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Social Security To See Significant Adjustment For 2023

Social Security and Supplemental Security Income (SSI) benefits for approximately 70 million Americans will increase 8.7 percent in 2023, the Social Security Administration announced. On average, Social Security benefits will increase by more than \$140 per month starting in January.

The 8.7 percent cost-of-living adjustment (COLA) will begin with benefits payable to more than 65 million Social Security beneficiaries in January 2023. Increased payments to more than 7 million SSI beneficiaries will begin on December 30, 2022. (Note: some people receive both Social Security and SSI benefits). The Social Security Act ties the annual COLA to the increase in the Consumer Price Index as determined by the Department of Labor's Bureau of Labor Statistics.

"Medicare premiums are going down and Social Security benefits are going up in 2023, which will give seniors more peace of mind and breathing room. This year's substantial Social Security cost-of-living adjustment is the first time in over a decade that Medicare premiums are not rising and shows that we can provide more support to older Americans who count on the benefits they have earned," Acting Commissioner Kilolo Kijakazi said.

Illinois Property Tax and Income Tax Rebates For Individuals

Property Tax Rebate: The state of Illinois is providing a property tax rebate in an amount equal to the property tax credit you qualified for on your 2021 return, up to a maximum of \$300. The rebate follows the same criteria as the property tax credit allowed on Form IL-1040, Illinois Individual Income Tax Return, and cannot exceed \$300. The rebate is not allowed if the taxpayer's adjusted gross income for the taxable year exceeds \$500,000 for returns with a federal filing status of married filing jointly, or \$250,000 for all other returns.

Income Tax Rebate: The state of Illinois is providing an individual income tax rebate in the amount of \$50 per person (\$100 per couple for married filing jointly) and \$100 per dependent (limit of three dependents) for taxpayers who are Illinois residents, that have filed their 2021 Form IL-1040 and meet certain income requirements. The rebate is only allowed if the taxpayer's adjusted gross income for the taxable year is less than \$400,000 for returns with a federal filing status of married filing jointly, or \$200,000 for all other returns.

Rebates began arriving via direct deposit on September 12, 2022 if you received your 2021 refund via direct deposit. Checks will be sent to all other taxpayers.

No action is required to receive your rebates if you filed a 2022 tax return.

Sales Tax Rate Change Effective January 1, 2023

Effective **January 1, 2023**, certain taxing jurisdictions have imposed a local sales tax or changed their local sales tax rate on general merchandise sales. The following taxes are affected:

- ✓ Business district sales tax
- ✓ County public safety, public facilities, mental health, substance abuse, or transportation sales tax
- ✓ Home rule municipal sales tax
- ✓ Non-home rule municipal sales tax

You must adjust your cash register and any computer programs so that beginning on January 1, 2023, you will collect and pay the correct sales tax. You may need to contact your software vendor if you use software to create your forms.

To verify your new combined sales tax rate (*i.e.*, state and local sales taxes), go to the MyTax Illinois Tax Rate Finder at www.mytax.illinois.gov and select rates for January 2023.

Here's Why You Should Have an IRS Online Account

An IRS online account is a safe and easy way for individuals to view specific details about their federal tax account. Here are some of the benefits and features of this online system.

You can view:

- ❖ Your payoff amount, which is updated for the current day
- ❖ The balance for each tax year for which you owe taxes
- ❖ Your payment history
- ❖ Key information from your most current tax return as originally filed
- ❖ Payment plan details if you have one
- ❖ Digital copies of select IRS notices
- ❖ Economic Impact Payments if you received any
- ❖ Your address on file

After viewing your information, you can:

- ❖ Select an electronic payment option
- ❖ Set up an online payment agreement
- ❖ Go directly to Get Transcript

New authorization feature

The new “authorization” option in your Online Account allows you to control who can represent you before the IRS or view your tax records. You can also approve and electronically sign Power of Attorney and Tax Information Authorization requests from your tax professional.

Your balance will update no more than once every 24 hours, usually overnight. You should also allow 1 to 3 weeks for payments to show up in the payment history.

To access this information online, you must register through Secure Access. This is the agency’s two-factor authentication process that protects personal info. You can review the Secure Access page process prior to starting registration.

Clearing Smartphones and Tablets Before Disposal

Are you in the market for a new smartphone or tablet? If you access company email or other confidential information from these devices, it is your responsibility to ensure these personal devices have been “cleared” according to the National Institute for Standards and Technology (NIST) standards. According to the NIST, clearing is “a level of media sanitation that does not allow information to be retrieved by data, disk, or file recovery utilities. It must be resistant to keystroke recovery attempts from standard input devices (such as keyboard or mouse) and from data scavenging tools.”

Deleting information from your device is not effective. Deleting only removes the pointers to information but does not actually remove the information so the information can still be retrieved.

Overwriting is an effective method of removing confidential information and can be used if you plan to give the device to someone. It replaces your information with random data. This method should be performed three times followed by “zeroing” the drive (writing all zeroes).

Physical destruction is the ultimate and preferred method of preventing others from retrieving confidential information. Specialized services can pulverize, disintegrate, burn, melt or shred your device. If you do not use a service, it is possible to destroy your device by drilling holes or even smashing with a hammer (remember to wear safety glasses).

Recommended steps for clearing smartphone and tablets

Although the exact steps for clearing all information from your phone or tablet is different for each brand and model, the general process is the same:

1. Remove the memory card, if your device has one
2. Remove the SIM (Subscriber Identity Module) card
3. Under Settings, select Master Reset, Wipe Memory, Erase All Content and Settings, or a similarly worded option. You may need to enter a password you have set, or contact your carrier for assistance with a factory-set password
4. Physically destroy the SIM card (unless you transfer the card directly to your new phone) as these can be reused in a phone that has the same carrier
5. Memory cards are typically used for storing photos but may contain sensitive information. These may often be reused in your next device so either store in a safe place or physically destroy
6. Ensure that your account has been switched to your new device or terminated

As always, should you have any questions or concerns regarding your tax situation please feel free to call.

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