

UPDATES TO 2023 FEDERAL TAX WORKBOOK

The most current update list can be found at uofi.tax/download.

Date Posted: 09/15/2023 **Page:** 2023 Tax Workbook, page 453

Change: The reference to the IRS Notice in Example 1 should be to Notice 2023-54.

Date Posted: 10/24/2023 **Page:** 2023 Tax Workbook, page 616

Change: The second paragraph should read, “The vehicle may be for personal use, business use, or both. If electing to transfer the credit to a registered dealer, the purchaser must provide to the dealer their attestation that the vehicle’s predominant use is personal.¹ Taxpayers claiming the credit on Form 8936 calculate their business portion of the credit in Part II, which flows to Form 3800, *General Business Credit*.² The personal portion of the credit is calculated in Part III on Form 8936, which flows to Schedule 3, *Additional Credits and Payments*.³ If a business uses the clean vehicle credit under IRC §30D, they cannot also use the credit for qualified commercial clean vehicles under IRC §40W for the business use of the same vehicle.”⁴

¹ *Topic H— Transfer of New Clean Vehicle Credit and Previously-Owned Clean Vehicles Credit*. Oct. 6, 2023. IRS. [www.irs.gov/newsroom/topic-h-transfer-of-new-clean-vehicle-credit-and-previously-owned-clean-vehicles-credit] Accessed on Oct. 25, 2023.

² Instructions for Form 8936.

³ *Ibid.*

⁴ Prop. Treas. Reg. §1.30D-4(a)(3).

Date Posted: 11/06/2023 **Page:** 2023 Tax Workbook, page 70

Change: Example 10, the third sentence should read, “Mike’s phone is a material or supply because the phone’s economic life in Mike’s hands is 12 months or less.”

Date Posted: 11/06/2023 **Page:** 2023 Tax Workbook, page 317

Change: The first sentence of the notebbox should read, “Withdrawing representation may require the withdrawal of Form 2848, *Power of Attorney and Declaration of Representative*.”

Date Posted: 11/06/2023 **Page:** 2023 Tax Workbook, page 394

Change: The first sentence under the “Bonus Depreciation” heading should read, “If a taxpayer acquires property qualified for bonus depreciation in a like-kind exchange, and the qualified property is **new** property, the old basis and any new basis are eligible for bonus depreciation.”

Date Posted: 11/06/2023 **Page:** 2023 Tax Workbook, page 453

Change: The first sentence in the second paragraph of the Practitioner Planning Tip should read, “If a retirement account has any unqualified DBs or EDBs, it must be distributed according to the 5-year rule, requiring the account to be distributed by the end of the 5th calendar year after the account owner’s death.”

Date Posted: 11/06/2023 **Page:** 2023 Tax Workbook, page 581

Change: Under the Nondeductible Expenses heading, the second sentence should read, “If nondeductible expenses exceed stock and/or debt basis, they do not carry forward unless the taxpayer makes the §1.1367-1(g) election.”

Date Posted: 11/08/2023 **Page:** 2023 Tax Workbook, page 73

Changes: In the third data line of the “Materials and Supplies” table, the text in the leftmost column should read “Individual items costing \$200 or less.” In the fourth data line of the same chart, the text in the leftmost column should read “Individual items costing \$2,500 or less.” In the fifth data line of the same chart, the text in the leftmost column should read “Individual items costing \$5,000 or less.”

Date Posted: 11/20/2023 **Page:** 2023 Tax Workbook, page 700

Change: The second to last line of the second paragraph should refer to Mr. Sanders. The sentence should read “After referring to the instructions throughout the process and completing the steps within the petition application, Mr. Sanders was able to file the petition 11 seconds after midnight.”

Date Posted: 11/20/2023 **Page:** 2023 Tax Workbook, page 462

Change: The first bullet point should read “Possible contributions are increased to either \$10,000 or 150% of the regular catch-up amount, whichever is greater.”

Date Posted: 11/20/2023 **Page:** 2023 Tax Workbook, page 466

Change: The third sentence of Example 11 should read “They were both born in 1950 and turn age 73 in 2023 before the SECURE 2.0 ACT, §325 goes into effect.”

Date Posted: 11/27/2023 **Page:** 2023 Tax Workbook, page 474

Change: The fourth paragraph should read “The rule for conversions works differently. If a taxpayer is under age 59 ½, each conversion has its own 5-year period that must expire before the money associated with that conversion can be withdrawn without penalty. Consequently, taxpayers under age 59 ½ years may have an unpleasant surprise if a need arises for converted money within five years. They may incur the 10% additional tax of IRC 72(t) unless another exception to the penalty applies.”

Date Posted: 11/29/2023 **Page:** 2023 Tax Workbook, page 628

Change: On November 21, 2023, the IRS issued news release IR-2023-221, which further delays implementation of the reduced thresholds for Form 1099-K until the 2024 tax year. Additionally, the IRS plans for a threshold of \$5,000 in tax year 2024 to phase in the reporting requirement. The previous reporting thresholds, as shown at the top of page 628, remain in place for tax year 2023.