you can Email: todd@facts-5.com to request a new **UPLOAD LINK**. This link will allow secure private access to our online Client Portal. Here you can view prior year tax returns and other important documents we have on record for you. Uploading documents to the portal is easy, secure and fast! Your upload link remains constant every new year.
- ⇒ You can use our convenient drop box located at the front of our office building located at 118 LeBlanc Street, Abbeville - 24hrs/day 7days/week!
- ⇒ You can FAX your documents to 337-898-2787, or
- ⇒ USPS MAIL to: PO Box 698, Abbeville, LA 70511-0698

Payment for **FACTS-5** services are due when your tax return is completed. We accept cash, check, and all major credit cards.

We can also offer you the "**no money out of pocket**" option known as an RT; Ask about our Refund Transfer option.

NOTE:

We **MUST** have a signed **E-File Authorization Form** and payment before we can E-File your tax return.

DISCLAIMER: We may have to reschedule your appointment if your tax documents are not received timely.

**Digital Consent Forms Packet available for download**
@ www.facts-5.com/downloads

We use **Facebook** to share important news, updates, and other important information throughout the tax year. Be sure to visit and **LIKE** our page to stay informed.





Traditional IRA vs Roth IRA

IRAs come in two versions, Traditional and Roth.

Pre-tax money goes into a traditional IRA, and in most cases the contribution is tax deductible. But when you get into your 70s, you must take required minimum distributions (RMDs) from the traditional retirement account. At RMD time, those taxes are collected at your then-ordinary income tax rate.

There is no income limits for contributing to a Traditional IRA, but the deductibility of contributions may be limited based on your income if you or your spouse participate in an employer-sponsored retirement plan.

Roth IRA contributions, on the other hand, are made with post tax dollars, and there is no immediate tax break for saving. That downside, however is offset by a couple of key advantages. There are strict income thresholds for eligibility to contribute to a Roth and will be subject to a 6% excise tax if monies are contributed to the Roth and you are above the income thresholds. In most Roth situations, there are no required minimum distributions. You can leave Roth IRA money in the account for as long as you want. And when you do withdraw from it in retirement, you will not owe any taxes on the distribution as long as you have the funds in the Roth IRA for five years or more and are 59.5 years of age or older.

One of the options available to taxpayers to rollover their traditional IRA into a Roth IRA. Whether or not you should convert your Traditional IRA (Individual Retirement Account) to a Roth IRA depends on your current individual financial circumstances, goals and tax considerations.

Here are some factors to consider when making this decisions:

Tax Implications: When you convert from the Traditional IRA to a Roth IRA, you will have to pay taxes on the converted amount because Traditional IRA contributions are typically tax-deductible when you contribute, whereas Roth IRA contributions are made with after-tax dollars. The converted amount is considered taxable income for the year in which you make the conversion. Make sure you have the funds available to cover the tax liability.

Future Tax Bracket: Consider your current and expected future tax brackets. If you believe you will be in a higher tax bracket in retirement, it might be advantageous to pay taxes now at a lower rate through conversion, rather than paying taxes on withdrawals from a Traditional IRA in the future.

Time Horizon: A longer time horizon before retirement can potentially allow your investments to grow and compound more in a Roth IRA since withdrawals in retirement are tax-free. If you are close to retirement, the benefits of conversion might be less significant.

Financial Goals: Assess your financial goals. Roth IRAs do not have required minimum distributions (RMDs) during your lifetime, which means you can let your investments grow tax-free for as long as you want. This can be beneficial if you plan to leave the assets as a legacy to your heirs.

Estate Planning: Roth IRAs can be useful for estate planning because they can provide tax-free income to beneficiaries. Traditional IRAs, on the other hand, have beneficiaries pay income tax on distributions they receive.

Ability to Pay Taxes: Can you afford to pay the taxes owed on the converted amount without dipping into your retirement savings? If you use money from the Traditional IRA to pay taxes, you lose the potential for compounding on that amount.

Diversification: Having both Traditional and Roth accounts can provide you with tax diversification in retirement. This can allow you to choose which account to withdraw from based on your tax situation at that time.

Consult a Financial Advisor: Given the complexity of the decision and the potential tax implications, it is wise to consult with a qualified financial advisor or tax professional who can analyze your specific situation and provide personalized advice.

When deciding the best way to allocate your retirement funds, we encourage the use of a professional to assist you with the information you need to make an informed decision. A financial planner can run "what-if" models for you on your investment options and our office can help you with the tax considerations.



12th Annual St. Pat's Comedy for a Cause

Rotary
Club of Abbeville



Featuring Comedians:

David Studebaker & MUTZI

Erath Community Center Building
Saturday, March 16th, 2024
DINNER BUFFETT, FREE WINE AND BEER @ 5:30pm

More Info @ www.rcabbeville.org

Proceeds to support: Erath Fire Dept, LeBlanc Elementary, & Christian Service Center

Corporate Transparency Act Effective Date



Starting **January 1, 2024**, any new entities formed after 2023 must file their initial reports within 30 days of formation. Entities in existence prior to January 1, 2024, must file their initial reports by **January 1, 2025**.

The Corporate Transparency Act (CTA), enacted in 2021, was passed to enhance transparency in entity structures and ownership to combat money laundering, tax fraud, and other illicit activities.

✓ Corporate Transparency Act (CTA)

The Corporate Transparency Act (CTA), enacted in 2021, was passed to enhance transparency in entity structures and ownership to combat money laundering, tax fraud, and other illicit activities. It is designed to capture more information about the ownership of specific entities operating in or accessing the U.S. market.

The law was largely ignored by accounting professionals at first. However, the effective date of the Corporate Transparency Act is fast approaching on January 1, 2024, and people are starting to panic.

Companies are looking for more information on the Corporate Transparency Act, how it affects their operations, and what the details of the reporting requirements are. This presents a unique opportunity for accounting firms and tax accounting professionals to enhance their revenue streams by diversifying their service offerings.

Who needs to file?

Reporting companies are identified as either domestic or foreign:

- Domestic reporting companies are corporations, LLPs, or any other entity created by the filing of a document with a secretary of state or any similar office under the law of a state or Indian tribe.
- Foreign reporting companies are a corporation, LLCs, or other entity formed under the law of a foreign country that is registered to do business in any state or tribal jurisdiction by the filing of a document with a secretary of state or any similar office. Sole-proprietorships that don't use a single-member LLC are not considered a reporting company.

Reporting companies typically include:

- Limited liability partnerships
- Business trusts
- Most limited partnerships, where entities are generally created by a filing with a secretary of state or similar office.

Exemptions include securities issuers, domestic governmental authorities, banks, and many more that don't fall into the above categories.

Who does the Corporate Transparency Act affect?

According to a recent Small Business Administration report, **27,104,006 small businesses were termed "nonemployer firms" and had no employees**. The Corporate Transparency Act is designed to improve business activity transparency through the reporting of Beneficial Ownership Information (BOI) and is particularly targeted to these smaller businesses.

When do reports need to be filed for the Corporate Transparency Act?

The Corporate Transparency Act comes into effect on January 1, 2024. Reporting companies that are in existence on the effective date must file their initial reports within one year.

Reporting companies created after the effective date have 30 days after receiving notice of their creation or registration. However, FinCEN has proposed to extend the initial filing deadline for BOI reports from 30 to 90 days for entities created or registered in 2024.

Reports must be updated within 30 days of a change to the beneficial ownership, e.g., through the sale of a business, merger, acquisition, or death, or 30 days upon becoming aware of or having reason to know of inaccurate information previously filed.

The Corporate Transparency Act

Does this impact my estate planning clients?	Sure does!
Does this affect trusts/estates?	Yup!
Are there penalties for non-compliance?	Yes... HUGE!
When does this go into effect?	January 1, 2024

**Business Update****Criteria for Meals Deductions**

In order to deduct business meals, you must be self-employed or operating a business. Employees on W2s no longer qualify for business meals deductions.

The meal expense must be ordinary and necessary in carrying on your business, meaning it cannot be lavish or extravagant.

You, as the business owner, or your employee must be present with **at least one other party present** (ex. a client or colleague). This does not apply while you or your employees are traveling for business or conferences.

What Are the IRS Requirements for Meal Receipts?**You must keep a proper record of the meal:**

- The amount (delivery fees, taxes, and tips can be included)
- The time and place of the meal
- The business purpose of the expense, and
- The business relationship between the taxpayer and the individuals being fed.



Meals Deductions for 2023-2024 | 50% vs 100%

Meals Deductions

100% DEDUCTIBLE

- Company parties
- Business-promoting meals for the public
- Meals that are critical for your business function (food blogger, food critic)
- Meals provided to employees at work, such as if they're working late
- Meals provided as taxable compensation to employees

50% DEDUCTIBLE

- Business meals with clients or colleagues
- Meals while traveling on business
- Treating a few employees to a meal (if at least half, then it's 100%!)
- Food for an in-office meeting
- Meals at conferences
- Office snacks

0% DEDUCTIBLE

- Entertaining a client or customer, whether or not business is discussed
- Tickets to sporting events, even if business is discussed
- Lavish or extravagant expenses
- Club fees or dues memberships
- Entertainment facility leasing

**2024 Vehicle Mileage Rates****The IRS has issued the 2024 optional cents-per-mile rates used to calculate the tax-deductible costs of operating a vehicle:**

- Effective Jan. 1, 2024, the standard mileage rate for the business use of a car (including vans, pickups, and panel trucks) is 67 cents per mile. (This is up from 65.5 cents per mile for 2023.)
- The 2024 rate for medical or eligible moving purposes is 21 cents per mile. (For 2023, the rate was 22 cents per mile.)
- For charitable driving, the 2024 rate is 14 cents per mile (unchanged from 2023).

Note: These rates apply to electric and hybrid-electric automobiles as well as gasoline and diesel-powered vehicles.

Contact our office for more information.

**Pamela Chauvin Trahan**

Pam is the 3rd generation owner of **FACTS-5**. As the Senior Accountant with over 34 years of experience, she specializes in individual, small business, farm, and corporate tax return preparation.

Email: pam@facts-5.com

**Jaimmie L. Adams**

Jaimmie is a seasoned tax preparer who has been with **FACTS-5** for over 18 years. She specializes in individual tax return preparation.

Email: jaimmie@facts-5.com

**Shawn Etie'**

Shawn owns and operates our **FACTS-5** Computer Center. His expertise in computers has made us Vermilion Parish's largest computer sales and service company.

Email: shawn@facts-5.com

**Cynthia Cottrell**

Cynthia is a data entry and tax preparation specialists who has been with us for 6 years and a recent LSUA graduate. She continues to invest in professional development to help support all our clients' needs.

**Paige Abshire**

Paige is our lead Accountant and Office Manager. She is a 2017 UL graduate in business administration and is in her 6th tax filing season.

Email: paige@facts-5.com

**Nina Tran**

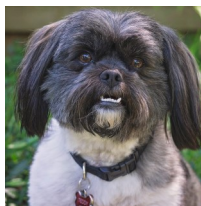
A recent UL Accounting Graduate in 2023, Nina joins us as an experienced tax return processor and appointment coordinator. Her experience will prove invaluable at helping to insure documentation flows smoothly this tax season.

Email: Nina@facts-5.com

**Roxie Gagne**

Roxie is entering 8th year as our receptionist. Roxie thrives on making your tax preparation a pleasant experience.

Email: roxie.g@facts-5.com

**Teddy "BossMan" Trahan**

BossMan returns again this season! REMEMBER: Don't say "cheese" when Teddy is around!

**Todd K. Chauvin**

Todd returns to continue supporting the technology needs of our clients. ShareFile Management and Client Support will remain his primary responsibilities during tax season.

Email: todd@facts-5.com

**Bayou Chauvin**

Bayou is a belly rub & treat loving 5year old miniature Dachshund! Bayou returns this tax season to protect all the doors in the office while sharing lots of love with all who visit.

**Schedule an Appointment**

Call Today...
337-893-6798

Online: @ www.facts-5.com





Gathering 2023 Tax Documents

Organize tax records to make preparing a complete and accurate tax return, easier. This helps to avoid errors that lead to processing delays, which slows the receipt of refunds. Having all of your needed documents on hand before you complete your return helps to insure it's accuracy and timeliness.

Important tax records needed to file a tax return:

- Forms W-2 from employers
- Forms 1099 from banks, issuing agencies, and other payers, including unemployment compensation, dividends, distributions from a pension, annuity, or retirement plans
- Form 1099-K, 1099-MISC, or other income statements for workers
- Form 1099-INT, Int Dividends, 1099B for investment income
- ALL other income documents including records of virtual currency transactions.

NOTE: You should keep copies of tax returns and all supporting documents for at least (3) three years.

Disclaimer: Failure to report Crypto could result in criminal charges or severe civil (non-criminal) penalties.

The best way to prepare for tax filing is to gather important tax documents-either electronic or paper- and keep them in one place. These documents include but are not limited to: Forms W-2 from employers, Forms 1099 from banks or other payers, Form 1099-K from third-party payment networks, Form 1099-NEC for nonemployee compensation, Form 1099-MISC for miscellaneous income, or Form 1099-INT if you were paid interest, as well as records documenting all digital asset transactions.

Typically, year-end forms arrive by mail or are available online mid-to-late January. Taxpayers should carefully review each income statement for accuracy and contact the issuer to correct information that needs to be updated.

Ensuring their tax records are complete before filing helps taxpayers avoid errors that lead to processing delays. When they have all their documentation, taxpayers can file an accurate return and avoid processing or refund delays or IRS letters.

IMPORTANT



STRONG RECOMMENDATION:

Get IRS Account Information Online



Where's My Refund?

Individuals who have not set up an IRS Online Account should do so ASAP. For those of you who have already set up an account, you should make sure you can still log in successfully. You can use the account to quickly and securely access the latest available information on record with the I.R.S. about your federal tax account.

www.irs.gov



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Are you getting a tax refund?

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with a REFUND TRANSFER[®]

FAST

CONVENIENT

SECURE



By selecting a **Refund Transfer**, you pay no out-of-pocket expense to have your return prepared. **Tax preparation fees are deducted directly from your tax refund.** You can also pick up your check from our office without worrying about it being lost or stolen in the mail. Whether you receive a check in our office or direct deposit to your bank account, you receive your money upon IRS funding.

Our goal is to provide you with affordable products that meet your needs while helping you receive your money quickly and conveniently.

Please note that you can file your return electronically or by paper and obtain your refund **directly** from the IRS **for free**. If you file your tax return electronically, you can receive a refund check directly from the IRS in as little as 21 to 28 days from the time you file your tax return or the IRS can deposit your refund directly into your bank account in as little as 8 to 15 days from the time you file your tax return. If you file a paper return, your refund will take 5 to 7 weeks to receive it.



What's new in 2023 for Louisiana?



LOUISIANA
DEPARTMENT of REVENUE

Below are some of the tax law changes the state of Louisiana has made for tax year 2023:

Filing Status - Qualifying Widow(er) has been updated to Qualifying Surviving Spouse.

Electric and Hybrid Vehicle Road Usage Fee - A road usage fee must be paid by the owner or lessee of an electric or hybrid vehicle registered and operated in Louisiana during the calendar year. The fee is based on a calendar year and is prorated if the vehicle was owned, leased or registered in Louisiana less than a year.

Refundable Priority 2 Credits

School Readiness Child Care Directors and Staff - Eligible child care directors and child care staff may qualify for this credit. The amount of the credit is adjusted each year if there is an increase in the Consumer Price Index Urban (CPI-U).

Adoption of Unrelated Infant - A taxpayer that adopted an unrelated child no more than two years of age may qualify for this \$5,000 refundable credit. An adoption of an infant from foster care does not qualify. The credit must be taken for the year in which the adoption became final.

Historical Residential - This credit is no longer available beginning tax year 2023.

Nonrefundable Priority 3 Credits

School Readiness and Child Care Credit Carried Forward From 2018 through 2022 - These credits for taxpayers whose federal AGI exceeds \$25,000 cannot be refunded. However, any unused amounts from the credit can be used over the next 5 years.

Motion Picture Investment and Motion Picture Infrastructure - "Act 411 of the 2023 Regular Legislative Session prohibits a taxpayer from using a credit if there exists a delinquent federal, state, or local tax obligation. The taxpayer must certify that there is no delinquent federal, state, or local tax obligation on Form R-90150, *Taxpayer Certification of Compliance of Tax Obligations for the Motion Picture Production Credit*. This form must be attached to the return."

Historic Structures - This credit has been expanded to include expenditures which are incurred on or after January 1, 2023 and to allow the credit for expenditures related to the rehabilitation of a historic structure contributing to the National Register of Historic Places.



Firearm Safety Devices - Act 403 provides a credit for the purchase of one or more firearm safety devices from a federally licensed dealer in a single transaction. The credit is for the amount paid for the qualifying items, including sales tax, limited to \$500. Only one credit can be earned per return in a tax year.

Biomed/University Research - This credit is no longer available beginning tax year 2023.

Digital Interactive Media - This credit is no longer available beginning tax year 2023.

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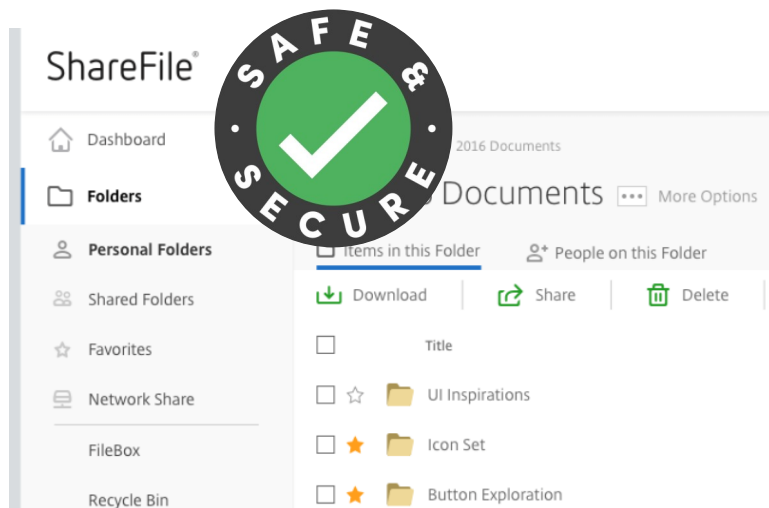


Client Portal

- **Easily share and send large files of any format.** W-2's, 1099's, Statements, Forms, IDs, and any/all other tax related documentation needed to complete your tax return.
- **Save and backup all your tax files with unlimited cloud storage.** There is no limit to the number or size of files you upload to your ShareFile Client Folder. You can take pictures of your documents with your cell phone and easily use your portal link to upload your documents to us! Contact todd@facts-5.com if you need assistance with obtaining your customized UPLOAD LINK to your ShareFile Client Portal folders. Bookmark this link as a storage location for all your important tax records! Your records will always be available to access from ANY location, on any device, with proper access credentials provided.
- **Easy to use and reliable.** Once you have your Portal Link, simply click and follow the online instructions. It's easy!
- **Trust your files, emails and attachments are always safe with bank-level encryption.** Citrix has been well-recognized and established as a leader in online data security. FACTS-5 invests heavily in our Citrix ShareFile platform to ensure and provide confidence to our clients, that we have their privacy and peace of mind in knowing that their data is well-protected and secure, 100% of the time! Our commitment to data security remains paramount and Citrix is truly outstanding.

Clients continue to utilize their Citrix ShareFile Client Portal with confidence! ShareFile is an excellent tool to help provide secure document sharing directly with **FACTS-5**.

With your customized Client Portal Link, you will be able to easily upload and/or download your tax documents and records from one convenient and secure location 24/7.



E-signature

RightSignature makes it simple for clients to quickly sign documents and agreements utilizing a secure online service. Completed forms can be signed without having to print and scan and return. Save a trip to the office and ask for the e-signature option when completing your tax documents.



FACTS-5 is happy to provide a printed copy of your tax return at any time, upon request. We continue to encourage all of our clients to continue or begin using the Citrix

ShareFile service as your new filing system for all your tax records.

Help us do our part in protecting our environment and reduce waste. Our office is open year round for access to printed versions of your return at no charge when needed.

Zoom tax conferences are still available!

We will continue to offer Zoom tax preparation services due to it's many wonderful convenience!

As of Jan 2024, there is no mask mandate in place. We don't require masks for clients or staff unless mandated.



Therefore, if you prefer our staff to wear masks during your tax appointment, we encourage you to opt for a Zoom meeting. This way, we can address your concerns effectively. Your safety and comfort are our priorities.

⇒ **Be sure to have Zoom installed on your device prior to your appointment.** You should receive a Zoom LINK from us in advance of your appointment.



Tax Year 2023 - Client Info Worksheet

Today's Date: _____

Tax Preparer: _____

FOR OFFICE USE ONLY

- ☐ Client folder pulled ☐ Verified prior year fees PAID
☐ Prepare as drop off ☐ Check if client has an appointment

Appointment DATE & TIME: _____

My Name: _____

SSN

DOB

Occupation

Spouse Name: _____

SSN

DOB

Occupation

My Physical Address: _____
(No post office box here)

City: _____ State: _____ Zip: _____

(If different)

My Mailing Address: _____

City: _____ State: _____ Zip: _____

Check ALL that apply as of 12/31/2023:

☐ I am SINGLE

☐ Never Married

☐ Legally Divorced

☐ I am LEGALLY Married as of 12/31/2023

☐ If separated: Date Separated _____

☐ I have NOT lived with my spouse for the last 6 months of 2023 (July 1, 2023 thru 12/31/2023)

☐ I have a common law/same sex (If so, which state _____)

☐ I am a United States citizen

☐ I have cared for a dependent for over half the year and paid more than half the cost of maintaining a home for that dependent.

Spouse Email Address: _____

Home Phone: _____ Work Phone: _____

Your Cell Phone: _____ Spouse Cell: _____

Your Email Address: _____

Tax Year 2023 Dependent Information

	First Name	Middle Initial	Last Name	Suffix Jr, Sr, III	Social Security #	Date of Birth	# Months Lived WITH YOU	Relationship
1								
2								
3								
4								
5								
6								

Please indicate preference for your tax appointment:

Virtual Internet Live Appointment (Zoom)

☐ Telephone Appointment

☐ Drop Off - No Appointment Needed

☐ Office Visit with Appointment

Taxpayer's Signature

I certify that all information on this sheet was completed by me and is correct.

FACTS-5

1040 - Individual Tax Return Engagement Letter



Dear Valued Client

Thank you for selecting **FACTS-5** to assist you with your tax affairs. This letter confirms the terms of our engagement with you and the nature and extent of services we will provide.

We will prepare your Federal and all State Income Tax Returns you request using information you provide to us. We may ask for clarification of some items, but we will not audit or otherwise verify the data you submit. Upon your request, we will provide an "Organizer" which may help you gather the information required for a complete return. If you use the Organizer, it will help you avoid overlooking important information and contribute to efficient preparation of your returns. This helps keep the cost of our services as low as possible.

It is your responsibility to provide information required for preparation of complete and accurate returns. You should keep all documents, canceled checks and other data that support your reported income and deductions for a period of 5 years. They may be necessary to prove accuracy and completeness of the returns to a taxing authority. You are responsible for the accuracy of your returns, therefore you should review them carefully before signing.

Our work will not include any procedures to discover defalcations or other irregularities. The only accounting or analysis work we will do is that which is necessary for preparation of your income tax returns.

We must use our judgment in resolving questions where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions. In order to avoid penalties, we will apply the "more likely than not" reliance standard to resolve such issues. You agree to honor our decisions regarding the need to make protective disclosures in your returns.

Penalties of as much as \$100,000 can be imposed on you for failing to disclose participation in "reportable transactions," that is, certain arrangements the IRS has identified as potentially abusive. We will insist that all such transactions be properly disclosed to us for further disclosure to the IRS.

The law also imposes penalties when taxpayers understate their tax liability. If you have concerns about such penalties, please call us.

Your returns may be selected for audit by a taxing authority. Any proposed adjustments are subject to appeal. In the event of a tax examination, we can arrange to be available to represent you. Such representation will be a separate engagement for which an engagement letter will be provided to you. Fees and expenses for defending the returns will be invoiced in accordance with terms we agree on for that engagement.

Our fee for preparation of your tax returns will be based on the amount of time required at standard billing rates plus out-of-pocket expenses. All invoices are due and payable prior to electronic filing of your return or presentation to you for mailing. To the extent permitted by state law, a \$40 fee will be charged for any NSF check return to us by your bank.

We will retain electronic copies of records you supply to us along with our work papers for your engagement for a period of five years. After five years our electronic records will be destroyed. All of your original records will be returned to you with a copy of your return(s). You should keep the original records in secure storage.

To affirm that this letter correctly summarizes your understanding of the arrangements for this work, please sign the enclosed copy of this letter in the space indicated and return it to us in the envelope provided. We appreciate your confidence in us. Please call if you have questions.

Sincerely,

Visit us at www.facts-5.com

FACTS-5 

PAMELA C. TRAHAN, PRESIDENT
AZCO, INC. (d/b/a **FACTS-5**)

(Both husband and wife must sign for preparation of joint returns)



Taxpayer Signature:

Spouse Signature:

Date Signed:

Taxpayer Printed Name:

Spouse Printed Name:

Taxpayer SSN:

Spouse SSN:



FACTS-5

Consent for Use of Form 1040 Information

Federal law requires that this consent form be provided to you. Unless authorized by law, we cannot use, without your consent, your tax return information for purposes other than the preparation and filing of your tax return.

You are not required to complete this form. If we obtain your signature on this form by conditioning our services on your consent, your consent will not be valid. Your consent is valid for the amount of time that you specify. If you do not specify the duration of your consent, your consent is valid for one year.

(Check one)
Duration of Consent: ☐ One Year from this date ☐ Other _____

I/We _____, authorize **FACTS-5** to use any and all information having to do with my 2023 Tax Return for the purpose of:

- Investment advice to be given.
- Estate planning advice to be rendered.
- Electronic Filing of my 2023 Tax Return to a 3rd Party, Intuit, Inc. d/b/a ProSeries.
- Retirement planning advice.
- Social Security planning.
- Calling me to make an appointment or remind me of an appointment.
- Sending newsletters, birthday cards, etc.
- Text message me with tax alerts or information regarding my tax return.
- Acquisition and disposal information of stock, bonds and other assets with my financial advisor.
- General current and future tax advice.

(Cross through any not authorized)

If you believe your tax return information has been disclosed or used improperly in a manner unauthorized by law or without your permission, you may contact the Treasury Inspector General for Tax Administration by telephone at 1-800-366-4484, or by email at complaints@tigta.treas.gov.

Taxpayer Signature: _____

Date: ____/____/____

Visit us at www.facts-5.com

Spouse Signature: _____

Date: ____/____/____



(Both husband and wife must sign for preparation of joint returns)

Please make a copy of this signed form and return the original to our office at:

FACTS-5, 118 LeBlanc Street, Abbeville, Louisiana 70510

Or mail to: P.O. Box 698, Abbeville, LA 70511-0698

Or scan and email this document to: paige@facts-5.com



118 LeBlanc Street
P.O. Box 698
Abbeville, LA 70511-0698
Voice: 337-893-6798
FAX: 337-898-2787
pam@facts-5.com

Privacy Notice

Compliance with the Gramm-Leach-Bliley Act Public Law 106-102 (FTC 16 CFR Part 313)

To meet the requirements of the Gramm-Leach-Bliley Act of 1999, please be aware of the privacy policy of this firm.

We collect nonpublic personal information about you from the following sources:

- Information we receive from you on applications, tax preparation organizers, worksheets, and other documents we use in tax preparation or providing financial services, or other forms;
- Information about your transactions with us, our affiliates, or others; and
- Information we receive from a consumer reporting agency.

We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted by law or approved by you in writing (e.g. requirements to comply with federal, state or local law; requirements to comply with national, state or local licensing rules; requirements to disclose information in response to legal subpoenas; items you permit or request us to disclose, as authorized by you in writing; your electronically filed tax return(s), when applicable; information that you authorize us to disclose that discloses that you are our client, without disclosure of financial or other personal information).

We restrict access to nonpublic personal information about you to members of our firm who need to know that information to provide services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information. We retain records relating to the professional services that we provide you in accordance with accounting and government standards.

Your confidence and trust are important to us. If you have any questions or concerns regarding the privacy of your nonpublic personal information, please contact our firm at 337-893-6798.

Taxpayer Signature: _____

Date: ____/____/____

For a jointly filed tax return, BOTH taxpayers' signatures are required.

Spouse Signature: _____

Date: ____/____/____

Visit us at www.facts-5.com





Tax Year 2023

CONSENT FORMS PACKET

ACKNOWLEDGMENT OF RECEIPT

IMPORTANT: The attached consent forms are required to be completed prior to filing your **2023** tax return with the IRS. Please insure that you submit these forms in advance of your scheduled tax preparation appointment.

The undersigned hereby acknowledges receipt of the following documents, which provides information on how **FACTS-5** may use and process your **2023** tax documents:

Initial:

Client Information Worksheet

1040 - Individual Tax Return Engagement Letter

Consent For Use of Form 1040 Information

FACTS-5 Privacy Notice Disclosure

Return signed originals to:

FACTS-5, 118 LeBlanc Street, Abbeville, Louisiana 70510

Or mail to: P.O. Box 698, Abbeville, LA 70511-0698

Or scan and email this document to: paige@facts-5.com



Download e-Fillable Consent Forms
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FACTS-5[®]



Tax Tip\$ Newsletter

Attach Mailing Label Here

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2024

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Fax: 337-898-2787
Email: pam@facts-5.com

Tax Season Office Hours: January 29 - April 15, 2024
Mon-Fri 8:30M-5:00PM
Closed Saturday & Sunday
ShareFile Client Portal 24/7

Online @ <http://www.facts-5.com>



Appointment calendar is filling up FAST!

Call to schedule your tax appointment **TODAY!**

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