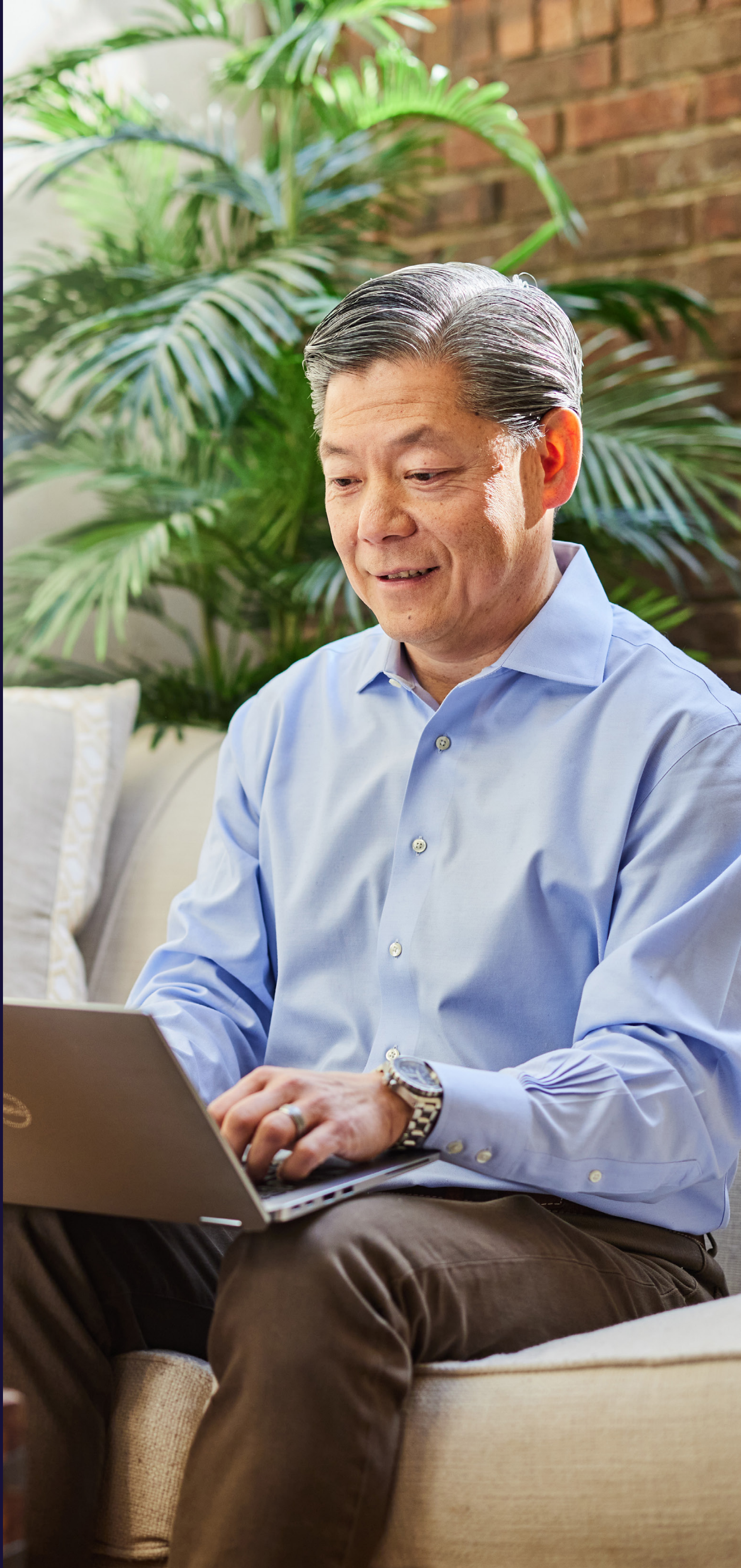
TaxAct® Professional

Tax Season Readiness Guide

TY23

Table of Contents



Key Changes for TY23

Section 1: TY23 Tax Tables

Estates and Trusts

If Taxable Income is Over:	But Not Over:	The Tax is:
$0	$2,900	10% of the Amount Over $0
$2,900	$10,550	$290 Plus 24% of the Amount Over $2,900
$10,550	$14,450	$2,126 Plus 35% of the Amount Over $10,550
$14,450	---	$3,491 Plus 37% of the Amount Over $14,450

Heads of Households

If Taxable Income is Over:	But Not Over:	The Tax is:
$0	$15,700	10% of the Amount Over $0
$15,700	$59,850	$1,570 Plus 12% of the Amount Over $15,700
$59,850	$95,350	$6,868 Plus 22% of the Amount Over $59,850
$95,350	$182,100	$14,678 Plus 24% of the Amount Over $95,350
$182,100	$231,250	$35,498 Plus 32% of the Amount Over $182,100
$231,250	$578,100	$51,226 Plus 35% of the Amount Over $231,250
$578,100	---	$172,623.50 Plus 37% of the Amount Over $578,100

Married Individuals Filing Joint Returns and Surviving Spouses

If Taxable Income is Over:	But Not Over:	The Tax is:
$0	$22,000	10% of the Amount Over $0
$22,000	$89,450	$2,200 Plus 12% of the Amount Over $22,000
$89,450	$190,750	$10,294 Plus 22% of the Amount Over $89,450
$190,750	$364,200	$32,580 Plus 24% of the Amount Over $190,750
$364,200	$462,500	$74,208 Plus 32% of the Amount Over $364,200
$462,500	$693,750	$105,664 Plus 35% of the Amount Over $462,500
$693,750	---	$186,601.50 Plus 37% of the Amount Over $693,750

Married Individuals Filing Separate Returns

If Taxable Income is Over:	But Not Over:	The Tax is:
$0	$11,000	10% of the Amount Over $0
$11,000	$44,725	$1,100 Plus 12% of the Amount Over $11,000
$44,725	$95,375	$5,147 Plus 22% of the Amount Over $44,725
$95,375	$182,100	$16,290 Plus 24% of the Amount Over $95,375
$182,100	$231,250	$37,104 Plus 32% of the Amount Over $182,100
$231,250	$346,875	$52,832 Plus 35% of the Amount Over $231,250
$346,875	---	$93,300.75 Plus 37% of the Amount Over $346,875

Unmarried Individuals Filing Separate Returns

If Taxable Income is Over:	But Not Over:	The Tax is:
$0	$11,000	10% of the Amount Over $0
$11,000	$44,725	$1,100 Plus 12% of the Amount Over $11,000
$44,725	$95,375	$5,147 Plus 22% of the Amount Over $44,725
$95,375	$182,100	$16,290 Plus 24% of the Amount Over $95,375
$182,100	$231,250	$37,104 Plus 32% of the Amount Over $182,100
$231,250	$578,125	$52,832 Plus 35% of the Amount Over $231,250
$578,125	---	$174,238.25 Plus 37% of the Amount Over $578,125

Key Changes for TY23

Section 2: Credits, Deductions, Exclusions, and More

Standard Deduction	
Married Filing Jointly/Surviving Spouse	$27,700
Single	$13,850
Head of Household	$20,800
Married Filing Separately	$13,850
Dependent Taxpayers	$1,250

Additional Standard Deduction	65+ or blind
Married/Surviving Spouse	$1,500
Unmarried	$1,850

Adoption Credit	
Maximum Credit	$15,950
Phase Out Range	$239,230 – $279,230

Annual Exclusion for Foreign Earned Income	
Foreign Earned Income Exclusion	$120,000

Annual Exclusion for Gifts	
Gift Tax Exclusion	$17,000
Exclusion for Gifts to a Non-Citizen Spouse	$175,000

Cafeteria Plans	
Cafeteria Plans	$3,050 (Maximum Carryover - $610)

Capital Gains Tax Rates

Type of Return	Joint Return/ Surviving Spouse	Heads of Household	Married Filing Separate	All Other Individuals	Estates and Trusts
Maximum Zero Rate Amount	$89,250	$59,750	$44,625	$44,625	$3,000
Maximum 15% Rate Amount	$553,850	$523,050	$276,900	$492,300	$14,650
The 20 % rate begins when taxable income exceeds the amounts listed in the 15% rate row.					

Education Credits

American Opportunity – Maximum Credit	$2,500 Per Eligible Student
Phase Out Threshold – Joint Filers	$160,000 - $180,000
Phase Out Threshold – All Other Filers	$80,000 - $90,000
Lifetime Learning – Maximum Credit	$2,000 Per Tax Return
Phase Out Threshold – Join Filers	$160,000 - $180,000
Phase Out Threshold – All Other Filers	$80,000 - $90,000

Educator Expense Deduction

Maximum Deduction	$300 ($600 Filing Jointly with Both Spouses Being Eligible Educators)

Educator Savings Bond Exclusion

Phase Out Range – Joint Filers	$137,800 - $167,800
Phase Out Range – All Other Filers	$91,850 - $106,850

Earned Income Credit				
Number of Qualifying Children				
Item	**One**	**Two**	**Three or More**	**None**
Earned Income Amount	$11,750	$16,510	$16,510	$7,840
Maximum Amount of Credit	$3,995	$6,604	$7,430	$600
Threshold Phaseout Amount (Single/Surviving Spouse/Head of Household)	$21,560	$21,560	$21,560	$9,800
Completed Phaseout Amount (Single/Surviving Spouse/Head of Household)	$46,560	$52,918	$56,838	$17,640
Threshold Phaseout Amount (Married Filing Jointly)	$28,120	$28,120	$28,120	$16,370
Completed Phaseout Amount (Married Filing Jointly)	$53,120	$59,478	$63,398	$24,210

Health Flexible Spending Accounts	
Maximum Salary Deduction Contribution	$3,050

Health Savings Account	Self-Only	Family
HDHP Deductible	$1,500	$3,000
Out-of-Pocket Expense Cap	$7,500	$15,000
Maximum Contribution	$3,850	$7,750 (Additional Contribution of $1,000 for Eligible Individuals Age 55 or Older)

Individual Retirement Account Deduction	
Maximum Contribution	$6,500
Catch-Up Contribution Age 50 or Older	$1,000 ($7,500 Maximum Deduction)
Phase Out Range – Joint Filers	$116,000 - $136,000
Phase Out Range – Single/HOH	$73,000 - $83,000
Phase Out Range – Married Filing Separately	$0 - $10,000
Phase Out Range – Joint Filer/Active Participant Spouse	$218,000 - $228,000

Long-Term Care Insurance Deduction	
Attained Age Before the Close of the Taxable Year	**Limitation on Premiums**
40 or Younger	$480
Older Than 40, But Not More Than 50	$890
Older Than 50, But Not More Than 60	$1,790
Older Than 60, But Not More Than 70	$4,770
Older Than 70	$5,960

Medical Savings Accounts	Self-Only	Family
HDHP Deductible	$2,650 - $3,950	$5,300 - $7,900
Out-of-Pocket Expense Cap	$5,300	$9,650

Mileage Allowances	
Standard Business Mileage Allowances	65.5 Cents Per Mile
Medical and Moving Allowance	22 Cents Per Mile
Maximum Contribution	14 Cents Per Mile

Retirement Savings Contribution Credit			
Credit Rate	**Married Filing Jointly**	**Head of Household**	**All Other Filers** (Single/Married Filing Separately/ Qualifying Widow(er))
50% of Contribution	AGI Not More Than $43,500	AGI Not More Than $32,625	AGI Not More Than $21,750
20% of Contribution	$43,501 - $47,500	$32,626 - $35,625	$21,751 - $23,750
10% of Contribution	$47,501 - $73,000	$35,626 - $54,750	$23,751 - $36,500
0% of Contribution	More Than $73,000	More Than $54,750	More Than $36,500

ROTH IRA Contribution	
Maximum Contribution	$6,500
Catch-Up Contribution Age 50 or Older	$1,000 ($7,500 Maximum Deduction)
Phase Out Range – Joint Filers	$218,000 - $228,000
Phase Out Range – Single/HOH	$138,000 - $153,000
Phase Out Range – Married Filing Separately	$0 - $10,000

Social Security Taxes	
Maximum Net Taxable Self-Employment Earnings	$160,200
"Nanny Tax" Threshold	$2,600

Student Loan Interest Deduction	
Maximum Deduction	$2,500
Phase Out Range – Joint Filers	$155,000 - $185,000
Phase Out Range – All Other Filers	$75,000 - $90,000

Transportation Fringe Benefits	
Vanpool/Transit Pass Monthly Exclusion	$300
Qualified Parking Monthly Exclusion	$300

TY23 Checklists

Get organized and prepared well in advance, for the upcoming tax season.

RENEWALS, SOFTWARE, ENROLLMENT

- [ ] **License Renewals**

  Check to make sure these authority licenses are valid and paid for: PTIN, EA, State

- [ ] **Secure Your EFIN**

  If you do not already have an EFIN, click here to file an application online.

- [ ] **Renew Your Tax Software**

  Or take the time to evaluate other options. Want to see what TaxAct Professional has to offer? Download a free evaluation version of our software now or call (866) 563-1974 to speak with one of our friendly sales teammates.

- [ ] **Research and Purchase Tax Tools**

  We highly recommend looking into TheTaxBook. Plus, our customers receive a special discount on WebLibrary Plus. Originally $319, TaxAct Professionals pay just $229 for this award-winning tax research solution.

- [ ] **Bank Products**

  Enroll in Pay-by-Refund, Cash Advance, and/or Software Purchase Assistance. Give our bank product specialists a call to learn more – (319) 536-3571.

- [ ] **Education**

  Complete any necessary continuing education prior to 12/31/2023.

WITHIN YOUR TY23 SOFTWARE

- [ ] Order Software and Download TY23 Version Upon Release
- [ ] Import TY22 clients
- [ ] Add/Remove Preparers
- [ ] Update/Review Master Information
- [ ] Review/Update Settings
- [ ] Review/Update Preferences
- [ ] Update Master Billing
- [ ] Run TY22 Reports
- [ ] Appointment Manager
- [ ] **Perform a Faux Tax Return**

  To better understand your software's new features.

OFFICE TASKS

- [ ] **Clean Office and Desk**

  Start TY23 off on the right foot by reorganizing and tidying up your office space.

- [ ] **Organize Files From the Prior**

  Sort all paperwork and backup TY22 files.

- [ ] **Order Supplies**

  Make a list of any/all supplies your office needs and order in preparation for the upcoming season.

- [ ] **Staffing**

  Analyze staffing needs and create a game plan for hiring and onboarding seasonal help.

- [ ] **Handy One Sheets / Important Info at a Glance**

  Tax code changes, deduction amounts, CTC, etc.

- [ ] **Calendar**

  Download and print TaxAct Professional's Tax Calendar and update with any additional dates specific to your practice.

- [ ] Insurance Bond/Business Insurance

ONLINE BUSINESS NEEDS

- [ ] **Update Online Business Information**

  Yelp page(s), website, social media accounts, and any other directories your company is listed within.

- [ ] Update Anti-Virus and Security Software

- [ ] **Address Gaps in Privacy and Data Saftey**

  Download TaxAct Professional's Data Security Plan Guide for assistance. Then, consider offering Protection Plus to provide comprehensive audit assistance services to your clients.

- [ ] **Create Marketing Content**

  Prepare social media posts, create and schedule emails, update business cards, etc.

- [ ] Set Promotional and Referral Discounts

Important Calendar dates

When preparing for TY23

FEDERAL HOLIDAYS

2023

September 4 – Labor Day

October 9 – Columbus Day/Indigenous Peoples' Day

November 10 – Veterans Day

November 23 – Thanksgiving Day

December 25 – Christmas Day

2024

January 1 – New Year's Day

January 15 – Martin Luther King Jr. Day

February 19 – President's Day / Washington's Birthday

May 27 – Memorial Day

June 19 – Juneteenth National Independence Day

July 4 – Independence Day

September 2 – Labor Day

October 14 – Columbus Day/Indigenous Peoples' Day

November 11 – Veterans Day

November 28 – Thanksgiving Day

December 25 – Christmas Day

FEDERAL HOLIDAYS

Get additional IRS due dates by clicking here.

2023

September 15 – Deadline for Extended Partnerships and S-Corporation Returns

October 2 – Deadline for Extended Trusts and Estates Returns

October 16 – Deadline for TY22 Individual Tax Returns

October 16 – Deadline for TY22 Extended C-Corporation Returns

November 15 – Deadline for TY22 Exempt Organizations Returns

December 29 – TaxAct Professional Software Discount Ends – 5:00 p.m. CST

December 31 – 2023 PTINs Expire

2024

January 22 – First Day to File a Federal Tax Return

January 22 – IRS E-Filing Goes Live

April 15 – Tax Day

October 21 – TY23 Extensions are Due

TAXACT PROFESSIONAL WEBINARS

Education Forums

Streamed Live from Los Angeles, CA | August 17, 12:00 p.m. – 2:00 p.m. PT
Streamed Live from Savannah, GA | December 7, 1:00 p.m. – 3:00 p.m. ET

Bank Product Webinars

Register for upcoming dates by clicking here.

Other Webinars

October 5 – NAEA Webinar: Live Demo of TaxAct Professional Software
October 24 – Filing Schedule C for Microbusinesses

Resource Directory

Important links for you to have at your fingertips all tax season long.

IRS

Forms and Publications

Popular Topics

- Additional Guidance – Advanced Energy Projects
- Credits for New Clean Vehicles Purchased in 2023 or After
- Energy Efficient Home Improvement Credit
- Guidance for Domestic Content Bonus Credit
- Tax Inflation Adjustments for Tax Year 2023

Newsroom

Tax Calendar

Tax Information for Professionals

Other

Consumer Financial Protection Bureau

EFTPS (Electronic Federal Tax Payment System)

Popular Tax and Accounting Associations

- AICPA & CIMA
- American Accounting Association - AAA
- American Society of Tax Professionals
- National Association of Enrolled Agents – NAEA
- National Association of Tax Professionals – NATP
- Latino Tax Pro
- National Conference of CPA Practitioners – NCCPAP
- New Jersey Society of Certified Public Accountants – NJCPA
- National Association of Accountants – NSA
- National Society of Tax Professionals – NSTP
- National Tax Association – NTA

U.S. Code

U.S. Tax Code Online

On-Demand Webinars and Guides

Directory of Federal Tax Return Preparers with Credentials and Select Qualifications

Downloadable Guides

- Bank Products for Tax Preparers – Downloadable PDFs
- Client Facing Guide – Minimize Your Tax Liability in 10 Simple Steps
- Guide to Building a Referral Program
- Guide to Creating a Data Security Plan
- Stay Up to Date on New Guides as They're Launched

On-Demand Training Videos

On-Demand Webinars

- 2022 Pricing Workshop
- Basics and Beyond of Crypto Taxation Webinar
- eSignature Webinar

Popular Help Topics

- 1120 Net Operating Loss (NOL) and Form 1139
- Amortization – Business Start-Up and Organizational Costs
- Apply/Verify Your EFIN
- Capital Gains and Losses – Transaction Adjustment Codes
- Form 709 – Gift Tax
- Form 8910 – Alternative Motor Vehicle Credit
- How to Sign Up for Text Message Alerts
- Tax Cuts and Jobs Act

State Program Release Dates

Support Help Topic Links

TaxAct Professional YouTube Channel

Tax Industry Contact List

Numbers to add to your phone and keep on your computer or desk, should you need them at any point during the tax season.

Call the IRS with Tax Questions

- Individuals: (800) 829-1040 | 7:00 a.m. – 7:00 p.m. Local Time
- Businesses: (800) 829-4933 | 7:00 a.m. – 7:00 p.m. Local Time
- Non-Profit Taxes: (877) 829-5500 | 8:00 a.m. – 5:00 p.m. Local Time
- Estate and Gift Taxes (Form 706/709): (866) 699-4083 | 8:00 a.m. – 3:30 p.m. ET
- Excise Taxes: (866) 699-4096 | 8:00 a.m. – 6:00 p.m. ET
- Callers Who Are Hearing Impaired: TTY/TDD (800) 829-4059
- Interpretation Services: For assistance in Spanish, call (800) 829-1040. For all other languages, call (833) 553-9895.

Contact Local IRS Office

Contact Local Taxpayer Advocate

Protection Plus: (866) 942-8348

Republic Bank:

- Check Verification: (866) 631-1040
- ERO Support: (866) 491-1040
- Taxpayer Support: (866) 581-1040

Santa Barbara TPG:

- Tax Pro Support (New to TPG): (877) 901-5646
- Tax Pro Support (Existing Client): (800) 779-7228
- Taxpayer Support: (800) 901-6663

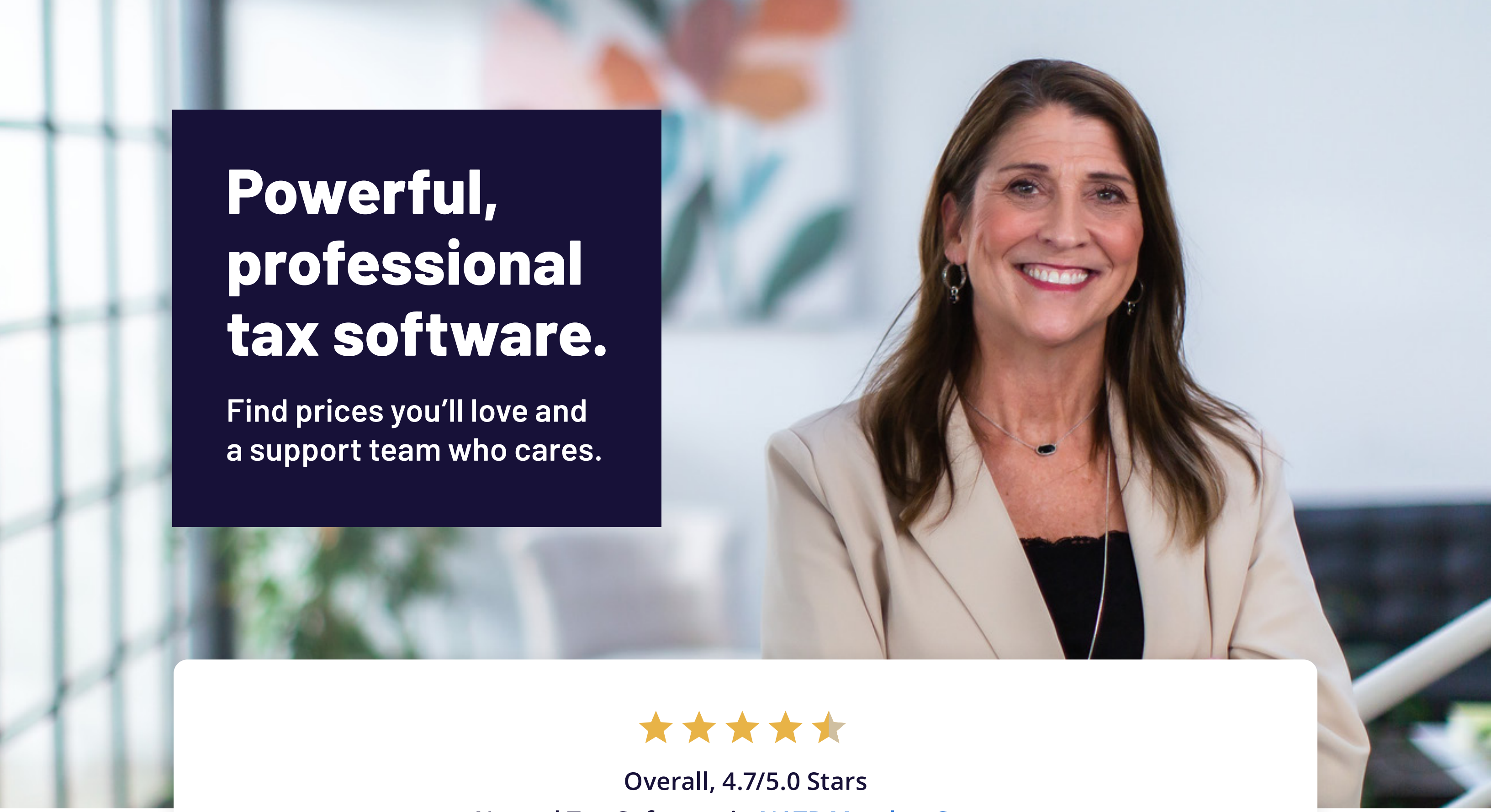
Other Contacts:

TaxAct Professional Sales: (866) 563-1974

TaxAct Professional Customer Support: (319) 731-2682

TheTaxBook: (866) 919-5277

TaxDome: (833) 829-3669 (833-TAXDOME)



Powerful, professional tax software.

Find prices you'll love and
a support team who cares.

★★★★★

Overall, 4.7/5.0 Stars
Named Top Software in NATP Member Survey

Contact Our Sales Team:

(866) 563-1974 Prosales@taxact.com

Savings Calculator

Try TaxAct Pro for Free

Order TaxAct Pro Software

TaxAct. Professional