



Current Federal Tax Developments

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Kaplan Financial Education



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This Week We Look At:

IRS reduces PTIN fees substantially

Wash sale rules do not apply to losses on disposition of money market funds

IRS highlights new capabilities added to TaxPro accounts

Employers can set up leave-based donation programs for 2023 Hawaii wildfire relief

FinCEN grants 60 additional days for entities created in 2024 to file initial reports

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IRS Reducing PTIN Fees for 2024 to \$11



Photo by [Artem Beliaikin](#) on [Unsplash](#)

- TD 9980, September 29, 2023
 - Reduces the cost of the PTIN from \$30.75 to \$11 - also issued identical proposed regulations
 - IRS had lost in the case of *Steele v. United States*, though not as badly as originally
 - In 2017 court had barred the fee
 - Partially reversed on appeal, sent back to trial court
 - On February 21, 2023 trial court issued its ruling on how the fee is to be computed

<https://public-inspection.federalregister.gov/2023-22103.pdf>



Wash Sale Rules Do Not Apply to Most Losses on Sales of Money Market Mutual Funds



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- Revenue Procedure 2023-35
 - Amplifies and supersedes Revenue Ruling 2014-45
 - Relates to changes in SEC rules on ability of funds to require payment of a liquidity fee
 - Would create a loss, since would not receive \$1 times number of shares, but rather a loss in the amount of fees
 - Previously a fund had to meet certain criteria for the fee to apply - now fund can decide to implement without meeting criteria

<https://www.irs.gov/pub/irs-drop/rp-23-35.pdf>



New Capabilities Added to Tax Pro Accounts



Photo by [Christin Hume](#) on [Unsplash](#)

- IR-2023-182, September 29, 2023
 - Recently added features
 - Manage active client authorizations on file with the CAF database
 - View certain client tax information, including balance due amounts
 - Withdraw authorizations in real time
 - IRS states they will be adding more features to the TaxPro account in the future

<https://www.irs.gov/newsroom/irs-delivers-new-capabilities-to-tax-pro-account-latest-expansion-part-of-effort-to-improve-technology-tools-to-help-tax-professionals-serve-clients>

Employers Allowed to Create Leave Based Charitable Contribution Program for Maui Wildfire Relief



Photo by [Markus Winkler](#) on [Unsplash](#)

- Notice 2023-69, September 28, 2023
 - Employer Leave-Based Donation Programs related to 2023 Hawaii wildfires
 - Employee can “cash in” part of their leave to be paid for wildfire relief
 - Employee does not recognize this as income (or deduct it)
 - Employer does get a wage deduction for amount paid
 - Similar to programs established for other disasters in the past



60 Day Delay in Initial BOI Reporting for Entities Formed in 2024: Proposed FinCEN Rule



- RIN: 1506-AB62, "Beneficial Ownership Information Reporting Deadline Extension for Reporting Companies Created or Registered in 2024", September 28, 2023
 - For entities formed in **2024 only**:
 - Will delay initial filing deadline by 60 days
 - Now will have **90 days to file the initial report**, up from 30 days
 - Does not change initial report due date for entities formed in other years
 - Formed before 2024: **January 1, 2025**
 - Formed after 2024: **30 days after the formation of the entity**

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<https://public-inspection.federalregister.gov/2023-21226.pdf>

<https://www.currentfederaltaxdevelopments.com/blog/2023/9/27/fincen-issues-proposed-rule-applicable-only-to-entities-formed-or-registered-in-2024-to-delay-initial-beneficial-ownership-report-filing-deadline-by-60-days>

IRS Rolls Out ChatBot to Help Taxpayers with CP2000, CP2501 and CP3219A Notices

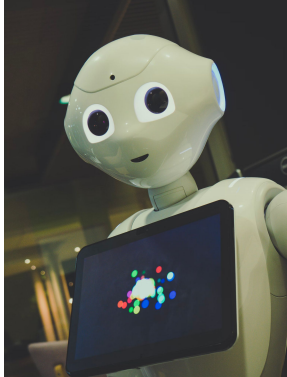


Photo by [Owen Beard](#) on [Unsplash](#)

- IR-2023-178, September 26, 2023
 - IRS has been creating chatbots to deal with certain situations
 - New chatbots deal with CP2000, CP2501 and CP3219A matching notices
 - Helps taxpayers with questions such as:
 - What to do if they received a notice.
 - What to do if they need more time to respond to a notice.
 - How to find out if the IRS received their response

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<https://www.irs.gov/newsroom/irs-expands-use-of-chatbots-to-help-answer-questions-on-key-notices-expands-on-technology-thats-served-13-million-taxpayers>

<https://www.currentfederaltaxdevelopments.com/blog/2023/9/27/fincen-issues-proposed-rule-applicable-only-to-entities-formed-or-registered-in-2024-to-delay-initial-beneficial-ownership-report-filing-deadline-by-60-days>

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