

# 2022 National Income Tax Workbook

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## Chapter 12: 2022 New and expiring legislation



# New legislation

P. 462

- **DISCLAIMER:**
- **EDITED AND CONDENSED**
- **READ THE ENTIRE TEXT BEFORE RELYING ON IT**

# Agricultural and Natural Resource Issues

PP. 462-463

- Notice 2022-13 I.R.C. § 6654 Estimated Tax Penalty
  - Farmers & fishers get estimated tax penalty abatement relief.
- Notice 2021-55 I.R.C. § 1033 Involuntary Conversions – Livestock replacement
  - Drought counties get replacement period extension I.R.C. § 1033(e) for livestock sold

# Inflation Reduction Act Section

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- Chapter slides use
- IRA §

# Business Entity Tax Issues - Corporations

P. 463

Inflation Reduction Act **IRA** §§ 10101, 13904 I.R.C. §§ 55,56A, 59

- Alternative Minimum Tax use Adjusted Financial Statement Income
- Adjusted financial statement income of applicable corporations.(\$1billion for last 3 years before AMT)

■ T.D. 9954 I.R.C. § 301 Corporations

- Distributions to its SH = fair market value of the property per updated regs.

# Business Entity Tax Issues

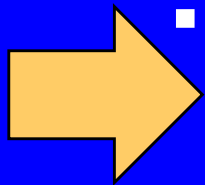
P. 464

- **IRA** §§ 10201 I.R.C. § 4501 Corporations - Excise tax on the repurchase (\$1 Million) of stock by covered corporation
- Office of Chief Counsel Memorandum 20221101F I.R.C. § 6033 Nonprofit
  - If a tax-exempt organization filed Form 990-N but was not eligible & improperly submitted that form for 3 or more years, its tax-exempt status may be revoked, even if IRS did not notify organization of nonfiling & pending revocation.

# Pass-through entities

PP. 464-465

- Schedules K-2 and K-3
  - Pass-through entities with international tax items must file Schedules K-2 & K-3
  - Income & foreign tax credits for the partnership
  - K-3 broken down by partner
  - Partner gives PTS foreign income, PTS must file K-3, even with zero amounts in K-3
  - File by due date of return



# Pass-through entities Schedules K-2 (Foreign income

**SCHEDULE K-2 (Form 1065) Partners' Distributive Share Items—International**

Department of the Treasury Internal Revenue Service

Attach to Form 1065. Go to [www.irs.gov/Form1065](http://www.irs.gov/Form1065) for instructions and the latest information.

OMB No. 1545-0123

**2022**

Name of partnership \_\_\_\_\_ Employer identification number (EIN) \_\_\_\_\_

**A** Is the partnership a withholding foreign partnership?  
 Yes  No If "Yes," enter your WP-EIN: \_\_\_\_\_

**B** Is the partnership (including the home office or any branch) a qualified derivatives dealer?  
 Yes  No If "Yes," enter your QI-EIN: \_\_\_\_\_

**C** Check to indicate the parts of Schedule K-2 that apply.

	Yes	No		Yes	No
1 Does Part I apply? If "Yes," complete and attach Part I . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	7 Does Part VII apply? If "Yes," complete and attach Part VII . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
2 Does Part II apply? If "Yes," complete and attach Part II . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	8 Does Part VIII apply? If "Yes," complete and attach Part VIII . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
3 Does Part III apply? If "Yes," complete and attach Part III . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	9 Does Part IX apply? If "Yes," complete and attach Part IX . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
4 Does Part IV apply? If "Yes," complete and attach Part IV . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	10 Does Part X apply? If "Yes," complete and attach Part X . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
5 Does Part V apply? If "Yes," complete and attach Part V . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	11 Does Part XI apply? If "Yes," complete and attach Part XI . . . . .	<input type="checkbox"/>	<input type="checkbox"/>
6 Does Part VI apply? If "Yes," complete and attach Part VI . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	12 Reserved for future use . . . . .	<input type="checkbox"/>	<input type="checkbox"/>

**Part I Partnership's Other Current Year International Information**

Check box(es) for additional specified attachments. See instructions.

<input type="checkbox"/> 1. Gain on personal property sale	<input type="checkbox"/> 5. High-taxed income	<input type="checkbox"/> 8. Form 5471 information	<input type="checkbox"/> 11. Dual consolidated loss
<input type="checkbox"/> 2. Foreign oil and gas taxes	<input type="checkbox"/> 6. Section 267A disallowed deduction	<input type="checkbox"/> 9. Other forms	<input type="checkbox"/> 12. Reserved for future use
<input type="checkbox"/> 3. Splitter arrangements	<input type="checkbox"/> 7. Form 8858 information	<input type="checkbox"/> 10. Partner loan transactions	<input type="checkbox"/> 13. Other international items (attach description and statement)
<input type="checkbox"/> 4. Foreign tax translation			

**Part II Foreign Tax Credit Limitation**

Section 1. Gross Income



# Pass-through entities

PP. 464-465  
Schedules K-2

- Additional Parts of Form K-2
- Part 2 Gross Income & Deductions
- Part 3 Prep 1116 or 1118
- Part 4 § 250 Foreign Derivatives of Intangibles form 8993
- Part 5 Distributions of Foreign Corps to PS
- Part 6 Sec. 951(a)(1) and Sec. 951A Inclusion
- Part 7 Form 8621 PFIC, Qualified Electing Fund & QIC
- Part 8 Foreign Corp Ins. Sec. 960
- Part 9 Base Erosion & Anti-abuse §59A
- Part 10 Character & Source of Income - Allocation
- Part 11 §871(m)

<p><b>Schedule K-3 (Form 1065)</b></p> <p>Department of the Treasury Internal Revenue Service</p>	<p><b>Partner's Share of Income, Deductions, Credits, etc.—International</b></p> <p>For calendar year 2022, or tax year beginning <input type="text"/> / <input type="text"/> / 2022 , ending <input type="text"/> / <input type="text"/> / <input type="text"/></p> <p>See separate instructions.</p>	<p>OMB No. 1545-0123</p> <p style="font-size: 2em; font-weight: bold;">2022</p>																																										
<p><input type="checkbox"/> Final K-3      <input type="checkbox"/> Amended K-3</p>																																												
<b>Information About the Partnership</b>		<b>Information About the Partner</b>																																										
<p><b>A</b> Partnership's employer identification number (EIN)</p>		<p><b>C</b> Partner's SSN or Taxpayer Identification Number (TIN) (Do not use TIN of a disregarded entity. See instructions.)</p>																																										
<p><b>B</b> Partnership's name, address, city, state, and ZIP code</p>		<p><b>D</b> Name, address, city, state, and ZIP code for partner entered in C. See instructions.</p>																																										
<p><b>E</b> Check to indicate the parts of Schedule K-3 that apply.</p>																																												
		<table border="1" style="float: right; border-collapse: collapse;"> <thead> <tr> <th style="width: 20px;"></th> <th style="width: 40px;">Yes</th> <th style="width: 40px;">No</th> </tr> </thead> <tbody> <tr><td style="text-align: center;">1</td><td style="text-align: center;"><input type="checkbox"/></td><td style="text-align: center;"><input type="checkbox"/></td></tr> <tr><td style="text-align: center;">2</td><td style="text-align: center;"><input type="checkbox"/></td><td style="text-align: center;"><input type="checkbox"/></td></tr> <tr><td style="text-align: center;">3</td><td style="text-align: center;"><input type="checkbox"/></td><td style="text-align: center;"><input type="checkbox"/></td></tr> <tr><td style="text-align: center;">4</td><td style="text-align: center;"><input type="checkbox"/></td><td style="text-align: center;"><input type="checkbox"/></td></tr> <tr><td style="text-align: center;">5</td><td style="text-align: center;"><input type="checkbox"/></td><td style="text-align: center;"><input type="checkbox"/></td></tr> <tr><td style="text-align: center;">6</td><td style="text-align: center;"><input type="checkbox"/></td><td style="text-align: center;"><input type="checkbox"/></td></tr> <tr><td style="text-align: center;">7</td><td style="text-align: center;"><input type="checkbox"/></td><td style="text-align: center;"><input type="checkbox"/></td></tr> <tr><td style="text-align: center;">8</td><td style="text-align: center;"><input type="checkbox"/></td><td style="text-align: center;"><input type="checkbox"/></td></tr> <tr><td style="text-align: center;">9</td><td style="text-align: center;"><input type="checkbox"/></td><td style="text-align: center;"><input type="checkbox"/></td></tr> <tr><td style="text-align: center;">10</td><td style="text-align: center;"><input type="checkbox"/></td><td style="text-align: center;"><input type="checkbox"/></td></tr> <tr><td style="text-align: center;">11</td><td style="text-align: center;"><input type="checkbox"/></td><td style="text-align: center;"><input type="checkbox"/></td></tr> <tr><td style="text-align: center;">12</td><td style="background-color: #cccccc;"></td><td style="background-color: #cccccc;"></td></tr> <tr><td style="text-align: center;">13</td><td style="text-align: center;"><input type="checkbox"/></td><td style="text-align: center;"><input type="checkbox"/></td></tr> </tbody> </table>		Yes	No	1	<input type="checkbox"/>	<input type="checkbox"/>	2	<input type="checkbox"/>	<input type="checkbox"/>	3	<input type="checkbox"/>	<input type="checkbox"/>	4	<input type="checkbox"/>	<input type="checkbox"/>	5	<input type="checkbox"/>	<input type="checkbox"/>	6	<input type="checkbox"/>	<input type="checkbox"/>	7	<input type="checkbox"/>	<input type="checkbox"/>	8	<input type="checkbox"/>	<input type="checkbox"/>	9	<input type="checkbox"/>	<input type="checkbox"/>	10	<input type="checkbox"/>	<input type="checkbox"/>	11	<input type="checkbox"/>	<input type="checkbox"/>	12			13	<input type="checkbox"/>	<input type="checkbox"/>
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13	Does Part XIII apply? If "Yes," complete and attach Part XIII . . . . .																																											

# K-3 Line XIII Foreign PTR sale or exchange of PS interest

<b>Part XIII Foreign Partner's Distributive Share of Deemed Sale Items on Transfer of Partnership Interest</b>			
<b>A</b> Date of transfer of the partnership interest	<b>B1</b> Percentage interest in the partnership transferred	<b>B2</b> Number of units in the partnership transferred	<b>B3</b> Reserved for future use
<b>C</b> Check if: 1 <input type="checkbox"/> Capital 2 <input type="checkbox"/> Preferred 3 <input type="checkbox"/> Profits 4 <input type="checkbox"/> Other			
			<b>Partner's Distributive Share</b>
1	Total ordinary gain (loss) that would be recognized on the deemed sale of section 751 property . . . . .	1	
2	Aggregate effectively connected ordinary gain (loss) that would be recognized on the deemed sale of section 751 property . . . . .	2	
3	Aggregate effectively connected capital gain (loss) that would be recognized on the deemed sale of non-section 751 property . . . . .	3	
4	Gain (loss) that would be recognized under section 897(g) on the deemed sale of U.S. real property interests . . . . .	4	
5	Check this box if the amount provided on line 2 or 3 is determined (in whole or in part) under Regulations section 1.864(c)(8)-1(c)(2)(ii)(E) (material change in circumstances rule for a deemed sale of the partnership's inventory property or intangibles) . . . . . <input type="checkbox"/>		

Draft instructions 34 pages

Penalty waivers for 2021, check 2022

# Business Tax Issues -Credits

PP. 465-466

- **IRA** § 13902 I.R.C. § 41 Research Credits -\$250,000  
Research credit can be claimed against payroll taxes (Medicare taxes)
- Infrastructure Investment & Jobs Act § 80604 I.R.C. § 3134 Employee Retention Cr.
  - Only a recovery startup business can claim employee retention credit after 3rd quarter of 2021.
  - (Michigan law does not have govt. shut down in 3<sup>rd</sup> qtr 2021 or later) No 3<sup>rd</sup> qtr or later

# Business Tax Issues

PP. 466-467

- Notice 2021-65 I.R.C. § 3134 Credits
  - IRS issued guidance for employers who claimed the employee retention credit before it was retroactively repealed in the fourth quarter of 2021.
- Notice 2021-63 I.R.C. § 274 Deductions
  - Allows taxpayer to treat meal portion of a per diem rate as an expense for a restaurant meal that is eligible for the 100% deduction.

# Business Tax Issues

P. 467

- IR 2022-124 Announcement 2022-13 I.R.C. § 162  
Deductions
  - The IRS raised the standard mileage rates for the last two quarters in 2022; \$0.625 per mile as of July 1
  - Military mileage raised to \$0.22; Charitable same
- Rev. Proc. 2022-13 I.R.C. § 7436 Employment Tax-  
IRS claims employee, IRS has issued guidance on requesting a review of a worker reclassification determination.

# Not in the Book Per diem Notice 2022-44 Special Per Diem rates

- **Years 2022-23** Transportation industry Oct 1, 2022
- (1) the special transportation industry meal and incidental expenses (M&IE) rates
  - non-high-cost localities are \$204. Meals same \$74
  - high-cost localities within CONUS, which are listed in the notice, are \$297, Meals same \$64
- (2) rate for the incidental expenses only deduction same at \$5.00, &
- (3) rates for CONUS \$69 for transportation industry

# Business Tax Issues PPP

Loans =tax-exempt inc.

P. 468

- Rev. Proc. 2021-48 Income
- Explains timing of tax-exempt income from the Paycheck Protection Program loan forgiveness for purposes of certain gross receipt tests.
  
- **Rev. Proc. 2021-49** I.R.C. §§704, 705, 1502 Income
  - Provides guidance for partnerships that received PPP loan forgiveness.



# Business Tax Issues

P. 468-469

- American Rescue Plan Act § 9674  
I.R.C. § 6050W Information Reporting
  - 1099-K Threshold for 2022 \$600
  - The payment transaction reporting threshold is lowered beginning in 2022. VENMO has category Friends & Family

# Business Tax Issues

pp. 468-469

- **IRA** § 13903 I.R.C. § 461, Losses
  - Non-corporate TPs **Excess Business Losses** are disallowed is extended through 2028.
  - EBL limitation applies to noncorporate taxpayers, such as individuals, trusts and estates,
  - No “business” loss in excess of **\$270,000 for single filers or \$540,000 for married joint filers** for the tax year 2022, indexed annually.

# Business Tax Issues

PP. 469-470

- **C.C.A. 202151005 I.R.C. §§ 469, 1402 Self-Employment Tax**
  - SE tax may not be determined by a rental activity or a nonrental activity under the passive activity loss rules
  - Rules for short term rentals (7 days)
  - Substantial services are the issue

# Ethics – Due Diligence

P. 470

- **C.C.A. 202125009** I.R.C. § 6700 Due Diligence
  - IRS defines types of fraudulent statements that can result in imposition of a penalty on a promoter of an abusive tax shelter.
  
  - Applies to members, employees, or employees of promoter who makes false claims about tax benefits

# Individual tax issues -Credits

P. 471

- **IRS FAQs and Fact Sheet 2021-218** I.R.C. § 24 **Child Tax Credits**
  - Information on the 2021 child tax credit, & advance payments  
Additional credits when filing return. Repayment required only if income threshold was met
- **Inflation Reduction Act § 12001** I.R.C. § 36B **Premium Tax Credits** - extends PTC to over 400% of poverty level per ARPA rules

# International Tax Issues- Foreign Taxes

P. 471

- T.D. 9959 I.R.C. §§ 901, 903, and other code sections  
Final regulations impose limits on the foreign tax credit.
  - TP must consider limits on credit if payment was subject to dividend received deduction
  - Foreign tax defined & payment in lieu of foreign income tax

# IRS issues – FAQs & Taxpayer Advocate

PP. 472-473

- I.R. 2021-202 Updated FAQs & prior ones by date issued  
- IF TP relied on FAQ, reasonable cause to waive the penalty, but law cannot be ignored
- Memorandum for Taxpayer Advocate Service Employees  
I.R.C. § 7803, I.R.M. § 13.1.7 Taxpayer Advocate Service
  - When Taxpayer Advocate Service will accept cases under criteria 9, public policy

Tax Exempt revocation because of failure to file  
Account related issues from Congressional office  
except Unemployment or Advanced child tax credit  
Passport denial, Referrals to private collection

# IRS issues - Cryptocurrency

P. 473

- Infrastructure Investment and Jobs Act § 80603  
I.R.C. § 6045 Virtual Currency
  - New information reporting requirements for digital assets will apply *after* December 31, 2023.
  - Broker reports sale or exchange





# Irs issues - Cryptocurrency

P. 473

- Taxable event on the fair market value of the asset they generate on the date of receipt:
  - Mining income
  - Crypto staking
  - Hard forks or AirDrops
  - Interest earnings
- Games



# New legislation – energy credits extended 1/1/25

P. 473

- **IRA** § 13101 I.R.C. § 45Y Clean Energy Production Credit
  - & modifies credit for electricity produced from certain renewable resources.
  - Extends start construction until Jan 1 2025
  - Prevailing wage & % apprentices
  - Not in book - Zero green house gas

# New legislation- Energy security - credits

P. 473 & 4

- Section lists **IRA** § & I.R.C. §
- Names are changed - Clean Electricity Investment Credit
- 2022 generally is same law, **In red when effective for this filing season**

# New legislation- Energy security - credits

P. 473 & 4

- IRA § 13102 I.R.C. § 48 Clean Electricity Investment Credit
- Extended from 2024 certain energy property which will extend to 2035

Qualified property < energy storage technology, qualified biogas property & microgrid controllers

Increased cr. with prevailing wage & % apprentices

IRA § 13103 I.R.C. § 48E Clean Electricity Investment Cr.

- Increases energy cr. for solar and wind facilities with low-income communities or Indian land

# New legislation – energy security

P. 474

- IRA § 13301 I.R.C. § 25C, Energy Efficient Home Improvement Credit thru 2032
  - Cr. extends, increases, and modifies nonbusiness energy property credit. **Old law all of 2022**

# New legislation – energy security

P. 474

- IRA § 13301 I.R.C. § 25C, Energy Efficient Home Improvement Credit 2023 thru 2032
  - Annual limits 30% for 3 types of property on any US residence of TP =\$1,200 for total
    - \$600 for residential energy property- check statute
    - \$600 windows for all exterior windows & skylights
    - \$250 for a door, \$500 for all doors
  - \$2,000 heat pumps & biomass stoves boilers
  - \$150 energy audits

# New legislation – energy security

P. 474

- IRA § 13302 I.R.C. § 25D Residential Clean Energy Credit - extended thru 12/31/32
  - 30% for **2022-32** solar & fuel cell & adds qualified battery storage technology for 2023 - 2032

# New legislation – energy security

P. 474

- IRA § 13303 I.R.C. § 179D, Commercial Building
  - Standards for the energy-efficient commercial buildings lowered to 25% for expensing for 2023.
  - Meet prevailing wage and apprenticeship requirements



# New legislation – Energy Security- Builder of Home

PP. 474-475

- IRA § 13304 I.R.C. § 45L, New Energy Efficient Home Credit
  - Increases & modifies the new energy efficient home credit thru 12/31/32.
- IRA § 13401 I.R.C. § 30D, Clean vehicle credit
  - Plug in electric vehicles & eliminate per-manufacturer limit after 2022
  - Standards for \$3,750 mineral requirements plus \$3,750 battery components.
  - Dealer must report data to IRS  
Modifies the tax credit for clean vehicles  
Final assembly in US

# New legislation – Used

## Clean vehicle credit -2024 P. 475

- IRA § 13402 I.R.C. § 25E, Energy Security -Used vehicles
  - Allows tax credit for previously owned clean vehicles up to \$4,000.
  - AGI limits
  - Sales price must be \$25,000 or less & owned more than 2 years
  - Seller must be dealer
  - Buyer not dependent
  - Sunsets 2032
  - In 2024 can elect to transfer to dealers & IRS will make advance payment to dealers

# New legislation – Qualified Commercial vehicles

P. 475

- IRA § 13403 I.R.C. § 45W, Cr. for Qualified Commercial Clean Vehicles
  - Allows credit for qualified commercial clean vehicles thru 2032.
  - Lesser of 15% of cost (30% if not gas or diesel) or incremental cost of vehicle
  - Up to \$7,000 if < 14,000 pounds
  - Up to \$40,000 for heavier vehicles
  - Mobile machinery (defined by IRC 4053(8) & qualified commercial fuel cells vehicles qualify
  - Meet manufacturers qualifications
  - Sunset 2032

# Retirement Tax Issues- PP. 476-478

## Substantial equal payments

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- Notice 2022-6 I.R.C. § 72(t) Additional Tax on Early Distributions
  - IRS has provided updated guidance on when a distribution is a substantially equal periodic payment for purposes of avoiding the 10% additional tax on early distributions.
  - Actuary should determined payout of 5% floor on annuity payment

# Retirement Tax Issues – \$ OF DISTRIBUTION PP. 476-478

Reg-105954-20 I.R.C. §§ 401, 402, 403, 408, 457, 4974

## Distributions to a Beneficiary

- IRS has issued proposed regulations on required minimum distributions from qualified plans.
- Example 12.1 Determining Applicability of SECURE Act – One Beneficiary
- Example 12.2 Determining Applicability of SECURE Act – Multiple Beneficiaries

# Retirement Tax Issues – \$ OF DISTRIBUTION PP. 476-478

Reg-105954-20 I.R.C. §§ 401, Distributions to a Beneficiary

- Example 12.1 Determining Applicability of SECURE Act – One Beneficiary
- Facts: Ellen died in 2017 & left 401(k) to 40 year old son
- He elects life expectancy payout & dies in 2024 (after SECURE Act)
- Conclusion: Beneficiary must distribute with 10 years ( No excise tax in 21 or 22)

# Retirement Tax Issues – \$ OF DISTRIBUTION PP. 476-478

Reg-105954-20 I.R.C. §§ 401, 402, 403, 408, 457, 4974

Distributions to a Beneficiary

- Example 12.2 Determining Applicability of SECURE Act – Multiple Beneficiaries

John died in 2019 & left to trust

SECURE will apply to distribution from trust to oldest beneficiary if he dies after effective date for that plan

# Retirement Tax Issues - RMD

PP. 478-479

- T.D. 9930 I.R.C. § 401 Required Minimum Distributions
  - Revised life expectancy tables apply to calculate required minimum distributions in 2022.
  - Reset to longer life expectancy in 2022

Example 12.3 Recalculating RMDs inherited  
IRA 12/31/xx balance

LIFE WENT FROM 26.6 TO 28.6



# Not in Book Notice 2022-53

- IRS published **Notice 2022-53**,
- modifications to inherited Defined Contribution plans & IRAs
- Year of Death- RMD to owner or estate
- For 2020 & 2021, Inherited IRA from which owner had been required to take RMD, beneficiary owner will not be penalized for not taking RMD per proposed regs.

# Not in Book Notice 2022-53

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- IRS published **Notice 2022-53**,
- modifications to inherited Defined Contribution plans & IRAs
- Secondary beneficiary- death of first beneficiary after 12.31.2019
- 2023 must take RMD per final regs to be issued

# Not in Book I.R. 2022-201

## Qualified Charitable Distributions (QCD)

- IRA owners age 70½ or over can transfer up to \$100,000 to charity tax-free each year.
- TPs do not itemize QCDs as it was never taxed. If at least 72, QCDs count for required minimum distribution (RMD) for the year
- Note: First distribution for any year = RMD. So, if you want to make QCD = RMD, distribute to charity first

# Tax Practice and procedure

PP. 479-481

- Rev. Proc. 2022-12 Filing for 2021 claim credit
  - Simplified filing procedures if not required to file federal income tax returns to claim the child tax credit, the 2021 recovery rebate credit, & to claim the earned income credit.
  - Practitioner Note: Time to File for 2021

P.M.T.A. 2022-005 I.R.C. §§ 6651, 6652

- A filer who submits paper returns when required to file electronically is subject to penalties.

# Trusts and estates

PP. 481-482

- REG-118913-21 I.R.C. § 2010 Gifting
  - Proposed regulations would provide exception to rule that protects gifts made before 2026 if there is a lesser basic exclusion amount in the year of death.
  - Example 12.4 Includable Gift- Life insurance with Basic exclusion amount (BEA) of \$6,800,000

REG-130975-08 I.R.C. § 2053 Gifting

- Proposed regulations provide guidance on estate tax deductions.
- Present value discount of mortgages

# Trusts and estates

PP. 482-483

- Rev. Proc. 2022-32
  - The IRS has provided a simplified method to obtain an extension of time to file an estate tax return to make the portability election.
  - 5 years from the date of death

# Withholding and Estimated Taxes

PP. 483-484

- COVID Tax Tip 2021-99
    - Guidance for submission of deferred social security taxes when an employer uses a third-party payer.
- P.M.T.A. 2021-07 Coronavirus Aid, Relief, and Economic Security Act (CARES Act) §2302(a)(2); I.R.C. § 6656
- Failure to pay a portion of deferred employment taxes invalidates deferral & failure-to-deposit penalty may be applicable to the entire deferred amount.

# Withholding and Estimated Taxes

P. 484

- C.C.A. 202129007
  - A taxpayer can instruct IRS to allocate a quarterly federal tax deposit to a specific payroll. Voluntary, in writing & at time of payment

Notice 2021-53 Families First Act; I.R.C. §§ 3131, 3132

- The IRS issued guidance for employers reporting 2021 qualified sick and family leave wages.



# Withholding and Estimated Taxes

P. 485

- T.D. 9953 I.R.C. §§ 3131, 3132, 3134
  - Excess employment tax refunded under ARPA is an erroneous refund.
  - IRS authorized to assess and collect refund

# Table of expiration dates

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- Lists tax provisions that expired in 2022, will expire in 2023 to 2031, or have recently been made permanent. **Figure 12.1** is based on a list prepared by the staff of the Joint Committee on Taxation.
- See Figure 12.1 Expiration Dates of Tax Provisions
- 2022 Premium Assistance Tax Credit Enhancements
- 2022 100% deduction for business meal provided in restaurant

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Questions ??