

Independent Association of Accountants of New York, Inc.

New York State to Require Certain Private Employers to Automatically Enroll Employees in State Retirement Program

New York Governor Kathy Hochul has [signed into law a bill](#) that will require certain private employers in the state to automatically enroll their employees in a state-administered retirement savings plan if the employer does not offer its own qualified retirement plan. The law took effect immediately upon signing on October 21, 2021, though employers will have time to establish their participation in the program once it is launched, as discussed further below. The New York Department of Taxation and Finance will oversee the development and implementation of the program.

Specifically, the law requires that employers with 10 or more employees in New York, who have been in business for at least two years, and who have not offered their employees a qualified retirement plan such as a 401(k) or 403(b) plan in the past two years, automatically enroll their employees in New York's Secure Choice Savings Program, which is a retirement savings program in the form of an automatic payroll deduction-funded individual retirement account. Employees shall initially be enrolled at a contribution rate of three percent of their wages (though they may voluntarily elect to modify their contribution level), and payroll deductions for such contributions shall not begin until after the 30th day after an employee has been enrolled in the program. Employers are not required to contribute to the program.

Employees will be able to choose to opt out of the program. Employees who opt out but who later wish to participate will need to wait until an annual open enrollment period to do so.

Each covered employer must have a payroll deposit retirement savings arrangement to allow each employee to participate in the program no later than nine months after the New York State Secure Choice Savings board opens the program for enrollment. Covered employers shall automatically enroll each of their employees who has not opted out of participation and shall deposit payroll contributions by employees into the program.

At least one month prior to the participating employer's facilitation of access to the program, employees must be provided with informational materials setting forth:

- the benefits and risks associated with making contributions to the program;
- the process for making contributions to the program;
- that they can opt out of the program either before enrolling or after they have been enrolled;

IAA's Mission Statement

To promote, assist, educate, protect and defend the accounting practitioner within the State of New York; to aid the progress of the profession of accountancy, without limiting the foregoing; to advance the theory and practice of accountancy and its allied fields; to enhance the status of the accounting practitioner within the State of New York to endeavor to maintain technical and cultural standards of ethical practice by its members, to foster the study of accountancy and to encourage the personal and professional development of young accountants and students.

- the process by which an employee can participate in the program with a level of employee contributions other than three percent;
- that they are not required to participate or contribute more than three percent;
- the process for withdrawal of retirement savings;
- the process for selecting beneficiaries of their retirement savings;
- how to obtain additional information about the program;
- that employees seeking financial advice should contact financial advisors, that participating employers are not in a position to provide financial advice, and that participating employers are not liable for decisions employees make pursuant to the law;
- information on how to access any available financial literacy programs; and
- that the program fund is not guaranteed by the state.

The employee informational materials must also include a form for employees to note their decision to opt out of participation in the program or elect to participate at a contribution level other than three percent. Newly hired

Hidden Tax Rate Increase:

The government provided a COLA adjustment to all those collecting Social Security, but did not increase the base numbers that are used to calculate how much Social Security is taxable. With people receiving more Social Security but the base calculation number not adjusting, taxpayers may have more Social Security Income subject to Federal Income Tax.

Acceptance Agent

An acceptance agent is a person or an entity (business or organization) who, pursuant to a written agreement with the IRS, is authorized to assist individuals and other foreign persons who do not qualify for a Social Security Number but who still need a Taxpayer Identification Number (TIN) to process a Form 1040 and other tax schedules. The acceptance agent facilitates the application process by reviewing the necessary documents and forwarding completed Forms W-7 to IRS.

Moratorium for Acceptance Agents Applications

Beginning August 15, 2022, the IRS will impose a moratorium on the Acceptance Agent Program to last until Summer 2023. While in place, [Form 13551, Application to Participate in the IRS Acceptance Agent Program](#) PDF, will not be accepted.

New applications and all required documentation must be received prior to the August 15 moratorium start date. Applications received after that date will be returned.

Refer to the [Acceptance Agent Program Changes](#) and [Publication 4393 \(EN-SP\), Become an IRS ITIN Acceptance Agent](#) for more information.

We know of 1 member approved if you need assistance, contact us to put you in contact with that member.

IAAOFNY.COM

Visit our web site for the latest and most updated information on your society.

2022– 2023 IAA SCHEDULE OF EVENTS

<u>Date & Time</u>	<u>Topics</u>	<u>Meeting Place</u>
September 14, 2022	Canadian—US Income Tax Treaties Presented by Mark Fehrman, CPA	Russell's Steak, Chops & More
October 5, 2022	Retirement Plan Options for Business Presented by Sanderson Wealth Management We encourage members to bring a business client to this meeting.	Russell's Steak, Chops & More
October 18, 2022	Gear Up – Business Entities	Salvatore's Italian Gardens
November 14 & 15	Gear Up 1040	Salvatore's Italian Gardens
December 7, 2022	Like-Kind Exchanges Presented by Russell J. Gullo	Russell's Steak, Chops & More
January 25, 2022	Round Table Discussions Start your season off with a nice dinner and assistance with tax preparation issues	Russell's Steak, Chops & More

Meetings at the **Russell's Steak, Chops & More** start promptly at 6:00 p.m.

Russell's Steak, Chops & More – 6675 Transit Road – Williamsville, NY

Please remember that the Independent Association of Accountants of New York, Inc. does provide scholarships annual to members and their families who are pursuing Accounting in college.

WASHINGTON — The Internal Revenue Service today announced the tax year 2022 annual inflation adjustments for more than 60 tax provisions, including the tax rate schedules and other tax changes.

The tax year 2022 adjustments described below generally apply to tax returns filed in 2023.

The tax items for tax year 2022 of greatest interest to most taxpayers include the following dollar amounts:

- The standard deduction for married couples filing jointly for tax year 2022 rises to \$25,900 up \$800 from the prior year. For single taxpayers and married individuals filing separately, the standard deduction rises to \$12,950 for 2022, up \$400, and for heads of households, the standard deduction will be \$19,400 for tax year 2022, up \$600.
- The personal exemption for tax year 2022 remains at 0, as it was for 2021, this elimination of the personal exemption was a provision in the Tax Cuts and Jobs Act.
 - **Marginal Rates:** For tax year 2022, the top tax rate remains 37% for individual single taxpayers with incomes greater than \$539,900 (\$647,850 for married couples filing jointly).
- The other rates are: 35%, for incomes over \$215,950 (\$431,900 for married couples filing jointly); 32% for incomes over \$170,050 (\$340,100 for married couples filing jointly); 24% for incomes over \$89,075 (\$178,150 for married couples filing jointly); 22% for incomes over \$41,775 (\$83,550 for married couples filing jointly); 12% for incomes over \$10,275 (\$20,550 for married couples filing jointly). The lowest rate is 10% for incomes of single individuals with incomes of \$10,275 or less (\$20,550 for married couples filing jointly).
- For 2022, as in 2021, 2020, 2019 and 2018, there is no limitation on itemized deductions, as that limitation was eliminated by the Tax Cuts and Jobs Act.
- The Alternative Minimum Tax exemption amount for tax year 2022 is \$75,900 and begins to phase out at \$539,900 (\$118,100 for married couples filing jointly for whom the exemption begins to phase out at \$1,079,800). The 2021 exemption amount was \$73,600 and began to phase out at \$523,600 (\$114,600 for married couples filing jointly for whom the exemption began to phase out at \$1,047,200).
- The tax year 2022 maximum Earned Income Tax Credit amount is \$6,935 for qualifying taxpayers who have three or more qualifying children, up from \$6,728 for tax year 2021. The revenue procedure contains a table providing maximum EITC amount for other categories, income thresholds and phase-outs.
- For tax year 2022, the monthly limitation for the qualified transportation fringe benefit and the monthly limitation for qualified parking increases to \$280.
- For the taxable years beginning in 2022, the dollar limitation for employee salary reductions for contributions to health flexible spending arrangements increases to \$2,850. For cafeteria plans that permit the carryover of unused amounts, the maximum carryover amount is \$570, an increase of \$20 from taxable years beginning in 2021.
- For tax year 2022, participants who have self-only coverage in a Medical Savings Account, the plan must have an annual deductible that is not less than \$2,450, up \$50 from tax year 2021; but not more than \$3,700, an increase of \$100 from tax year 2021. For self-only coverage, the maximum out-of-pocket expense amount is \$4,950, up \$150 from 2021. For tax year 2022, for family coverage, the annual deductible is not less than \$4,950, up from \$4,800 in 2021; however, the deductible cannot be more than \$7,400, up \$250 from the limit for tax year 2021. For family coverage, the out-of-pocket expense limit is \$9,050 for tax year 2022, an increase of \$300 from tax year 2021.
- The modified adjusted gross income amount used by joint filers to determine the reduction in the Lifetime Learning Credit provided in § 25A(d)(2) is not adjusted for inflation for taxable years beginning after December 31, 2020. The Lifetime Learning Credit is phased out for taxpayers with modified adjusted gross income in excess of \$80,000 (\$160,000 for joint returns).
- For tax year 2022, the foreign earned income exclusion is \$112,000 up from \$108,700 for tax year 2021.
- Estates of decedents who die during 2022 have a basic exclusion amount of \$12,060,000, up from a total of \$11,700,000 for estates of decedents who died in 2021.
- The annual exclusion for gifts increases to \$16,000 for calendar year 2022, up from \$15,000 for calendar year 2021.
- The maximum credit allowed for adoptions for tax year 2022 is the amount of qualified adoption expenses up to \$14,890, up from \$14,440 for 2021.

1040 Tax Seminar**November 14 & 15, 2022****Seminar 8:00 a.m. – 4:30 p.m.*********NEW LOCATION*********Salvatore's Italian Gardens****6461 Transit Road****Buffalo, NY 14043****(716) 635-9000**

Seminar will be held in person and virtual with a Live Instructor. For those that register prior to October 28, 2022, a Hard Copy of the Manual will be provided to the virtual participant. All in person participants will receive a Hard Copy of the Manual. For those that register after that date an online version of the manual will be provided via ProView.

Name: _____

Firm Name: _____

Address: _____

Town/City: _____ State: _____ Zip: _____

Phone # _____ Fax # _____

Indicate area code

Indicate area code

I.A.A. Member Number: _____ (printed on your current I.A.A. membership certificate)

PTIN Number: _____ (Needed to provide IRS CPE hours)

In Person _____ Virtual _____

Email Address: _____

(Your email address will only be used if we need to update you with additional seminar or I.A.A. information)



**APPROVED
CONTINUING EDUCATION
PROVIDER**

I.A.A.'s Member's Price \$350.00 — Non I.A.A.'s Member's Price \$470.00

*Price includes lunch each day

If four (4) or more members of the same firm attend the above seminar a \$20.00 savings per attendee will incur.

All attendees **must** be current members of I.A.A. **prior** to the above seminar date for the discount to take affect.Membership applications available at www.iaaofny.com

Registrations received after October 28, 2022, add an additional \$25.00

Registration the day of Seminar add an additional \$25.00

No refunds will be issued after November 5, 2022

Note: **No exceptions to the above three statements**A separate registration form **must** be filled out for each attendee (feel free to copy this form, also available at www.iaaofny.com)

Return this form along with seminar payment made payable to I.A.A.

Mail to:**Independent Association of Accountants of New York, Inc.****4043 Maple Rd. Box 100 A****Amherst, NY 14226**

The Independent Association of Accountants of New York, Inc.

Business Entities

October 18, 2022

Seminar 8:00 a.m. – 4:30 p.m.

*****NEW LOCATION*****

Salvatore's Italian Gardens

6461 Transit Road

Buffalo, NY 14043

(716) 635-9000

This Seminar will be held in person and virtual with a Live Instructor. For those that register prior to October 6, 2022, a Hard Copy of the Manual will be provided to the virtual participant. All in person participants will receive a Hard Copy of the Manual. For those that register after that date an online version of the manual will be provided via ProView.

Name: _____

Firm Name: _____

Address: _____

Town/City: _____ State: _____ Zip: _____

Phone # _____ Fax # _____

Indicate area code

Indicate area code

I.A.A. Member Number: _____ (printed on your current I.A.A. membership certificate)

PTIN Number: _____ (Needed to provide IRS CPE hours)

In Person _____ Virtual _____

Email Address: _____

(Your email address will only be used if we need to update you with additional seminar or I.A.A. information)



APPROVED
CONTINUING EDUCATION
PROVIDER

I.A.A.'s Member's Price \$225.00 — Non I.A.A.'s Non-Member's Price \$345.00

*Price Includes Lunch

If four (4) or more members of the same firm attend the above seminar a \$10.00 savings per attendee will incur.

All attendees **must** be current members of I.A.A. **prior** to the above seminar date for the discount to take affect.

Membership applications available at www.iaaofny.com

Registrations received after October 6, 2022, add an additional \$25.00

Registration the day of Seminar add an additional \$25.00

No refunds will be issued after October 11, 2022

Note: **No exceptions to the above three statements**

A separate registration form **must** be filled out for each attendee (feel free to copy this form, also available at www.iaaofny.com)

Return this form along with seminar payment made payable to I.A.A.

Mail to:

Independent Association of Accountants of New York, Inc.

4043 Maple Rd. Box 100 A

Amherst, NY 14226