



Current Federal Tax Developments

May 22, 2023

Kaplan Financial Education



Copyright 2023, Kaplan Inc.

This Week We Look At:

Supreme Court rules in favor of IRS on issue of when notice must be sent when the IRS issues a third-party summons

IRS agent gets distracted by small issues, fails to investigate potentially much larger one and it costs the IRS at Tax Court

IRS announces 2024 HSA and excepted benefit HRA inflation adjusted amounts

2

<https://www.currentfederaltaxdevelopments.com>





Supreme Court Holds Notice of Summons Exception Not Limited by Lack of Legal Interest



Photo by [Sander Sammy](#) on [Unsplash](#)

- *Polselli v. IRS*, US Supreme Court, Case No. 21-1599, May 18, 2023
 - Generally, the IRS must give notice to any person identified in a summons under IRC §7609(a)(1)
 - However, under IRC §7609(c)(2)(D) exceptions exist for certain collection cases
 - But does this apply to deny notice to parties named if the delinquent taxpayer has no legal interest in the account or records?

3

<https://www.currentfederaltaxdevelopments.com>



<https://www.currentfederaltaxdevelopments.com/blog/2023/5/19/supreme-court-upholds-irs-power-recent-decision-on-summuses-and-notice-requirements>



Supreme Court Holds Notice of Summons Exception Not Limited by Lack of Legal Interest



Photo by [Sander Sammy](#) on [Unsplash](#)

- *Polselli v. IRS*, US Supreme Court, Case No. 21-1599, May 18, 2023
 - Sixth, Seventh and Tenth Circuits ruled that no legal interest was required to trigger this exception
 - Ninth Circuit ruled the opposite, requiring the delinquent taxpayer to have some legal interest in the object of the summons
 - SCOTUS takes up the Sixth Circuit case to resolve the split in the Circuits
 - Becomes an issue of statutory interpretation

4

<https://www.currentfederaltaxdevelopments.com>



<https://www.currentfederaltaxdevelopments.com/blog/2023/5/19/supreme-court-upholds-irs-power-recent-decision-on-summonses-and-notice-requirements>



Supreme Court Holds Notice of Summons Exception Not Limited by Lack of Legal Interest

IRC §7609(a)(1)

(a) Notice.

(1) In general. If any summons to which this section applies requires the giving of testimony on or relating to, the production of any portion of records made or kept on or relating to, or the production of any computer software source code (as defined in section 7612(d)(2)) with respect to, any person (other than the person summoned) who is identified in the summons, then notice of the summons shall be given to any person so identified within 3 days of the day on which such service is made, but no later than the 23rd day before the day fixed in the summons as the day upon which such records are to be examined. Such notice shall be accompanied by a copy of the summons which has been served and shall contain an explanation of the right under subsection (b)(2) to bring a proceeding to quash the summons.

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/19/supreme-court-upholds-irs-power-recent-decision-on-summonses-and-notice-requirements>



Supreme Court Holds Notice of Summons Exception Not Limited by Lack of Legal Interest

IRC §7609(c)(2)(D)

(2) Exceptions. This section *shall not apply to any summons*-- ...

(D) issued in aid of the collection of--

- (i) an *assessment made or judgment rendered* against the person with respect to whose liability the summons is issued; or
- (ii) the *liability at law or in equity of any transferee or fiduciary* of any person referred to in clause (i);

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/19/supreme-court-upholds-irs-power-recent-decision-on-summonses-and-notice-requirements>



Supreme Court Holds Notice of Summons Exception Not Limited by Lack of Legal Interest

For multiple years between 2005 and 2017, Remo Polselli underpaid his federal taxes. App. to Pet. for Cert. 65a-66a. After investigating, the IRS determined that Mr. Polselli was liable for the unpaid amounts and other penalties, and entered official assessments against him totaling more than \$2 million. *Id.*, at 66a. Revenue Officer Michael Bryant then set out to collect the money, and he developed a few leads in his search for assets that Mr. Polselli may have been concealing. *Bryant focused on bank accounts belonging to Mr. Polselli's wife, petitioner Hanna Karcho Polselli. Ibid.* Bryant also knew that Mr. Polselli had paid nearly \$300,000 toward part of his outstanding tax liability from an account owned by *Dolce Hotel Management, LLC*, and surmised that Mr. Polselli might have control over funds belonging to that company. *Id.*, at 67a. To further his investigation, Bryant issued a summons under §7602 to the *law firm Abraham & Rose, PLC*, where Mr. Polselli had long been a client. *Ibid.* But the firm produced no records in response, stating that it “did not retain any of the documents requested.” *Ibid.*

7

<https://www.currentfederaltaxdevelopments.com>



<https://www.currentfederaltaxdevelopments.com/blog/2023/5/19/supreme-court-upholds-irs-power-recent-decision-on-summonses-and-notice-requirements>



Supreme Court Holds Notice of Summons Exception Not Limited by Lack of Legal Interest

Bryant then issued several additional summonses seeking records concerning Mr. Polselli. *Bryant issued one summons to Wells Fargo, requesting the financial records of both Mrs. Polselli and Dolce Hotel Management. Id., at 70a-71a. He also issued summonses to JP Morgan Chase and Bank of America, seeking among other things “[c]opies of all bank statements” relating to Mr. Polselli and petitioners Jerry R. Abraham, P. C., and Abraham & Rose, PLC. Id., at 78a-79a, 85a-86a.* Bryant did not provide notice to any of the third parties named in the three summonses. But the banks did, and Mrs. Polselli, Jerry R. Abraham, and Abraham & Rose filed motions to quash in Federal District Court.

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/19/supreme-court-upholds-irs-power-recent-decision-on-summonses-and-notice-requirements>



Supreme Court Holds Notice of Summons Exception Not Limited by Lack of Legal Interest



Photo by [Sander Sammy](#) on [Unsplash](#)

- *Polselli v. IRS*, US Supreme Court, Case No. 21-1599, May 18, 2023
- The opinion outlines key issues that the Supreme Court has been using to interpret a statute
 - If the text of the law unambiguously answers the question, that's the answer
 - Will not generally add "implied" provisions absent such ambiguity
 - Congress wrote the law--if they don't like they have to fix it

9

<https://www.currentfederaltaxdevelopments.com>



<https://www.currentfederaltaxdevelopments.com/blog/2023/5/19/supreme-court-upholds-irs-power-recent-decision-on-summonses-and-notice-requirements>



Supreme Court Holds Notice of Summons Exception Not Limited by Lack of Legal Interest

Supreme Court Wastes No Time in Siding with the IRS

The question presented is whether the exception to the notice requirement in §7609(c)(2)(D)(i) applies only where a delinquent taxpayer has a legal interest in accounts or records summoned by the IRS under §7602(a). *A straightforward reading of the statutory text supplies a ready answer: The notice exception does not contain such a limitation.*

...

None of the three components for excusing notice in §7609(c)(2)(D)(i) mentions a taxpayer's legal interest in records sought by the IRS, much less requires that a taxpayer maintain such an interest for the exception to apply.

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/19/supreme-court-upholds-irs-power-recent-decision-on-summonses-and-notice-requirements>



Supreme Court Holds Notice of Summons Exception Not Limited by Lack of Legal Interest

Supreme Court Wastes No Time in Siding with the IRS

Had Congress wanted to include a legal interest requirement, it certainly knew how to do so.

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/19/supreme-court-upholds-irs-power-recent-decision-on-summonses-and-notice-requirements>



Supreme Court Holds Notice of Summons Exception Not Limited by Lack of Legal Interest



Photo by [Sander Sammy](#) on [Unsplash](#)

- *Polselli v. IRS*, US Supreme Court, Case No. 21-1599, May 18, 2023
 - Taxpayer counters that the Supreme Court should narrowly define “in aid of collection” (there is our ambiguity effectively)
 - However, SCOTUS finds it just needs to have a reasonable chance of producing useful information for collection

12

<https://www.currentfederaltaxdevelopments.com>



<https://www.currentfederaltaxdevelopments.com/blog/2023/5/19/supreme-court-upholds-irs-power-recent-decision-on-summonses-and-notice-requirements>



Supreme Court Holds Notice of Summons Exception Not Limited by Lack of Legal Interest

...[P]etitioners adopt a narrow definition of “in aid of the collection.” In their view, the phrase refers only to inquiries that “directly advance” the IRS’s collection efforts. Brief for Petitioners 21. A summons will not directly advance those efforts, they contend, unless it is targeted at an account containing assets that the IRS can collect to satisfy the taxpayer’s liability. And, petitioners say, the only way that a summons issued to a third party will produce collectible assets is if the delinquent taxpayer has a legal interest in the targeted account.

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/19/supreme-court-upholds-irs-power-recent-decision-on-summonses-and-notice-requirements>



Supreme Court Holds Notice of Summons Exception Not Limited by Lack of Legal Interest

This argument does not give a fair reading to the phrase “in aid of the collection.” According to petitioners, the phrase requires that a summons produce collectible assets. But to “aid” means “[t]o help” or “assist.” American Heritage Dictionary 26 (1969). Petitioners agree. See Brief for Petitioners 21 (“aid” means to “support,” “help,” or “assist”). *Even if a summons may not itself reveal taxpayer assets that can be collected, it may nonetheless help the IRS find such assets.*

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/19/supreme-court-upholds-irs-power-recent-decision-on-summonses-and-notice-requirements>



Supreme Court Holds Notice of Summons Exception Not Limited by Lack of Legal Interest

Consider this case. The IRS’s investigation “suggest[ed] that Mr. Polselli often uses other entities to shield assets from the Internal Revenue Service.” App. to Pet. for Cert. 68a. Bryant suspected, for instance, that Mr. Polselli was using Dolce Hotel Management as an alter ego, and also that he might have access to and use of Mrs. Polselli’s bank accounts. Based on those leads, Bryant initially requested that Abraham & Rose produce “cancelled checks, wire transfer/credit documents, and all other instruments used by Mr. Polselli to pay the firm.” Id., at 67a. Whether Mr. Polselli maintains a “legal interest” in those records — a confounding question, see *Viewtech*, 653 F. 3d, at 1106 — is neither here nor there.

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/19/supreme-court-upholds-irs-power-recent-decision-on-summonses-and-notice-requirements>



Supreme Court Holds Notice of Summons Exception Not Limited by Lack of Legal Interest

The IRS could not, of course, use records of canceled checks and the like to satisfy Mr. Polselli's tax deficiency. But if those records showed that money from Dolce Hotel Management was used to pay Mr. Polselli's account at Abraham & Rose, or to pay others through Abraham & Rose, that could aid in collecting funds from Dolce Hotel Management to help pay Mr. Polselli's debt to the IRS. Or the Service could use those records to try to identify other alter egos — besides Dolce Hotel Management — where Mr. Polselli might have hidden assets.

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/19/supreme-court-upholds-irs-power-recent-decision-on-summonses-and-notice-requirements>



Supreme Court Holds Notice of Summons Exception Not Limited by Lack of Legal Interest

By the same token, the summonses Bryant issued to the three banks sought records to “identify. . . entities whose funds Mr. Polselli has control over without formal ownership” and “bank accounts associated with such entities.” App. to Pet. for Cert. 68a. *As with the request Bryant issued to Abraham & Rose, even if the three bank summonses did not reveal bank accounts in which Mr. Polselli has a legal interest, they could lead to assets parked elsewhere that the IRS could collect to satisfy his \$2 million liability.*

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/19/supreme-court-upholds-irs-power-recent-decision-on-summonses-and-notice-requirements>



Supreme Court Holds Notice of Summons Exception Not Limited by Lack of Legal Interest

IRS investigations are much like any other: *A detective might order forensic testing or speak to witnesses to help identify a culprit, even if those activities are unlikely — in and of themselves — to solve the crime.* Similarly, documents in the accounts belonging to Mrs. Polselli or Dolce Hotel Management may be a step in a paper trail leading to assets owned by Mr. Polselli. Everyday tasks illustrate the same point: A recipe might help a chef shop for needed groceries, even though more steps are required before dinner will be ready. *By conflating activities that help advance a goal with activities sure to accomplish it, petitioners ignore the typical meaning of “in aid of.”*

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/19/supreme-court-upholds-irs-power-recent-decision-on-summonses-and-notice-requirements>



Supreme Court Holds Notice of Summons Exception Not Limited by Lack of Legal Interest



Photo by [Sander Sammw](#) on [Unsplash](#)

- *Polselli v. IRS*, US Supreme Court, Case No. 21-1599, May 18, 2023
 - Taxpayer argues the second clause of the exception is superfluous under the IRS reading
 - SCOTUS does not agree:
 - First clause requires an assessment or judgement, while the second only requires a liability
 - Second clause addresses different entities (transferee or fiduciary vs. the taxpayer)

19

<https://www.currentfederaltaxdevelopments.com>



<https://www.currentfederaltaxdevelopments.com/blog/2023/5/19/supreme-court-upholds-irs-power-recent-decision-on-summonses-and-notice-requirements>



Supreme Court Holds Notice of Summons Exception Not Limited by Lack of Legal Interest



Photo by [Sander Sammy](#) on [Unsplash](#)

- *Polselli v. IRS*, US Supreme Court, Case No. 21-1599, May 18, 2023
 - Finally, taxpayer argues Congress was concerned about privacy so must have intended to include a bar on broad application of the lack of notice rule
 - SCOTUS argues history argues for the opposite view

20

<https://www.currentfederaltaxdevelopments.com>



<https://www.currentfederaltaxdevelopments.com/blog/2023/5/19/supreme-court-upholds-irs-power-recent-decision-on-summonses-and-notice-requirements>



Supreme Court Holds Notice of Summons Exception Not Limited by Lack of Legal Interest

We think the history highlighted by petitioners supports a contrary conclusion. That Congress proved acutely aware of our prior decisions supports a plain reading not only of the general notice requirement, but also of the specific exception the statute provides.

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/19/supreme-court-upholds-irs-power-recent-decision-on-summonses-and-notice-requirements>



Supreme Court Holds Notice of Summons Exception Not Limited by Lack of Legal Interest

We do not dismiss any apprehension about the scope of the IRS's authority to issue summonses. As we have said, "the authority vested in tax collectors may be abused, as all power is subject to abuse." *Bisceglia*, 420 U. S., at 146. Tax investigations often involve the pursuit of sensitive records. In this case, for instance, the IRS sought information from law firms concerning client accounts. *And even the Government concedes that the phrase "in aid of the collection" is not "limitless."* Tr. of Oral Arg. 33. The Government proposes a test turning on reasonableness: *So long as a summons is "reasonably calculated to assisting in collection," it can fairly be characterized as being issued "in aid of" that collection. Id., at 26; see also id., at 36 ("[T]he third party should have some financial ties or ha[ve] engaged in financial transactions with the delinquent taxpayer.")*.

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/19/supreme-court-upholds-irs-power-recent-decision-on-summonses-and-notice-requirements>

IRS Gets Distracted by Minor Fact, Ruins Possible Case on Much More Significant Issue



Photo by [Phinehas Adams](#) on [Unsplash](#)

- *Carson v. Commissioner*, Tax Court Bench Opinion, Docket No. 23086-25, May 18, 2023
 - IRS went to Tax Court with what they had stated was a “hobby loss” case involving an activity that was a business for the taxpayer’s children’s rodeo activities
 - However, that wasn’t really what was going on in this case
 - What was going on raises questions, but IRS lost the ability to raise them at this point

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/20/irs-fails-to-notice-actual-issues-loses-on-the-non-issue-raised-before-the-tax-court>



IRS Gets Distracted by Minor Fact, Ruins Possible Case on Much More Significant Issue

Facts

*In 2009, Mrs. Carson's mother transferred most of her property, including the ranch, to a **revocable** trust that she controls during her life.* Mrs. Carson's mother is still alive. Under the revocable trust, if Mrs. Carson's mother dies, and is predeceased by Mrs. Carson's stepfather, the property of the trust is to be *distributed to Mrs. Carson and her brother equally*. If Mrs. Carson's mother dies, and Mrs. Carson's stepfather is still alive, the property of the trust will become a life estate of Mrs. Carson's stepfather, and then at his death, will be *distributed to Mrs. Carson and her brother equally*.

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/20/irs-fails-to-notice-actual-issues-loses-on-the-non-issue-raised-before-the-tax-court>



IRS Gets Distracted by Minor Fact, Ruins Possible Case on Much More Significant Issue

Facts

In two successive agreements dated 2013 and 2016, respectively, Mrs. Carson agreed with her mother that she, *Mrs. Carson, would contribute financially to the ranch*; and that every year Mrs. Carson and her mother would jointly agree about *how much, if any, cash distributions would be made from the ranch to Mrs. Carson.*

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/20/irs-fails-to-notice-actual-issues-loses-on-the-non-issue-raised-before-the-tax-court>



IRS Gets Distracted by Minor Fact, Ruins Possible Case on Much More Significant Issue

Facts

From 2014 to 2019, Mrs. Carson made substantial financial contributions to the ranch by paying its expenses. By then the ranch included land adjoining the quarter section. This land was owned by the trust. It served as pasture. The ranch made money mainly by selling cattle. *The receipts from cattle sales were reported on the returns of Mrs. Carson's mother.* The Carsons did not generally report the ranch's income on their returns because they did not receive any cash distributions from the ranch pursuant to the 2013 and 2016 agreements.

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/20/irs-fails-to-notice-actual-issues-loses-on-the-non-issue-raised-before-the-tax-court>



IRS Gets Distracted by Minor Fact, Ruins Possible Case on Much More Significant Issue

IRS Agent Distracted by Bright Shiny Object - the Rodeo

The Carsons' two children lived at the ranch helping in the ranch's business of raising cattle for sale. For this purpose, the children used horses, some of which they also used to compete in cash-prize rodeos. The children also performed manual labor for neighbors of the ranch.

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/20/irs-fails-to-notice-actual-issues-loses-on-the-non-issue-raised-before-the-tax-court>



IRS Gets Distracted by Minor Fact, Ruins Possible Case on Much More Significant Issue

IRS Agent Distracted by Bright Shiny Object - the Rodeo

For 2017, the Carsons filed a Schedule F for their "livestock" activity. The Schedule F reported gross income of \$2,741, consisting of rodeo competition winnings of the Carsons' children. The Schedule F claimed deductions for total expenses of \$128,990.

The Schedule F for 2018 reported gross income of \$8,063, consisting of \$1,867 in compensation for labor performed by the Carsons' children for local ranchers, and \$6,196 in rodeo competition winnings of the children. The Schedule F claimed deductions for total expenses of \$133,929.

For both tax years 2017 and 2018, the Schedules F reported no gross income from the ranch's activities, except for the gross income amounts already discussed, because this gross income was reported on the returns of Mrs. Carson's mother.

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/20/irs-fails-to-notice-actual-issues-loses-on-the-non-issue-raised-before-the-tax-court>



Photo by [Andrey Svistunov](#) on [Unsplash](#)

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/20/irs-fails-to-notice-actual-issues-loses-on-the-non-issue-raised-before-the-tax-court>



IRS Gets Distracted by Minor Fact, Ruins Possible Case on Much More Significant Issue

IRS Agent Distracted by Bright Shiny Object - the Rodeo

The examining agent determined that the activity reported by the Schedules F was rodeo, not ranching. The main reason the examining agent determined that the activity reported on the Schedules F was rodeo, and not ranching, was that the only gross income reported on the Schedules F was from rodeo winnings (and from some compensation for the children's work for neighbors) but not ranching income. *The examining agent interviewed Mrs. Carson, but ignored her explanation that the Schedules F expenses mainly related to ranching activity through which Mrs. Carson participated through the agreements with her mother.* He determined that the activity reported on the Schedules F was not an activity engaged in for profit under section 183. The determination was reflected in the notice of deficiency, which disallowed all deductions claimed on the Schedules F for 2017 and 2018.

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/20/irs-fails-to-notice-actual-issues-loses-on-the-non-issue-raised-before-the-tax-court>



IRS Gets Distracted by Minor Fact, Ruins Possible Case on Much More Significant Issue

And Now Things Go Badly for the IRS

Mrs. Carson testified credibly at trial that the Schedules F expenses mainly related to the ranch rather than to rodeo. *The Commissioner's litigating position is premised on the Schedule F expenses being related to the rodeo activity.* For example, the litigating position supposes that the Carsons lost approximately \$120,000 per year entering their children in rodeos. In reality, the Carsons lost this money primarily in ranching activities, the profit objective of which the Commissioner does not directly challenge. *In summary, the Commissioner's position under section 183 makes no sense in light of our view that the deductions reported on the Schedules F mainly related to ranching.*

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/20/irs-fails-to-notice-actual-issues-loses-on-the-non-issue-raised-before-the-tax-court>



IRS Gets Distracted by Minor Fact, Ruins Possible Case on Much More Significant Issue

And Now Things Go Badly for the IRS

The Court declines to refocus the Commissioner's challenge to the Schedules F deductions by determining what relatively small part of the activities reported on the Schedules F consisted of rodeo activities rather than ranch activities. To do so would be difficult in this case. Although Mrs. Carson kept meticulous details of the expenses that were deducted on the Schedules F, and although these records would have allowed the Court to more precisely sort the expenses between ranching and rodeo, Mrs. Carson did not bring the records to trial. She believed — correctly — that the Commissioner did not challenge the substantiation behind the deductions. Without the substantiation, the Court cannot sort the deductions between ranch and rodeo without resorting to rough justice. Under these unique circumstances, I hold that the Commissioner has waived the right to refocus his challenge on the relatively narrow rodeo activities. I further hold that the activity or activities reported on the Schedules F for 2017 and 2018 were engaged in for profit.

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/20/irs-fails-to-notice-actual-issues-loses-on-the-non-issue-raised-before-the-tax-court>



IRS Gets Distracted by Minor Fact, Ruins Possible Case on Much More Significant Issue

And Now Things Go Badly for the IRS

The Court recognizes the presence of possible concerns pertaining to the relationship in question. However, it is important to emphasize that the Government did not opt to delve into or raise those specific issues, resulting in their omission from the Court's deliberations and ultimate decision.

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/20/irs-fails-to-notice-actual-issues-loses-on-the-non-issue-raised-before-the-tax-court>



IRS Gets Distracted by Minor Fact, Ruins Possible Case on Much More Significant Issue



Photo by [Phinehas Adams](#) on [Unsplash](#)

- *Carson v. Commissioner*, Tax Court Bench Opinion, Docket No. 23086-25, May 18, 2023
 - Not just the IRS that focuses on the wrong issues
 - Need to always be open to how newly discovered facts could change the proper analysis of the situation

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/20/irs-fails-to-notice-actual-issues-loses-on-the-non-issue-raised-before-the-tax-court>

IRS Announces 2024 HSA and Excepted Benefit HRA Inflation Adjusted Limits



Photo by [Julia Zvablova](#) on [Unsplash](#)

- Revenue Procedure 2023-23, May 16, 2023
 - Increases higher than in the past due to recent inflation numbers
 - Annual contribution limit
 - Self only \$4,150 (\$3,850 for 2023)
 - Family coverage \$8,300 (\$7,750 for 2023)
 - Minimum HDHP Deductible
 - Self-only \$1,600 (\$1,500 for 2023)
 - Family coverage \$3,200 (\$3,000 for 2023)

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/20/irs-releases-2024-inflation-adjusted-numbers-for-hsas-and-excepted-benefit-hras>

IRS Announces 2024 HSA and Excepted Benefit HRA Inflation Adjusted Limits



Photo by [Julia Zyablova](#) on [Unsplash](#)

- Revenue Procedure 2023-23, May 16, 2023
 - Maximum out-of-pocket expenses
 - Self-only \$8,050 (\$7,500 in 2023)
 - Family coverage \$16,100 (\$15,000 in 2023)
 - Excepted benefit HRAs maximum amount newly available in the plan year - \$2,150 (\$1,950 in 2023)

<https://www.currentfederaltaxdevelopments.com/blog/2023/5/20/irs-releases-2024-inflation-adjusted-numbers-for-hsas-and-excepted-benefit-hras>

KAPLAN