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Interactive Brokers

Understanding Your 1099s – US Tax Information Reporting

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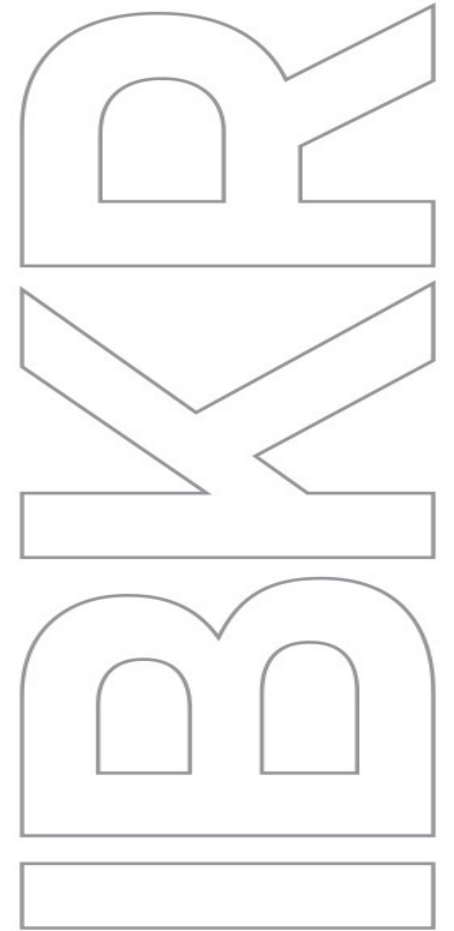


Interactive Brokers

presents:

U.S. Tax Information Reporting - 2022

Nancy Nelson, CPA
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January 28, 2021

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U.S. Tax Information Reporting

2022

General Comments – things to Know

- Expect a smaller refund – or to owe
 - End of COVID Tax breaks
 - Withholding tables
- Secure 2.0
 - Larger qualified plan catch up contributions
 - 73 for RMD – 75 beginning in 2033

General Comments – things to Know

- Digital Asset reporting (Cryptocurrency)
 - Required reporting which was set to begin for 2023 has been delayed
 - Decline in value is not eligible for loss deduction
 - FTX Trading Ltd. - Chapter 11 bankruptcy
 - Cryptocurrency is NOT a security – different rules apply
 - Tax treatment is evolving
 - Don't forget to answer the question concerning Cryptocurrency ownership/trading on the 1040.

General Comments – things to Know

- The good news
 - Extended and expanded EV credits
 - Leased vehicles do not qualify
 - Limited to Sedans < \$55,000, SUV <\$80,000
 - New MAGI limits
 - Other energy credits
 - Solar Power
 - Windows, doors
 - Energy audit - \$150

The basics

- Information reporting from:
 - Employers (W-2, 1095C, 1099NEC)
 - Educational institutions (1098T)
 - Banks and lenders (1099INT, 1099R, 1098 Mortgage interest)
 - Brokers and other financial institutions
 - 1099R
 - 1099NEC
 - 1099INT
 - 1099OID
 - 1099DIV
 - 1099MISC
 - 1099B
 - 1099C
 - New 1099F to report fines and settlements from suits and other agreements

The Outliers

- 1099R:
 - Distributions from Pensions, Annuities, Retirement or Profit-Sharing plans, IRAs, Insurance Contracts, etc.
- 1099C:
 - Cancellation of Debt.

☐ CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, and ZIP or foreign postal code XXXXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXXXXXXX			1 Gross distribution \$ 0.00		OMB No. 1545-0119 2022 Form 1099-R	Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
			2a Taxable amount \$ 0.00			
			2b Taxable amount not determined <input type="checkbox"/>		Total distribution <input type="checkbox"/>	
PAYER'S TIN XXXXXXXXXX		RECIPIENT'S TIN XXXXXXXXXX		3 Capital gain (included in box 2a) \$		4 Federal income tax withheld \$
RECIPIENT'S name XXXXXXXXXXXX			5 Employee contributions /Designated Roth contributions or insurance premiums \$		6 Net unrealized appreciation in employer's securities \$	
Street address (including apt. no.) XXXXXXXXXXXXXXXXXXXX			7 Distribution code(s) X		8 Other X	
City or town, state or province, country, and ZIP or foreign postal code XX			9a Your percentage of total distribution X		9b Total employee contributions \$	
10 Amount allocable to IRR within 5 years \$	11 1st year of desig. Roth contrib.	12 FATCA filing requirement <input type="checkbox"/>	14 State tax withheld \$		15 State/Payer's state no.	
Account number (see instructions) XXXXXXX			13 Date of Payment		17 Local tax withheld \$	
					18 Name of locality	
					19 Local distribution \$	

Form 1099-R

www.irs.gov/form1099r

Department of the Treasury - Internal Revenue Service

2022 1099-NEC

Nonemployee Compensation

OMB No: 1545-0116

Box	Description	Amount
1	Non-employee compensation	0.00
4	Federal income tax withheld	0.00

Consolidated IRS Form 1099

Recipient Information	
Name	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
Address	XXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXX
Tax ID Number	XXXXXXXXXX
FATCA Filing Requirement	XX
IB Account ID	XXXXXXXX
Investment Advisor	XXXXXXXXXXXXXXXXXXXX

Payer Information	
Name	XXXXXXXXXXXXXXXXXXXX
Address	XXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXX
Phone Number	XXXXXXXXXXXX
Website	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
Federal ID Number	XXXXXXXXXX

2022 1099-INT Interest Income		OMB No. 1545-0112
Box	Description	Amount
1	Interest income	0.00
2	Early withdrawal penalty	0.00
3	Interest on U.S. savings bonds and Treasury obligations	0.00
4	Federal income tax withheld	0.00
5	Investment expenses	0.00
6	Foreign tax paid	0.00
7	Foreign country or U.S. possession	
8	Tax-exempt interest	0.00
9	Specified private activity bond interest	0.00
10	Market discount	0.00
11	Bond premium	0.00
12	Bond premium on Treasury obligations	0.00
13	Bond premium on tax-exempt bond	0.00

2022 1099-DIV Dividends and Distributions		OMB No. 1545-0110
Box	Description	Amount
1a	Total ordinary dividends	0.00
1b	Qualified dividends	0.00
2a	Total capital gain distributions	0.00
2b	Unrecap. Sec. 1250 gain	0.00
2e	Section 897 ordinary dividends	0.00
2f	Section 897 capital gain	0.00
3	Non-dividend distributions	0.00
4	Federal income tax withheld	0.00
5	Section 199A Dividends	0.00
6	Investment expenses	0.00
7	Foreign tax paid	0.00
8	Foreign country or U.S. possession	
9	Cash liquidation distributions	0.00
10	Non-cash liquidation distributions	0.00
12	Exempt-interest dividends	0.00
13	Specified private activity bond interest dividends	0.00

2022 1099-OID Original Issue Discount		OMB No. 1545-0117
Box	Description	Amount
1	Original issue discount for 2022	0.00
2	Other periodic interest	0.00
3	Early withdrawal penalty	0.00
4	Federal income tax withheld	0.00
5	Market discount	0.00
6	Acquisition premium	0.00
8	Original issue discount on U.S. Treasury obligations	0.00
9	Investment expense	0.00
10	Bond premium	0.00
11	Tax-exempt OID	0.00

2022 1099-MISC Miscellaneous Income		OMB No. 1545-0115
Box	Description	Amount
1	Rents	0.00
2	Royalties	0.00
3	Other income	0.00
4	Federal income tax withheld	0.00
8	Substitute payments in lieu of dividends or interest	0.00

2022 1099-NEC Nonemployee Compensation		OMB No. 1545-0116
Box	Description	Amount
1	Non-employee compensation	0.00
4	Federal income tax withheld	0.00

2022 1099-INT

Interest Income

OMB No. 1545-0112

Box	Description	Amount
1	Interest income	0.00
2	Early withdrawal penalty	0.00
3	Interest on U.S. savings bonds and Treasury obligations	0.00
4	Federal income tax withheld	0.00
5	Investment expenses	0.00
6	Foreign tax paid	0.00
7	Foreign country or U.S. possession	
8	Tax-exempt interest	0.00
9	Specified private activity bond interest	0.00
10	Market discount	0.00
11	Bond premium	0.00
12	Bond premium on Treasury obligations	0.00
13	Bond premium on tax-exempt bond	0.00

2022 1099-OID**Original Issue Discount****OMB No: 1545-0117**

Box	Description	Amount
1	Original issue discount for 2022	0.00
2	Other periodic interest	0.00
3	Early withdrawal penalty	0.00
4	Federal income tax withheld	0.00
5	Market discount	0.00
6	Acquisition premium	0.00
8	Original issue discount on U.S. Treasury obligations	0.00
9	Investment expense	0.00
10	Bond premium	0.00
11	Tax-exempt OID	0.00

2022 1099-DIV		Dividends and Distributions	OMB No: 1545-0110
Box	Description	Amount	
1a	Total ordinary dividends	0.00	
1b	Qualified dividends	0.00	
2a	Total capital gain distributions	0.00	
2b	Unrecap. Sec. 1250 gain	0.00	
2e	Section 897 ordinary dividends	0.00	
2f	Section 897 capital gain	0.00	
3	Non-dividend distributions	0.00	
4	Federal income tax withheld	0.00	
5	Section 199A Dividends	0.00	
6	Investment expenses	0.00	
7	Foreign tax paid	0.00	
8	Foreign country or U.S. possession		
9	Cash liquidation distributions	0.00	
10	Non-cash liquidation distributions	0.00	
12	Exempt-interest dividends	0.00	
13	Specified private activity bond interest dividends	0.00	

2022 1099-MISC

Miscellaneous Income

OMB No: 1545-0115

Box	Description	Amount
1	Rents	0.00
2	Royalties	0.00
3	Other income	0.00
4	Federal income tax withheld	0.00
8	Substitute payments in lieu of dividends or interest	0.00

Consolidated IRS Form 1099 (continued)

Covered Securities: Short-Term - Summary

2022 1099-B		Proceeds From Broker and Barter Exchange Transactions	OMB No: 1545-0715
Box	Description	Amount	
	Applicable check box on Form 8949	A	
1a	Description of property	Various	
1b	Date acquired	Various	
1c	Date sold or disposed	Various	
1d	Proceeds (gross proceeds less commissions & options premium)	0.00	
1e	Cost or other basis	0.00	
1f	Accrued market discount	0.00	
1g	Wash sale loss disallowed	0.00	
2	Type of gain or loss	Short-term	
3	Proceeds from Collectibles (C) or QOF (Q)	See details	
4	Federal income tax withheld	0.00	
5	Noncovered security	No	
12	Basis reported to IRS	Yes	

Covered Securities: Long-Term - Summary

2022 1099-B		Proceeds From Broker and Barter Exchange Transactions	OMB No: 1545-0715
Box	Description	Amount	
	Applicable check box on Form 8949	D	
1a	Description of property	Various	
1b	Date acquired	Various	
1c	Date sold or disposed	Various	
1d	Proceeds (gross proceeds less commissions & options premium)	0.00	
1e	Cost or other basis	0.00	
1f	Accrued market discount	0.00	
1g	Wash sale loss disallowed	0.00	
2	Type of gain or loss	Long-term	
3	Proceeds from Collectibles (C) or QOF (Q)	See details	
4	Federal income tax withheld	0.00	
5	Noncovered security	No	
12	Basis reported to IRS	Yes	

Noncovered Securities - Summary

2022 1099-B		Proceeds From Broker and Barter Exchange Transactions	OMB No: 1545-0715
Box	Description	Amount	
	Applicable check box on Form 8949	X	
1a	Description of property		
1c	Date sold or disposed		
1d	Proceeds (gross proceeds less commissions & options premium)	0.00	
2	Type of gain or loss	Not determined	
3	Proceeds from Collectibles (C) or QOF (Q)	See details	
4	Federal income tax withheld	0.00	
5	Noncovered security	Yes	
12	Basis reported to IRS	No	

Regulated Future Contracts and Options (Section 1256 Transactions)

2022 1099-B		Proceeds From Broker and Barter Exchange Transactions	OMB No: 1545-0715
Box	Description	Amount	
8	Profit or (loss) realized in 2022 on closed contracts	0.00	
9	Unrealized profit or (loss) on open contracts - 12/31/2021	0.00	
10	Unrealized profit or (loss) on open contracts - 12/31/2022	0.00	
11	Aggregate profit or (loss) on contracts	0.00	



2022 Tax Reporting Statement

Consolidated IRS Form 1099

Recipient Information	
Name	XXXXXXXXXXXXXXXXXXXX
Address	XXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXX
Tax ID Number	XXXXXXXXXX
FATCA Filing Requirement	XX
IB Account ID	XXXXXXX

Payer Information	
Name	XXXXXXXXXXXXXXXXXXXX
Address	XXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXX
Phone Number	XXXXXXXXXXXXX
Website	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
Federal ID Number	XXXXXXXXXX

Please Note: This Consolidated Form 1099 is provided to you to report amounts on Form 1099-NEC due January 31, 2023. An updated Consolidated Form 1099 will be provided by February 15, 2023 if new information becomes available.

2022 1099-INT		Interest Income	OMB No. 1545-0112
Box	Description	Amount	
1	Interest income	0.00	
2	Early withdrawal penalty	0.00	
3	Interest on U.S. savings bonds and Treasury obligations	0.00	
4	Federal income tax withheld	0.00	
5	Investment expenses	0.00	
6	Foreign tax paid	0.00	
7	Foreign country or U.S. possession		
8	Tax-exempt interest	0.00	
9	Specified private activity bond interest	0.00	
10	Market discount	0.00	
11	Bond premium	0.00	
12	Bond premium on Treasury obligations	0.00	
13	Bond premium on tax-exempt bond	0.00	

2022 1099-DIV		Dividends and Distributions	OMB No: 1545-0110
Box	Description	Amount	
1a	Total ordinary dividends	0.00	
1b	Qualified dividends	0.00	
2a	Total capital gain distributions	0.00	
2b	Unrecap. Sec. 1250 gain	0.00	
2e	Section 897 ordinary dividends	0.00	
2f	Section 897 capital gain	0.00	
3	Non-dividend distributions	0.00	
4	Federal income tax withheld	0.00	
5	Section 199A Dividends	0.00	
6	Investment expenses	0.00	
7	Foreign tax paid	0.00	
8	Foreign country or U.S. possession		
9	Cash liquidation distributions	0.00	
10	Non-cash liquidation distributions	0.00	
12	Exempt-interest dividends	0.00	
13	Specified private activity bond interest dividends	0.00	

Odds and Ends:

- Event Options – 1256 per the CBOE
- Reporting of Qualified Charitable Distribution (QCD) from IRA
- Foreign Currency
 - FBAR – Large penalties (\$10,000 per account) upheld by court
- Amended 1099s
- IRS notices:
 - CP 2000
 - General

Questions??

- Please send any questions to:
- webinars@interactivebrokers.com