

## Frequently Asked Questions

### 1. What is the new mileage rate for 2022?

For 2022, the IRS announced an optional standard mileage rate for the final 6 months of 2022 for business travel of 62.5 cents per mile. The new deductible medical or moving expenses is 22 cents.

Purpose	Jan. 1 to June 30	July 1 to Dec. 31
For business use	58.5 cents per mile	62.5 cents per mile
For medical care and for moving active-duty members of the Armed Forces	18 cents per mile	22 cents per mile
In service of charitable organizations*	14 cents per mile	14 cents per mile

### 2. How do I account for my Child Tax Credit payments and my Child Tax Credit on my Tax Return?

The child tax credit is a federal tax benefit that plays an important role in providing financial support for American taxpayers with children. The IRS will send you a Letter 6419 to provide the total amount of the Child Tax Credit payments that were disbursed to you during 2021. For the 2022 tax year, people with kids under the age of 17 may be eligible to claim a tax credit of up to \$2,000 per qualifying dependent, and \$1,500 of that credit amount may be refundable.

### 3. Do I qualify for the PA Property Tax Rebate or PA Rent Rebate Program?

The rebate program benefits eligible Pennsylvanians age 65 and older; widows and widowers age 50 and older; and people with disabilities age 18 and older. The income limit is \$35,000 a year for homeowners and \$15,000 annually for renters, and half of Social Security Income is excluded. Spouses, personal representatives, or estates may also file rebate claims on behalf of claimants who lived at least one day in 2022 and meet all other eligibility criteria.

### 4. I'm a teacher what can I deduct?

Starting on 2022 tax return, educators can deduct up to \$300 of trade or business expenses that weren't reimbursed. Some eligible items include: COVID-19 protective items; books and supplies; professional development course fee; computer equipment, and more.

## **5. What's all the talk about a \$600 threshold on my 1099-K?**

The IRS has delayed implementing the 1099-K legislation for one year. This is not a tax change: It's a tax *reporting* change requires digital payment apps to report your earnings over \$600 directly to the IRS via tax form 1099-K. If you earned money through digital apps like PayPal, Cash App, Zelle or Venmo, the IRS is going to know about it. You need to make sure you're reporting the correct amount of self-employment income when filing your tax return. Self-employed individuals are always required to report their earnings when filing their tax return. You'll receive a copy of your 1099-K in late January or February.

## **6. A IRS agent called me yesterday on my cell. Is it legitimate?**

No the IRS will never call to demand immediate payment such as prepaid debit card, gift card, or wire transfer. Nor will they threaten to call police to have the taxpayer arrested for not paying, demand that taxes be paid without giving taxpayers the opportunity to question or appeal the amount owed. The IRS will not call unexpectedly about a tax refund.

## **7. Can I get an education tax benefit?**

For the 2022 tax year, students may receive up to \$2,500 of credit for the American Opportunity Tax Credit. The credit is refundable up to 40%, so if a student is eligible for the full \$2,500 and receives a tax return, the student can receive up to \$1,000.