

# TAXWARE TIMES

WINTER 2023  
SINCE 1979



## Happy Holidays

FROM TAXWARE SYSTEMS

### Warmest greetings to our valued clients!

Thank you for being the most important part of who we are.

May your holidays be filled with peace and joy this season, and may the new year bring health and prosperity to you and your families.

Our sincere best wishes from Your Taxware Team.

### A LETTER FROM US

With the holidays right around the corner, this means another tax season is on its way. To prepare for this upcoming tax season we attended IRS Nationwide Tax Forums and a CERCA meeting in Virginia. It was there that we learned a great deal about the several extensions and increases to tax credits as well as how the IRS plans to implement these and many other legislative mandates.

We will give a brief overview of what we learned about Home Energy Credits, Virtual/Cryptocurrency, and 1099K updates for those that use apps like Venmo and Facebook Marketplace.

**Home Energy Credits** – In 2007 The Home Energy Credit provisions were set up to be temporary, carried various rates, maxed out at a lifetime limit of \$500, and were for your primary residence only. Over the years Congress has let them expire in some years and brought them back in other years with different rates. As part of the Inflation Reduction Act of 2022, these credits have been extended through 2032. If your clients are planning to or have installed Energy Star-rated windows, doors, etc., these changes may apply to them.

The other part of this non-refundable credit is titled “Residential Clean Energy Credit” which applies to solar electric, solar hot water, fuel cells, small wind energy, geothermal heat pump, qualified battery storage technology expenditure, and biomass fuel property installed in homes. In general, the credit will be 30% of the costs. For complete details always refer only to IRS publications because there is plenty of misguided information floating around on the internet that will confuse your clients.

[irs.gov/credits-deductions/home-energy-tax-credits](https://irs.gov/credits-deductions/home-energy-tax-credits)

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### HOLIDAY HOURS

Our office will be closed for the days listed below to celebrate the winter holiday season.

**CHRISTMAS DAY**  
December 25<sup>th</sup>, 2023

**NEW YEARS Day**  
January 1<sup>st</sup>, 2024

# TAXWARE SYSTEMS ANNUAL SEMINAR FOR THE 2023 TAX YEAR

## JOIN US!

TAXWARE SYSTEMS  
ANNUAL SEMINAR



REGISTER TODAY!  
DECEMBER 12TH & 13TH, 2023

[TAXWARESYSTEMS.COM/SEMINAR](https://taxwaresystems.com/seminar)

HOSTED ON



It's that time of year again! Mark your calendars for the Taxware Systems' Annual Seminar. We are thrilled to be able to reach and communicate with so many members of our Taxware family of clients at such a critical time of year. This webinar format is a great way to have all your office staff trained as well.

Four sessions for our Annual Seminar were held in November this year. Our partners presented information specifically for Taxware clients regarding the options they provide that might benefit your tax business. Protection Plus, Textellent, E-Pay and Republic Bank all shared their most updated programs.

These trainings were recorded and can be found here:  
[taxwaresystems.com/seminar](https://taxwaresystems.com/seminar)

## PROFORMA ORGANIZER

Download the updated Proforma Organizer today!

It is available on our website by clicking on the link below. Are you registered on our website? If so, and if we have your current email address, you already received an email notification from us with a link to this newsletter. Registering through the website gives you access to all available support tools

[taxwaresystems.com/users/clientLandingPage.asp](https://taxwaresystems.com/users/clientLandingPage.asp)

## BANK ENROLLMENT REMINDER!

**Don't Forget!** Now is the time to enroll with your selected bank if you choose to provide bank products as an option for your clients to pay your tax preparation fees.

[taxwaresystems.com/bank-enrollment-instructions](https://taxwaresystems.com/bank-enrollment-instructions)

Although it is still unknown when the official tax season will begin, Pre-Tax Season advances provided by the banks are usually available for your customers as early as January 2nd.

**Want to learn more about this option?**

Visit our webpage that explains the bank integrations provided through Wintax 1040.

[taxwaresystems.com/bank-products](https://taxwaresystems.com/bank-products)



## WINTAX 1040 PROGRAM DETAILED TRAINING

January 10<sup>th</sup>, 2024  
at 10AM PT

New to Taxware Systems? This is the training you and your staff will want to attend. This detailed training will take you step-by-step through creating a tax return and more.

**REGISTER HERE**

[bit.ly/WintaxDetailedTraining](https://bit.ly/WintaxDetailedTraining)



## TECH TIPS

### *Did you know?*

We have many training videos in Spanish that can help you and your staff get to know our programs?

They can be found here at:

[taxwaresystems.com/  
videos/#spanish-tutorials](https://taxwaresystems.com/videos/#spanish-tutorials)

Do you have a request for an additional video in English or Spanish?

Please send your request to  
[support@taxwaresystems.com](mailto:support@taxwaresystems.com).

### *Don't Forget!*

## PTIN APPLICATIONS & RENEWAL

Preparer tax identification number (PTIN) applications and renewals for 2024 are now being processed.

Instructions are linked here:

[irs.gov/tax-professionals/  
ptin-requirements-for-tax-return-preparers](https://irs.gov/tax-professionals/ptin-requirements-for-tax-return-preparers)

# ELEVATE YOUR TAX BUSINESS WITH PROTECTION PLUS!

Protection Plus understands the complexities of tax audits and notices, and they're on a mission to ease the burden for tax professionals and taxpayers alike. With their unwavering commitment to your peace of mind, they offer unparalleled support and services to help you manage tax notices with ease.



## WHY CHOOSE PROTECTION PLUS?

### ► \$1 Million Tax Audit Defense™

Your clients deserve confidence when filing their tax returns. With Protection Plus' \$1 Million Tax Audit Defense™, your clients have access to \$1,000,000 in services dedicated to resolving any tax notice, audit, or inquiry that may arise.

### ► Extended Support for Business Returns

Exciting news! Protection Plus now extends its exceptional services to eligible business returns. This includes Partnerships, S-Corp, and C-Corp Returns. Set your tax business apart by offering comprehensive support from the industry leader in audit defense.

### ► Reliable Tax Resolution Experts

Protection Plus provides your clients with a dedicated team of tax resolution experts who approach every tax notice, audit, or inquiry with care and respect. Their certified professionals are equipped to handle any issues that may come up with the State or IRS, ensuring a stress-free experience for you and your clients.

### ► Easy Registration

Ready to enhance your services with Protection Plus?

Getting started is simple! Contact them at (866) 942-8348 or register online at

**[taxprotectionplus.com/taxware-registration](https://taxprotectionplus.com/taxware-registration).**

Choose Protection Plus and empower your clients with confidence, knowing they have the best resolution support in the industry. Peace of mind starts with Protection Plus!

## TAXWARE SYSTEMS & REPUBLIC BANK SPA PROGRAM

We've got great news! Now is the best time to grab Taxware Systems tax preparation software through Republic Bank's SPA (Software Purchase Assistance).

With SPA by Republic Bank, you can get Taxware Systems with no down payment and no interest. It's a game-changer for tax professionals like you.

### Just a few of the reasons why:

- NO COST loan to purchase software
- Receive UP TO \$2,600
- Pay back with Tax Prep Fees
- ZERO down! ZERO fees!

### How does the SPA program work?

With the SPA program, Republic Bank will pay for your tax software package so you can take advantage of the EARLY pricing without having to pay upfront.

Once the new tax season begins, the Bank Product process works as normal except the amount due to Republic Bank will simply be deducted from your tax preparation fees until paid in full. You will be charged nothing more than the price of your tax software.

Don't miss this! Contact your Taxware Systems' Sales Representative today to learn more.

\*\*Past Bank Product history will be reviewed to determine individual qualification for this program.\*\*



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**YouTube**  
TAXWARE SYSTEMS



## PROGRAM RELEASE

The initial release of our 2023 Tax Year software will be available for download mid December through the **Client Login Portal** located on our website.

An announcement of the exact date will be made via email and within the messages of your programs.

[taxwaresystems.com/users/clientLandingPage.asp](https://taxwaresystems.com/users/clientLandingPage.asp)



As a client of Taxware Systems you are entitled to receive 10-25% off all TheTaxBook products and free shipping year-round! When ordering, be sure to use Taxware's Promo Code to ensure you receive the negotiated discount.

Order at: [thetaxbook.com/TaxwareSystems](https://thetaxbook.com/TaxwareSystems)  
Taxware Promo Code: 785

Learn more using the link below about the 5 Free Services included with every order.

[taxwaresystems.com/thetaxbook](https://taxwaresystems.com/thetaxbook)

## TAXWARE OUT & ABOUT

Year-end holidays occur at the same time our programmers are busy working on new tax forms with the IRS. So, we generally hold our Christmas party in the summer or fall.

In past years we have taken in dinner and a show at Medieval Times, and celebrated at Top Golf. This year the Taxware Team enjoyed dinner and playing unlimited arcade games at Dave & Busters.

We were thrilled to celebrate Sal, our sales team manager, as his birthday fell on the same day. It is always a great time when we get together and just enjoy each others company. We are already looking forward to next year's adventures.



# TAXWARE SYSTEMS REFER-A-FRIEND PROGRAM

## \$25 OFF

YOUR SOFTWARE RENEWAL  
FOR EACH REFERRAL THAT  
DEMOS WITH OUR TEAM.

&

## \$100 OFF

YOUR SOFTWARE RENEWAL  
WITH THEIR PURCHASE.

Each referral will also enter you into a raffle at our annual webinar!

You can send us your referrals through our website at [taxwaresystems.com/refer-a-friend](https://taxwaresystems.com/refer-a-friend) or have them call us at **800.877.1065**. Make sure they tell us you sent them!

### WAYS TO SHARE YOUR LOVE FOR TAXWARE SYSTEMS!

- ♥ Write a review on our Facebook page.
- ♥ Send an email
- ♥ Phone-a-Friend
- ♥ Leave us a Google review



## A LETTER FROM US CONTINUED

**Virtual Currency Transactions** – When cryptocurrency, digital assets, bitcoin, etc., first came into the tax implication scene there were a lot of areas left undefined by the IRS. Over the last few years that has changed significantly.

The IRS has provided the term Digital Assets to broadly define any digital representation of value. They have determined that digital assets are to be handled like property and are to be reported and handled like trading stocks. Your gain or loss is determined by the price at sale minus the basis (Cost). One of the most important IRS clarifications is that if your basis is not documented then your basis is zero. If you have clients that work with crypto it will be critical for them to provide you with documentation of what they paid for it. If you work with one of the major crypto financial platforms (i.e., Robinhood) they should track that information for you.

Gain/loss=sales price - basis (cost)

Another clarification declares that if you receive digital assets in exchange for goods or services it will be treated as ordinary income like W2 wages. The amount of reported ordinary income becomes your basis in that digital asset so that if or when you sell that digital asset it will adjust your overall gain or loss. Losses, like other property transactions, are limited to \$3,000 per year.

Digital assets received as a gift or a reward for joining an organization need to be reported as ordinary income in equivalent US currency. This will become the basis and you will need to document this for any future sale.

If your digital assets do not have a taxable event in a given year (i.e., like stocks you just held) then you do not need to include the digital assets on the IRS Form 1040.

We expect there will be much more to come as the IRS continues to evolve with further instructions about digital assets. Here is where the most up-to-date information can be found:

[bit.ly/irs-digital-assets](https://bit.ly/irs-digital-assets)

**1099K** – The IRS determinations on this topic continue to evolve daily. At the time of this publication, the IRS had just taken steps to delay the implementation of the \$600 reporting threshold for the 2023 tax year. For your most accurate information, we recommend visiting:

[bit.ly/1099k-reporting-threshold-delay](https://bit.ly/1099k-reporting-threshold-delay)

We highly recommend that you sign up for IRS e-News Subscriptions to be sent to your email inbox, as this is the most accurate way to have the most recent tax law changes and instructions in your hand when changes are made. You can sign up here:

[irs.gov/newsroom/e-news-subscriptions](https://irs.gov/newsroom/e-news-subscriptions)

This information is in no way expected to be final legal advice, rather it is a simple summary of the information received from the meetings we have attended.

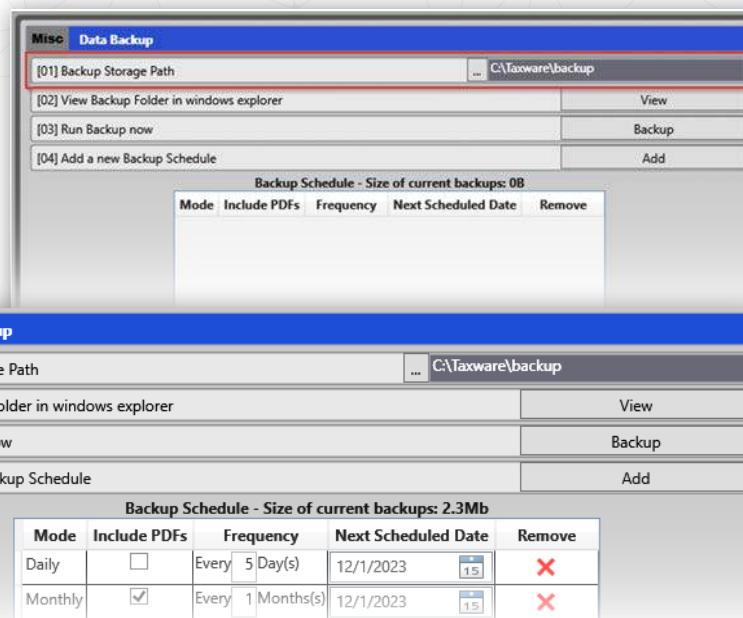
## PROGRAM SPOTLIGHT: BACKUP SCHEDULER

Prevent data loss this tax season by backing up your data regularly using our backup feature. Set up a customized backup location to keep your files safe. Run backups as necessary or create a backup schedule to match your business needs.

Our Backup feature is available on our Individual and Business programs. If you need assistance setting up the Backup Scheduler call us at 909.931.3131 and one of our technicians will help you through the process.

To learn more about the Backup Scheduler visit our blog which contains setup instructions and a tutorial video.

[taxwaresystems.com/  
tech-tips-backup-scheduler](https://taxwaresystems.com/tech-tips-backup-scheduler)





## THE COMPLETE CLIENT COMMUNICATION TOOL

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TaxComm is wherever you are and allows you to communicate with your clients effectively, regardless of where in the world you may be.

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REQUESTS



SECURE  
MESSAGES



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