

# Get ready for tax season

Review these items to prepare for tax season

Updated November 2023

Tax season is almost upon us again and you are probably starting to think about your 2023 tax return. As you prepare, please take a few moments to review the Tax Season Checklist.

Tax documents are mailed at different times for different types of investments and accounts, and you may receive more than one tax document package, depending on what you own. Each taxpayer within the same household will receive a separate tax package.

Remember to wait until you have received 2023 tax documents for all accounts with reportable activity before filing your 2023 tax returns.<sup>1</sup>

## Tax Season Checklist

### Did you move last year?

- Make sure employers and financial institutions have your current address, so you receive your tax documents on time. Many tax documents are available electronically.

### Did you have a change in marital status last year?

- Make sure employers and financial institutions have your correct name and, if your name changed, that you have changed your name with the Social Security Administration.

### Do you know how to find the cost basis for your investments, or to request updates?

Cost basis information is shown on an aggregate basis for many of your stocks, bonds, mutual funds, etc.

- On Form 1099-B (Proceeds From Broker and Barter Exchange Transactions). Cost basis on covered securities which were sold during the year may be found on Form 1099-B
- The lot-by-lot information is also available on the secure site or mobile app. If you have questions about your cost basis on a lot-by-lot basis, please contact your advisor.
- For securities held in non-qualified accounts, basis can be found on the account details pages of your Ameriprise monthly/quarterly statements. Cost basis information is shown on an aggregate basis for many of your stocks, bonds, mutual funds, etc. This does not display cost basis on a lot-by-lot basis. However, for sales during a month or quarter, gain/loss information will be available for that period on that statement.
- Requests to update cost basis (brokerage) for 2023 tax reporting must be received by Dec. 16, 2023, end of day. Requests received after this will be processed on a best-efforts basis.
  - Certain cost basis update requests can be submitted using the Cost Basis Update form 402234 found on the ameriprise.com website.

### Have you met your IRA contribution limit this year?

- You can make 2023 contributions to your IRA until April 15, 2024, through ameriprise.com,

through your financial advisor, or with a client service representative at 800.862.7919.

- Contributions made between Jan. 1 and April 15, 2024, can be designated for either 2023 or 2024. You designate the year when you make the contribution.
  - If you do not indicate a tax year, it will be treated as a 2024 contribution.

### **Do you own Real Estate Investment Trusts (REITs), Unit Investment Trusts (UITs) or mutual funds in non-retirement accounts?**

- You may receive amended tax documents after you have received your year-end tax documents if Ameriprise receives updates from issuers of investments that you own.<sup>3</sup> Amendments may also be sent for other reasons including account corrections or cost basis updates.
- You may get multiple amended tax documents, depending on your investments.
- You may consider waiting until early April to file your tax returns to avoid refile costs.
- You should discuss the tax implications of your investments with your financial advisor and your tax professional.

### **Do you own investments that are organized as a trust or partnership?**

- If the partnership is held in a non-qualified account, you may receive the documents you need to file your tax returns (likely a Schedule K-1, Beneficiary's/Partner' Share of Income, Deductions, Credits, etc) directly from the trust or partnership. Unlike other investments you may own at Ameriprise Financial, we do not provide you with tax documents for trust or partnership investments if they produce Schedule K-1.
- If the partnership is held in an IRA, Ameriprise Trust company as the custodian will review the Schedule K-1 information for any Unrelated Business Taxable Income (UBTI) reporting requirements and act accordingly<sup>4</sup>.

### **Do you own accounts that don't earn much income?**

- The IRS doesn't generally require us to issue tax documents for accounts where less than \$10 of income was earned during the year and there was no withholding and no sales of securities in the account.
- You may still need to report this income on your tax return. The total amount of income earned in your account(s) in 2023 is on your last financial statement for 2023 in the Value of Your Account section for brokerage accounts and in the Your Certificate Activity section for Ameriprise Certificates. Information is also on your *Ameriprise* annual statement (offered online only, it becomes available in late January on ameriprise.com).

### **Do you have access to, or have you received a statement for, all taxpayers in your client group, including minors and trusts?**

- Compare names and account titles on tax documents to the monthly/quarterly account statements you received throughout the year to verify you have received all expected documents.
- Remember tax documents may arrive at different times, including possible amendments.

### **Do you know how to view your tax documents and other documents at ameriprise.com?**<sup>5</sup>

- You can now sign up for e-delivery of your tax documents by registering on ameriprise.com.
  - Log into your account and click on Profile > Communications Preferences and select "Tax Documents".
  - If you elect e-delivery of tax documents, we will send you an email when they become available for you to access online. We will not send you a printed copy in the mail.
- Tax information becomes available online at the same time we mail printed tax documents.
- Most tax documents are available on ameriprise.com<sup>5</sup>.
  - Log into your account on ameriprise.com and select Documents to locate and view your tax documents.

- If you need to create an online account, visit [ameriprise.com/register](https://ameriprise.com/register).
- You can import data from your tax documents into an electronic spreadsheet.
  - You can save the spreadsheet to your computer and then import the data directly into tax preparation programs or online sites.
  - You can find instructions and the link for the download tool at [Ameriprise tax download FAQ](#)
  - Your 2023 tax package(s) have the login credentials to access the Ameriprise tax download: Package ID and Document ID.
  - The Package ID and Document ID on amended tax packages will be the same as the original tax package. Any subsequent import using these login credentials will capture the most up-to-date tax data for all accounts with tax data available for download from that package, including updates.
  - Remember, you may have more than one tax package.
  - Only your current-year tax documents are available for download.

**Tax statements, monthly/quarterly client account statements and trade confirmations are viewable online for seven years.**

- Clients should retain their own copies, in a secure location, if they anticipate they will need a record of account activity going back more than seven years.

<sup>1</sup>Statements will be mailed by the IRS mailing deadline, unless there are extenuating circumstances that prevent us from meeting the deadline. If that occurs, we will apply for an extension from the IRS.

<sup>2</sup>“Covered” is a term used to identify investments that are subject to required tracking and reporting of cost basis and holding period information under guidance of the tax law and IRS regulations. “Noncovered” refers to the investments we are not required to report the cost basis or holding period information for, to you or to the IRS, although we may provide the information as a client service. For information about covered and noncovered investments and cost basis reporting regulations, see [Cost basis reporting FAQ](#)

<sup>3</sup>Ameriprise applies the De Minimis Error Safe Harbor rules (under IRC 6721 & 6722) for some updates to tax reporting for Ameriprise brokerage accounts and Managed Accounts investments, etc. The rules allow financial institutions not to produce updated tax reporting for the client and the IRS for certain small changes of \$100 or less (\$25 or less for tax withholding). You can choose to receive updated tax statements, regardless of the amount of the change. For more information visit [ameriprise.com/taxcenter](https://ameriprise.com/taxcenter) and click on “Tax filing FAQ”.

<sup>4</sup>If you hold a limited partnership in your IRA, as the custodian of your IRA, Ameriprise Trust Company (“ATC”) is required by the IRS each year to:

- Determine if the limited partnership(s) in your IRA earned UBTI as reported from the K-1 issued by the partnership,
- File IRS Form 990-T, Exempt Organization Business Income Tax Return, to report UBTI of \$1,000 or more,
- Pay the applicable tax from assets in the IRA, which is taxed at the “Tax Rate Schedule for Trusts” available on [irs.gov](https://irs.gov) in the IRS instructions for Form 990-T.

<sup>5</sup>Some annuity tax statements are only available on [riversource.com](https://riversource.com).

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