

# WISCONSIN EXPANDS CHILD AND DEPENDENT CARE TAX CREDIT



Wisconsin families received a significant boost with the recent signing of [Assembly Bill 1023](#). The bill was signed into law by Governor Tony Evers on Monday, March 4, 2024. This groundbreaking legislation, effective immediately for the 2024 tax year, expands the state's child and dependent care tax credit from 50% to 100% of the federal credit, potentially providing substantial relief to families grappling with childcare expenses.

The amended law not only doubles the benefit percentage, but it also raises the cap on allowable childcare expenses, allowing taxpayers to claim up to \$10,000 for one dependent and \$20,000 for two or more dependents. Governor Evers emphasizes that this change will result in a maximum credit ranging from \$2,000 to \$3,500 for one dependent and \$4,000 to \$7,000 for two or more dependents, offering tangible financial support to Wisconsin families.

Following the rejection of the remaining components of a Republican-backed tax cut package, the political terrain surrounding tax cuts and credits has garnered significant attention. Last week, Governor Evers rejected three tax-cutting proposals: [AB 1020](#), aimed at expanding the state's second-lowest income tax bracket; [AB 1021](#), which sought to increase the retirement income exclusion to \$75,000 for individuals; and [AB 1022](#), which proposed raising the maximum income tax credit for married couples from \$480 to \$870.

Despite being the sole tax bill signed by Governor Evers among several sent by the Republican-led legislature, the impact of this legislation is far-reaching. The changes will affect more than 110,000 taxpayers, with an average benefit of over \$656, according to the governor's office.

For questions or further information relating to the Wisconsin Child and Dependent Care Tax Credit, please contact Attorney [Britany E. Morrison](#).

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## IMPORTANT UPDATE FOR PAYPAL AND VENMO

# USERS: IRS POSTPONES 1099-K REPORTING REQUIREMENT!



The IRS recently made a significant decision that could impact users of platforms like PayPal's Venmo and Etsy. It has chosen to delay a requirement set by a 2021 law, which mandates companies to send tax forms (1099-K) to customers involved in business transactions surpassing \$600.

## **Key Takeaways from the Delay**

This delay for the 2024 filing season brings a sigh of relief for casual sellers, as they will not be receiving the 1099-K form for now, which usually contains information about gross payments made on these platforms. However, keep in mind that taxpayers are still responsible for reporting their income from these transactions on their tax returns.

## **Changes in Reporting Thresholds**

For the upcoming filing season, the IRS is sticking to the old reporting threshold. This requires e-commerce companies to report transactions exceeding \$20,000 in gross payments and more than 200 transactions. However, there is a significant change in the pipeline! Starting in tax year 2024, the IRS plans to transition to a new rule, gradually increasing the reporting threshold from \$600 to \$5,000.

## **Steering Clear of Confusion**

One reason behind this delay is the confusion among taxpayers about which transactions are reportable under the new law. For instance, sales between friends and family or selling personal items like used clothing, furniture, or other household goods at a loss might trigger a 1099-K, even though they don't result in tax liabilities. On the flip side, sales by small businesses generating profit could be taxable.

## **Congress' Response**

Lawmakers are actively proposing various thresholds—\$5,000, \$10,000, and \$20,000—to simplify things for taxpayers. Meanwhile, the IRS is proceeding cautiously, working to implement the law while legislators explore potential solutions.

## **Your Input Matters: Seeking Feedback**

The IRS wants your input! It is open to suggestions about the \$5,000 threshold for 2024 and strategies to streamline reporting for taxable transactions. Tax professionals and anyone affected by these changes are encouraged to share their thoughts.

## **What to Expect Next**

To sum up, personal transactions like splitting bills won't fall under the reporting requirements. But keep in mind, there's a \$5,000 threshold planned for 2024. The IRS aims to simplify the reporting process for taxpayers and tax pros amidst these changes.

## **Bottom Line**

The IRS has hit pause and is transitioning to a \$5,000 threshold for 2024, all in an effort to strike a balance between compliance and reducing confusion for taxpayers. As the IRS continues to navigate these changes, your feedback remains critical in shaping a more manageable way to report taxable transactions.

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# **IRS PREPARING FOR POTENTIAL GOVERNMENT SHUTDOWN: WHAT YOU NEED TO KNOW**



As we approach the end of September, the possibility of a government shutdown looms large, and the Internal Revenue Service is making preparations for the potential impact on its operations. Below is a summary of the IRS's contingency plans and what taxpayers can expect in the event of a government shutdown.

## **Government Shutdown: A Looming Threat**

If Congress fails to reach a short-term agreement to fund the government by the end of September, a government shutdown is likely to occur. The IRS, like other federal agencies, is not immune to the consequences of such an event.

## IRS Contingency Plans

To mitigate the potential disruption caused by a government shutdown, the IRS has been developing contingency plans. While it was initially believed that the agency could continue its operations thanks to funds allocated through the Inflation Reduction Act, recent reports indicate a change in strategy.

The National Treasury Employees Union, which represents IRS employees, has suggested that the IRS is working on a new contingency plan that includes furloughing some of its workforce. While the full scope of this plan is yet to be disclosed, it raises questions about how IRS services will be affected.

## Impact on Taxpayers

So, what does this mean for taxpayers? In the event of a government shutdown, several key IRS functions may be affected:

1. Delayed Refunds: Taxpayers who file paper returns will likely experience delays in receiving their refunds. Even electronic filers may encounter delays if their returns require further processing.
2. Backlog Increase: The IRS has been grappling with a backlog of tax returns, with 2.6 million returns pending at the end of the 2023 filing season. A shutdown could exacerbate this backlog, further delaying tax processing.
3. Filing Deadlines: It's essential to note that filing deadlines for certain entities remain unchanged. Calendar-year individuals and C corporations with filing extensions must still file their 2022 returns by October 16, and tax-exempt organizations with extensions must file by November 15. Employers must also meet their Q3 employment tax deadlines by October 31, 2023.

## Uncertain Future

As the deadline for a government shutdown approaches, the situation remains uncertain. While federal agencies have backup plans in place to maintain essential services, there will undoubtedly be impacts on federal employees and the American public. In the coming weeks, taxpayers should stay informed about developments in the IRS's contingency plans and be prepared for potential disruptions to IRS services. O'Neil Cannon will continue to monitor the situation and provide updates as more information becomes available.

For questions or further information relating to the potential government shutdown's impact on the IRS, please contact [Britany E. Morrison](#).

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# TAX & WEALTH ADVISOR ALERT: IRS POSTPONES \$600 PAYMENT PROCESSOR 1099-K REPORTING REQUIREMENT



In a year-end gift of sorts to tax professionals, payment processing companies, and individuals pursuing eBay and other small-transaction side hustles, the IRS has delayed a new transaction reporting requirement that some believed would cause confusion among taxpayers and tax preparers alike.

## **Many More Payments Were to Be Reported to the IRS**

The new reporting requirement would have required companies such as Venmo, PayPal, eBay, and Etsy that process business-related payments to provide each individual who received more than a total of \$600 in reportable transaction payments from the company in 2022 with a form 1099-K and to report those payments to the IRS. Formerly the 1099-K reporting requirement was not triggered unless an individual received more than \$20,000 in reportable payments in more than 200 transactions in a calendar or tax year.

So, for example, if an eBay seller earned more than \$600 from eBay auctions in 2022, eBay would have been required to report that total to the IRS and to send the seller a form 1099-K reflecting those payments. This would be the case for any payment processor that made payments to individuals or businesses for business-related transactions (StubHub, Etsy, Airbnb, Venmo, Zelle, Square, and the like). In each case, if any one individual or company was paid more than \$600 for business-related transactions in 2022, the payment processor would have been required to report the total amount paid to the IRS, and the recipient of the payments would receive a form 1099-K reflecting that total.

## **Concerns About Errors and Confusion**

There was widespread concern that given the lower reporting threshold of \$600 per year, many individual taxpayers would receive erroneous 1099-Ks that mistakenly included non-reportable transactions. A Venmo payment for splitting dinner checks with a friend is one example. Only properly reportable transactions, such as payments for business-related products or services, should trigger a 1099-K, and the risk of error with the lower threshold was significant. Of course, those erroneous amounts would also have been reported to the

IRS, creating headaches for taxpayers, tax preparers, and the IRS.

## **The IRS Has Delayed the New Reporting Requirement**

In late December 2022, the IRS [issued a notice](#) delaying the implementation of the \$600 threshold for the 1099-K reporting requirement until 2023, meaning taxpayers should not be receiving 1099-Ks from payment processors such as eBay and PayPal unless the old \$20,000/200-transaction threshold was reached during the year.

This does not mean taxpayers are not required to declare all their 2022 income, of course. It simply means that if a taxpayer's transactions for the year were under the \$20,000/200-transaction threshold, payments won't be reported to the IRS by the payment processors and the taxpayers won't receive a form 1099-K for amounts they've received.

## **Be Prepared for 2023**

Note that the IRS is not abandoning the new \$600 reporting requirement; it's simply giving payment processors, tax professionals, and taxpayers another year to ensure they are prepared to implement it. This means that if you're a taxpayer and you receive payments from online transactions such as eBay, Etsy, StubHub, or Airbnb, or if you have clients pay you via Venmo or Paypal, it's essential for you to keep track of the money you receive via these payment processing services. You should also make sure you pay close attention to non-business payments you receive from friends and family when you split a dinner check or share a weekend cabin rental.

Keep track of expenses you incur related to the reportable payments you receive – for example, if you buy and resell concert tickets, the cost of the original ticket you purchased is an expense related to the money you receive from selling the ticket. Doing so will usually reduce your reportable income. And the more you keep good records, the easier it will be to ensure that any 1099-K forms you receive for 2023 payments are accurate and properly reflect the money you've been paid for goods or services you provided.

## **Note That Things May Change**

The new \$600 threshold for 1099-K reporting provoked a predictable backlash from the payment processing industry. Some members have formed an advocacy group called the [Coalition for 1099-K Fairness](#) to draw attention to the new requirement and encourage the IRS to, at a minimum, delay its implementation. With the IRS's decision in late 2022 to postpone enforcement of the new rule for a year, at least one of this group's requests has been met (though the IRS did not specifically reference the Coalition when it issued its notice).

According to a survey conducted on behalf of the Coalition, millions of what they call “casual sellers” make less than \$5,000 per year selling used or pre-owned goods online. For most of these people, the Coalition argues that selling things online is not their primary source of income; think “side-gig.” One industry concern is that if millions of people start receiving 1099-K forms for casual transactions, many may stop selling online to avoid the hassle of keeping records of revenues and expenses as though they are operating a full-fledged business.

On the other side is the idea that even “casual sellers” should include their income from smaller-scale transactions on their tax returns. And the thought is that if taxpayers are aware that the revenue they receive from these casual sales is being reported to the IRS, they will be more inclined to include it (or the portion that is properly reportable as income) on their tax returns.

That said, there is no dispute that the new \$600 reporting threshold is a drastic change from the old \$20,000/200-transaction threshold, and that complying with the new 1099-K reporting requirement will be significantly more burdensome for payment processors of all types. While the \$600 threshold may be changed in response to industry and taxpayer pressure, there is no guarantee this will happen, so payment processors and taxpayers should continue to act as though the threshold will remain where it is for 2023.

For questions or further information relating to form 1099-K reporting, please contact Attorney Britany E. Morrison.

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## **TAX & WEALTH ADVISOR ALERT: UNDERSTANDING COMMON NOTICES INDIVIDUALS RECEIVE FROM THE IRS**



Although tax season may end for many individuals after returns are filed on April 15, for others it may be just the beginning. Many people receive a notice from the IRS as they process returns. These communications from the IRS are common and aren't necessarily a sign of trouble. If you receive a notice, read it carefully, address it promptly, and consider whether you should contact a lawyer.

Most notices from the IRS are regarding incomplete or incorrect information on taxpayer's tax forms, but there are plenty of other reasons the agency might be contacting you. [The IRS website](#) notes that the IRS sends notices and letters to individuals for the following reasons:

- You are due money.
- You owe money.
- You need to provide additional information or clarify part of your tax return.
- You need to verify your identity.
- Your tax return has a processing delay.

Each notice or letter contains a lot of valuable information, so it is particularly important that you read it carefully. Any communication you receive from the IRS will have a code on the right side at either the top or the bottom. The codes on notices begin with CP. The codes on letters begin with LTR. Here are some common notices the IRS sends out, identified by code.

### **CP2000 Notice**

The IRS sends taxpayers this notice when [the information they have on file](#) does not match the information provided on the tax return. There might need to be an adjustment to your tax forms.

For example, your employer originally sent you a W-2 with incorrect information. They later sent an amended W-2, but you used the incorrect W-2 when completing your taxes.

If the notice alerts you to a discrepancy in your tax filing, it will explain how the IRS determined the error. You can either agree and sign off on the proposed changes or explain why you disagree, including providing relevant documents. You typically will be given 30 days to respond.

### **CP3219A Notice**

If you fail to resolve the issue highlighted by a CP2000 Notice, the IRS sends a [CP3219A Notice](#). Known as the Statutory Notice of Deficiency, this form gives you 90 days to reply. Like a CP2000 Notice, you can either agree or disagree with the changes when you respond.

Failure to reply to this notification can bar your ability to appeal and contest the issue in Tax Court.

### **CP3219N Notice**

When the IRS [has not received your tax return](#), they will send you this notice. You have 90 days to reply. If you believe you did not have to file a return but receive this notice, you should contact the IRS.



## **CP501 Notice**

The IRS sends this to remind taxpayers that they have 21 days to pay [any outstanding tax](#). If you cannot pay what you still owe, you can see if you qualify for a payment plan.

CP501 Notices are generally the first notice sent. If you do not reply within 15 days, the IRS will then send a CP503 notice. If you receive a CP503 notice but believe you have resolved the issue, you should contact the IRS for confirmation.

If you fail to respond to this notice, the IRS can levy interest and penalties as well as file a Notice of a Federal Tax Lien. Like other notices, you can disagree with the IRS's calculations. You should be prepared to offer documentation to show their error.

## **CP14 Notice**

This communication closely relates to CP501. It lets you know that the IRS believes you [underpaid the amount due](#) on your taxes.

Similar to a CP501 Notice, failure to respond in the required time period can result in additional penalties and accruing interest.

## **Timely Action**

If you have received communication from the IRS, you should act promptly.

Failure to act in a timely manner can cause serious problems. Additional fees and interest can accrue on unpaid tax. If you disagree with the IRS's determinations, failure to reply may bar you from appealing the decision.

It is especially critical to respond to an IRS notice if you're unable to pay the full amount you owe on your taxes, because the agency may allow you to arrange a payment plan.

## **Beware of Scams**

There are scammers out there who will send fake IRS letters and notices in an effort to obtain your personal information or even a check. Whenever you get a communication from the IRS, examine it carefully to make sure it is legitimate. If you are unsure, contact the IRS directly or reach out to a tax professional or attorney for guidance.

## **Contact Qualified Tax Attorneys**

If you have received a notification from the IRS, contact Attorney [Britany Morrison](#) at one of Wisconsin's premiere law firms, O'Neil, Cannon, Hollman, DeJong & Laing S.C.

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# TAX & WEALTH ADVISOR ALERT: IRS REMINDS INDIVIDUAL TAXPAYERS OF SEPTEMBER 15 DEADLINE FOR THIRD QUARTER ESTIMATED TAX PAYMENTS



The IRS has reminded taxpayers who pay estimated taxes that the deadline to submit their third quarter estimated tax payments is September 15, 2022. The fourth and final estimated tax payment for tax year 2022 is due January 17, 2023. Taxpayers not subject to withholding, such as those who are self-employed, investors, or retirees, may need to make quarterly estimated tax payments. Taxpayers with other income not subject to withholding, including interest, dividends, capital gains, alimony, cryptocurrency, and rental income, also normally need to make estimated tax payments.

In most cases, individual taxpayers need to make estimated tax payments if they expect their tax liability to be at least \$1,000 for the tax year 2022, after subtracting their withholding and tax credits. Special rules apply to some groups of taxpayers, such as farmers, fishermen, casualty and disaster victims, those who recently became disabled, recent retirees, and those who receive income unevenly during the year.

To compute estimated tax, individuals must determine their expected Adjusted Gross Income (AGI), taxable income, taxes, deductions, and credits for the year. While calculating their 2022 estimated tax, it is helpful for taxpayers to use their income, deductions, and credits for 2021 as a starting point. Taxpayers can avoid underpayment penalties by making payments of at least 90% of the tax expected on their 2022 income tax return, or by making payments of at least 100% of the tax shown on their 2021 income tax return. The IRS may waive such penalties for underpayment due to unusual circumstances, but not willful neglect.

Additional information regarding individuals that need to make Federal and Wisconsin estimated tax payments and how to make such payments can be found [here](#). For questions or further information relating to estimated tax payments, please contact Attorney [Britany E. Morrison](#).

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# TAX & WEALTH ADVISOR ALERT: ESTATE AND TAX PLANNING DURING MARKET TUMULT



The worldwide equity market tumult is creating some unique and unprecedented challenges. However, plunging asset values are presenting some rare opportunities in wealth planning that are often only seen once in a generation. Below are some strategies you may wish to incorporate into your estate and tax planning during this time.

**Basic Estate Planning:** Now, more so than ever, it is important to make sure your family is provided for in your estate plan. This means reviewing your current estate planning documents to ensure the principal documents are in order. Wills, revocable trusts, powers of attorney, beneficiary designations and health care directives should all be reviewed to ensure that these documents reflect your current wishes.

**Make an Annual Gift Exclusion:** You can make an annual tax-free gift of \$16,000 per person (for married couples, a combined \$32,000) that does not count against your lifetime gift tax exclusion (currently \$12.06 million per person). Using marketable securities as the gifted asset when volatility is so high, and valuations are down, can offer you some extra stretch on gifts made now before valuations rise in the future.

**Place Assets into Existing Irrevocable Trusts or Fund a New Irrevocable Trust:** Like making an annual gift, funding an irrevocable trust with securities while valuations are low allows for more assets to be placed in the trust (when measured against the lifetime exclusion) and allows you to transfer more of your wealth tax-free.

**Make Roth IRA Rollovers:** The “cost” of converting a traditional IRA into a Roth IRA is paying taxes now on the current value of the IRA, therefore, it is best to make these conversions when the market is down.

**Tax-Loss Harvesting:** Some may consider lowering their tax liability by selling a security now at a loss to offset gains from earlier this year or in the future. However, you should be aware of the wash-sale rules. The wash-sale rule states that when you harvest losses, you cannot repurchase substantially identical investments for 30 days. Even though you may have separate accounts with different advisors, the rule considers all accounts to be the

same. Therefore, it is important to make sure that all your advisors are aware of the securities you are buying and selling.

**Intra-Family Transactions:** When asset values are low, wealth transfer planning techniques involving intra-family transactions, such as selling assets to your children or grandchildren, are very effective if the sold assets appreciate at a rate greater than the interest rate charged. When asset values recover, all the asset appreciation will be outside of your taxable estate and will be held by or for the benefit of your children or grandchildren transfer tax free.

**GRATs:** A grantor retained annuity trust (GRAT) is an estate planning vehicle that allows you to freeze the value of your estate while transferring any future appreciation to the next generation free of tax. With a GRAT, you transfer certain assets to a trust and retain the right to receive annuity payments for a term of years. The transfer of property to a GRAT constitutes a gift for gift tax purposes, but the value of that gift is only the value of the trust assets on the date of the transfer plus an assumed rate of return. Any appreciation of the assets more than the hurdle rate passes to the beneficiaries free of gift tax. GRATs are most effective when interest rates and market values are low. While the economy isn't currently experiencing low interest rates, it is experiencing low market values, which still makes it beneficial to set up a GRAT. For clients who have existing GRAT terms that are ending, it is probably beneficial to keep them going. Those without GRATs should strongly consider funding them in this current market climate.

**CLATs:** Those with charitable inclinations should consider a charitable lead annuity trust (CLAT). A CLAT works like a GRAT, however, a CLAT is designed for a charity to receive the annuity payments for a term of years, rather than an individual. At the end of the term, the balance of the assets remaining in the trust passes to the beneficiaries you indicate in the trust agreement. As with all the strategies discussed above, low equity values result in more assets passing to your intended beneficiaries free of transfer tax.

If you are interested in learning more about estate and tax planning during these unprecedented times, please contact Attorney [Britany E. Morrison](#) at O'Neil, Cannon, Hollman, DeJong & Laing S.C.

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## **TAX & WEALTH ADVISOR ALERT: REMINDER—APRIL 18 IS THE DEADLINE FOR**

# INDIVIDUAL RETURNS AND MORE



The filing deadline to submit 2021 tax returns or an extension to file and pay tax owed is Monday, April 18, 2022. By law, Washington, D.C., holidays impact tax deadlines for everyone in the same way federal holidays do. The due date is April 18, instead of April 15, because of the Emancipation Day holiday in the District of Columbia for everyone except taxpayers who live in Maine or Massachusetts. Taxpayers in Maine or Massachusetts have until April 19, 2022, to file their returns due to the Patriots' Day holiday in those states. Taxpayers requesting an extension will have until Monday, October 17, 2022, to file. Of note, the Monday, April 18 deadline is the deadline for more than just individual returns and extensions. Here is a list of some other April 18 deadline items that IRS has noted:

- Individual return extension requests. Taxpayers can extend the deadline beyond April 18, 2022, by filing Form 4868, *Application for Automatic Extension of Time To File U.S. Individual Income Tax Return*. Filing an extension moves the filing deadline from April 18, 2022, to October 15, 2022. You can also get an extension by paying all or part of your estimated income tax due with Direct Pay, the Electronic Federal Tax Payment System (EFTPS), or a credit or debit card.
- Contributions to IRAs and health savings accounts. Taxpayers only have until April 18, 2022, to make 2021 contributions to individual retirement arrangements (IRAs), Roth IRAs, health savings accounts, Archer medical savings accounts, and Coverdell education savings accounts—even if they file for an extension.
- Self-employed persons retirement plan contributions. Self-employed persons have the opportunity to fund SEP and SIMPLE IRAs as well as solo 401(k) plans through the deadline for a timely filed extension.
- Withdrawals of any 2021 contributions to an IRA. Withdrawals of any 2021 contributions to an IRA, including excess 2021 contributions (if you didn't request a filing extension), are due April 18, 2022. This rule also applies to the following retirement plans: 401(k), 403(b), SARSEP and SIMPLE IRA plans.
- Payroll taxes for household employees. Form 1040, Schedule H (Household Employment Taxes) is due even if you are not required to file Form 1040 itself.
- 2018 unclaimed refunds. The law provides a three-year window to claim a refund. To get any unclaimed refund from 2018, a taxpayer must properly address and mail the tax return, postmarked by April 18, 2022. If a taxpayer does not file a return within three years, the money becomes property of the U.S. Treasury.
- Returns for calendar year tax-exempt organizations. Also due April 18, 2022, are forms in the 990 series, including Form 990-T, *Exempt Organization Business Income Tax Return*.
- Foreign trusts and estates. Foreign trusts and estates with federal income tax filing or

payment obligations that file Form 1040-NR also have until April 18, 2022, to file or make payment.

- State individual income tax returns for most states. Most states follow the federal due date. However, as mentioned above, taxpayers in Maine or Massachusetts have until April 19, 2022, to file their returns due to the Patriots' Day holiday in those states. The filing due date for Wisconsin is April 18, 2022. Nevertheless, if you need more time to file, Wisconsin offers an extension. Wisconsin does not have its own separate extension application. If taxpayers have an approved federal tax extension (Form 4868), they will automatically receive a Wisconsin tax extension. Filing a federal extension moves the Wisconsin filing deadline from April 18, 2022, to October 15, 2022.

### **Timely and Accurate Mailing**

The IRS encourages taxpayers to e-file their returns or extensions. If you are planning on filing a paper return, extension or even paying by check, be sure to put the return, extension and/or check in first-class mail by the due date. As long as your return is postmarked by the due date, the IRS considers your return or extension to be filed on time. In the event of a dispute, you need to prove that you mailed your tax return or extension on time. Stating that you mailed the return won't be enough proof without additional documentation. The best method is to send by registered mail which is confirmed by Section 7502(c) of the Tax Code.

It is also important for taxpayers to check that the any tax forms or payments are sent to the correct address. The correct address should be listed on the instructions to the form you are filing, but the IRS's website also provides a listing [here](#). In addition to mailing through the U.S. Postal Office, certain private delivery services designated by the IRS can also be used. See the IRS's list [here](#). Note that many private delivery services cannot deliver to a P.O. box, but you can find a list of addresses for [private delivery services](#) on the IRS's website.

For questions or further information relating to the tax filing deadlines, please contact Attorney **Britany E. Morrison**.

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## **TAX & WEALTH ADVISOR ALERT: WISCONSIN TO ALLOW MUNICIPALITIES TO WAIVE PROPERTY TAX PENALTIES AND EXTEND CONSTRUCTION AND BUILDING PERMITS**



Wisconsin Governor Tony Evers has signed Senate Bill 254, which affects building permit holders and late property tax payments. The bill, which Evers signed on Friday, October 15, 2021, and is now known as [2021 Wisconsin Act 80](#), allows municipalities and other taxation districts to waive interest and penalties on late 2021 property tax payments. It also adds a timely payment requirement for filing certain property tax claims if payment was submitted by October 1, 2021. The Act also allows holders of certain unexpired construction or building permits or approvals to seek extension of the permit or approval term if the permit is subject to administrative, judicial, or appellate proceedings that may result in the invalidation, reconsideration, or modification of the permit or approval.

For questions or further information relating to 2021 Wisconsin Act 80, please contact Attorney [Britany E. Morrison](#).

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## **TAX & WEALTH ADVISOR ALERT: REMINDER-DEADLINE FOR Q2 ESTIMATED TAX PAYMENTS IS JUNE 15**



The U.S. Internal Revenue Service has issued a reminder to taxpayers who pay estimated taxes that they have until June 15 to pay their estimated tax payment for the second quarter of tax year 2021 without incurring a penalty.

Estimated tax is the method used to pay tax on income that isn't subject to withholding, including income from self-employment, interest, dividends, rent, gains from the sale of assets, prizes, and awards. Taxpayers may also have to pay estimated tax if the amount of income tax withheld from a salary, pension, or from other income isn't sufficient to cover their entire tax liability.

Additional information regarding who needs to make Federal and Wisconsin estimated tax

payments and how to make such payments can be found [here](#).

For questions or further information relating to estimated tax payments, please contact Attorney [Britany E. Morrison](#).