



Current Federal Tax Developments

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Kaplan Financial Education

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This Week We Look At:

Proposed regulations issued for digital asset broker reporting on Form 1099-DA

IRS delays requirement for high income employees to make employer plan catch-up contribution to designated Roth accounts until plan years beginning after December 31, 2025

2024 health care premium tax credit percentages published by the IRS

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Proposed Regulations on Digital Asset Transactions Issued by IRS



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- REG-122793-19, August 29, 2023, "Treasury and IRS issue proposed regulations on reporting by brokers for sales or exchanges of digital assets; new steps designed to end confusion, help taxpayers, aid high-income compliance work," IR-2023-153, August 25, 2023
- IJJA 2021 added reporting requirements on brokers in such transactions
- Was to have taken effect for transactions in 2023, first reporting early 2024

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<https://www.currentfederaltaxdevelopments.com/blog/2023/8/27/proposed-regulations-on-digital-asset-information-return-reporting-issued-by-irs-first-reports-would-be-issued-early-in-2026-covering-2025>

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 - Would require reporting on transaction taking place in 2025 with first reports in early 2026
 - Gain/loss tracking required on sales taking place in 2026
 - Will be reported on Form 1099-DA

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- Proposal would also require reporting by real estate reporting persons (where digital currency used as full/partial payment)
- Also contain details on computations and other reporting issues

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 - Comments due by October 30, 2023
 - Expect regulations to be out sometime early in 2024 to get ready for tracking purchases/sales

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IRS Delays Requirement for High Earners to Place Catch-Up Employer Plan Contributions in Roth Account



Photo by [Erik Mclean](#) on [Unsplash](#)

- Notice 2023-62, August 25, 2023
 - SECURE 2.0 Act required employer plan catch-up contributions for employees with compensation > \$141,000 to be made to designated Roth accounts
 - Was to take effect beginning in 2024
 - Also had issues with repeal of IRC §402(g)(1)(C)
 - Did it require *all* catch-up contributions to become part of tax wages?
 - Did it remove multiple plan deferral limitations?

<https://www.currentfederaltaxdevelopments.com/blog/2023/8/26/irs-delays-requirements-for-high-earners-catch-up-contributions-to-employer-plans-go-to-designated-roth-accounts-for-two-years>

IRS Delays Requirement for High Earners to Place Catch-Up Employer Plan Contributions in Roth Account



Photo by [Erik Mclean](#) on [Unsplash](#)

- Notice 2023-62, August 25, 2023
 - IRS ruled that neither result takes place due to the repeal of §402(g)(1)(C) - relies on regulations issued before that provision was added to the law in 2001
 - Delayed the requirement to use the designated Roth account until plan years beginning after 12/31/25
 - Would also not require plans to be amended until then.

<https://www.currentfederaltaxdevelopments.com/blog/2023/8/26/irs-delays-requirements-for-high-earners-catch-up-contributions-to-employer-plans-go-to-designated-roth-accounts-for-two-years>

IRS Updates 2024 ACA Premium Credit Percentages



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- Revenue Procedure 2023-29, August 23, 2023
 - Premium tax credit percentages were inflation adjusted under the Affordable Care Act
 - Impacted *applicable percentage table* and *required contribution percentage*
 - However, applicable percentage table was set to a more taxpayer friendly, but not inflation adjusted, table to be used through 2025

<https://www.currentfederaltaxdevelopments.com/blog/2023/8/26/irs-releases-2024-aca-premium-credit-percentages>



Applicable Percentage Table Through 2025

| Household income percentage of Federal Poverty Line | Initial Percentage | Final Percentage |
|---|--------------------|------------------|
| Less than 150% | 0.00% | 0.00% |
| At least 150% but less than 200% | 0.00% | 2.00% |
| At least 200% but less than 250% | 2.00% | 4.00% |
| At least 250% but less than 300% | 4.00% | 6.00% |
| At least 300% but less than 400% | 6.00% | 8.50% |
| At least 400% and higher | 8.50% | 8.50% |

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IRS Updates 2024 ACA Premium Credit Percentages



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- Revenue Procedure 2023-29, August 23, 2023
- Required contribution percentage is 8.39% for 2024

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