

Since 1977

R.E.J.'s ACCOUNTING & TAX SERVICE



The Jack Jacob Building
13740 Dix-Toledo Road
Southgate, MI 48195



Understanding 1099 Miscellaneous and 1099-NEC

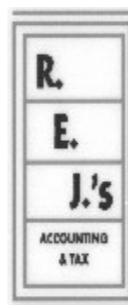
For clients who need 1099s, the IRS has separated nonemployee compensation onto a new form called the 1099-NEC for the 2022 tax year. Because of this, the IRS has revised Form 1099-MISC. If you filed 1099-MISC in the past, you should most likely choose Box 1- Nonemployee Compensation on the 1099-NEC. Ashley Sandelin is assisting [Maria DeAngelis](#) with all of these forms.

1099-NEC— Enter nonemployee compensation of \$600 or more. This includes fees, commissions, prizes and awards of services performed as a nonemployee. **1099-MISC**— Enter the amount of \$600 or more for all types of rent and any amount paid to any attorney. Gather your information and email Maria at mdeanglis@rejaccounting.com. She will be happy to help you. These forms are due by January 31. Be aware that penalties have increased.



Voice Mail System at REJ Now has Caller ID!

We have enhanced our phone system to allow you to confirm your pick-up appointment, change your pick-up appointment, or leave a message for your tax professional. If you are calling after business hours, the Voice Mail will give you the option to enter the extension numbers to reach each party. Robert is 210, Richard is 213, Francois or Ashley is 214, and Maria is 211. Our tax professionals will return your call within a day. If you have not heard from us, please call us at 734 284-8833 and a receptionist will put you in touch with one of our full-time accountants.



REJ's Returning and New Staff Celebrating Our 46th Year in Business

REJ's has maintained most of our staff positions and brought additional staff to better serve our clients in a safe environment. We are looking to bring back our "pay your fees out of your refund program."

Our returning staff includes enrolled agent (EA) Robert Jacob, a certified management accountant (CMA); tax accountant, Richard Witkowski, a registered tax preparer (RTTP); along with seasoned tax preparer Francois Michaud and Ashley Sandelin, accountant. Maria DeAngelis, our head bookkeeper, will also manage the office. Our returning front office staff includes: Lisa Arseneau, Rosie Stetz, Katalin Kovach, and Mark Kruso. They will be answering phones, filing, and scheduling pick-up appointments. Jocelyne Wendelken has retired.

Please look for your 2024 calendar and assigned drop-off week for a contactless drop-off in your newsletter mailing. If a personal appointment is necessary, such as sold a house, planning for retirement, or you have a complicated return this year, please call for a face-to-face appointment.

Please note that we will be giving you a **drop-off week** to drop off your documents— **not** a specific date. **See page 1 for your assigned drop-off week.** You can use our secure drop-off box located in the front of the building. It is locked and checked daily.

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Year End 2023 Newsletter 46th year in business

Welcome to REJ's 2023 Contactless Tax Season

REJ is dedicated to keeping clients and staff safe during the 2024 tax season. To ensure everyone's safety, REJ's tax season will be contactless, as much as possible.

If you need assistance, email is the preferred method of communication with your tax preparer.

You can email Bob at rjacob@rejaccounting.com, Rich at rwitkowski@rejaccounting.com, Francois at fmichaud@rejaccounting.com Ashley at asandelin@rejaccounting.com

Our preparers, Bob, Rich, Ashley and Francois will be processing most taxes by contactless drop-off, mail or email.

The front office will call you when your taxes are completed and schedule appointments for your pick up. Please see the pick-up procedure sheet enclosed with the newsletter.

The office will be open for business on Monday, January 29, 2024. Our new business hours

will be 10-6, Monday through Friday. Saturdays will be open on an as-needed basis from 10-3.

We will be closed on Sunday.

We appreciate and thank you for your cooperation with our new procedures. Hopefully, we will be able to keep safe as we conduct our tax business in 2024. **(734) 284-8833.**

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Tax Law Changes to Note

Forgiveness of \$10,000 student loan debt still being litigated.

Unemployment is fully taxable for 2023.

Child Tax Credit \$2,000 per qualifying child. .

Charitable contributions .must itemized to claim deduction in 2023

IRA and H.S.A. contributions can be made up to April 18, 2024, for the 2023 tax year. If you are 50 or older, you can catch up from \$6,500 to \$7,500 by April 15, 2024.

Mileage is 65.5 cents, Medical is 22 cents Charitable 14 cents

Standard Deduction went up to \$27,700 Married, \$13,850 Single and \$20,800 Head of Household, adjusted for inflation.

Things included	
*Tax Law Changes	1
Legacy of light ERC BBB	2
Tax Law changes (more)	3
*1099s	4
Returning staff	4
*Our warm wishes for a hopeful, healthy New Year.	



Direct Consulting One, LLC is Our Gold Sponsor for 2024.

Their phone number is **734-601-2800**

Employee Retention Credits

Last year REJ's teamed up with



to assist our business clients in getting the ERC for 2020 and 2021. Ashley Sandelin is our contact person here regarding these credits. Both the REJ's and DC1 were able to receive the credits; however, the IRS has put a moratorium on this until January of 2024 due to the massive fraud by unscrupulous players. Beware of companies guaranteeing results before they are fully aware of the law. They may ask for money before applying for the credit which may be unethical. Give Ashley a call if you believe you have been a victim of fraud by unscrupulous players. Our process bills once the credit is actually received by you, and we guarantee through our partner, Abedian + Totlian, CPAs, ten years of support and representation. It is critical that you apply for the credit no later than April, 2024. Call REJs if you need to apply, ask for Ashley.

Legacy of Light Award

The **Mary L. Jacob's Legacy of Light** award will be granted annually to a minimum of two Thriveology youths ages 14-17 who embody the characteristics of her light through community service and leadership within their peer groups.

For more information or to donate to this worthy scholarship, visit www.thriveology.org/donate. In keeping with the spirit of Mary Jacob, REJ's Accounting and Tax Service will accept donations to Thriveology and remit them to the Mary L. Jacob Legacy of Light scholarship fund in your name and on your behalf. Thriveology is a 501(c)3, and your donations are tax deductible.

In the past, Thriveology has had its fundraising party at the Motor City Casino's Iridescence Restaurant. We are hopeful that this event will occur again in 2024.

You can also contact Autumn Horton at

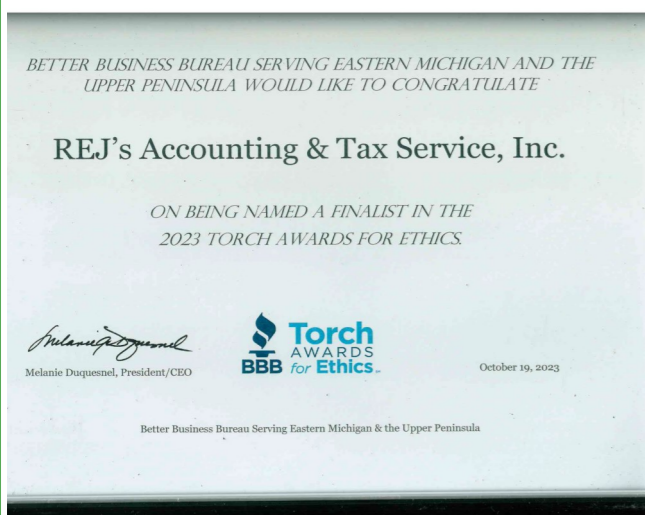
Thriveology, Inc.
 20681 Beaufait
 Harper Woods, MI 48225



David Grachek is my personal dentist and is also a MSU graduate.



REJ's has received a nice award from the BBB.



State and Federal Tax Law Changes for 2023 and Beyond

Federal Law changes finalized by Congress .

Standard deductions are as follows.

1. Those who are married and filing jointly will have an increased standard deduction of \$27,700, up from the \$25,900. **Single** taxpayers and those who are married and file separately now have a \$13,850 standard deduction, up from the \$12,950. For heads of households, the deduction will be \$20,800, up from \$19,400
2. The child tax credit has dropped back to \$2,000 per qualifying child who is under the age of 17 A \$500 credit is available for dependents who do not qualify for the larger credits.
3. The deduction for mortgage interest is capped at \$750,000 for mortgage loans. The limit is still \$1 million for mortgages that were established prior to December 15, 2017.
4. The itemized deduction for state and local taxes is limited to \$10,000 for both income and property taxes paid during the year. (no change)
5. Employees who participate in retirement plans such as 401(k), 403(b) most 457 plans, and the Thrift Savings Plan can now contribute as much as \$22,500, up from \$20,500.
6. The Annual exclusion for gifts jumped from \$16,000 to \$17,000.
7. Employee business expenses, including mileage and home offices, continue to be non-deductible. For those eligible, mileage rate is 65.5 cents per mile traveled
8. Independent contractors can continue to deduct business expenses on Schedule C.

Available to existing customers:

- * Alternate Minimum Tax
- * Business Entity Comparison Chart
- * Business Entity Pros and Cons
- * Business Expenses Worksheet
- * Business Financing - Don't Intermingle Funds
- * Business Use of Home
- * Cancellation of Debt - Insolvency
- * Capital Gains and Losses
- * Charitable Cash Donation Tracker
- * Education Tax Benefits
- * Employee or Independent Contractor
- * Identity Theft and Your Taxes
- * Kiddie Tax
- * Itemized Deductions Education Expenses
- * Itemized Deductions Homeowners
- * Itemized Deductions Interest Paid
- * Standard vs Itemized Deductions
- * Itemized Deductions Medical Expenses
- * Itemized Deductions Taxes Paid
- * Mileage and Expense Log
- * Multi-State Taxation
- * Pension Income Planning
- * Recordkeeping for Tax Purposes
- * Rental Income and Expense Worksheet
- * Rental Income and Expenses
- * Retirement Income
- * S Corporations
- * Small Business Health Care Tax Credit
- * Social Security and Medicare
- * Starting a Business

Tax Scams, Buy-Sell Agreements, and Business Management are some of our available publications.

The brochure page is updated thru 2022.