

Tax Insights | [April 27, 2023](#)
**Tracking Tax News,
You Need to Know**



Lawmakers Push To Modernize IRS Filings for Startups

A bipartisan group of lawmakers in the House reintroduced a [bill](#), Eliminating Paperwork for Startups Act. The bill would require the IRS to allow Section 83(b) forms to be filed and the responses to be received electronically. A Section 83(b) election allows startup founders to pay tax on their equity as of the date the equity was granted rather than later upon vesting.

House SALT Caucus Gains Support To Eliminate Cap

A growing number of the members of the House of Representatives support removing the cap on state and local tax (SALT) deductions. Members of the SALT caucus previously introduced [legislation](#) that would allow taxpayers to fully deduct their state and local taxes on their federal income tax returns. The SALT deduction was capped at \$10,000 in 2017 and has resulted in a tax increase for many taxpayers.

Payment From Charitable Annuity Trust Are Taxable Distributions

The U.S. Tax Court [held](#) that the annuity payments received by individuals who contributed real estate and other property to charitable annuity trusts were taxable distributions. The taxpayers argued that the sales proceeds from properties they contributed to the trusts were tax-free. The taxpayers contributed real property to the trusts, which sold the property and used the proceeds to buy five-year annuities, with the taxpayers as the annuity recipients.



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