



The Pierson Firm Presents  
**TPF Tips**  
Issue 27 – MARCH, 2026

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Welcome to the new-look TPF TIPS monthly newsletter, where our mission is to *apply 35 years of experience to cut through the noise, unpack the jargon, and offer clear, digestible insights on the tax and financial topics that matter most to you.*

And...provide an inside look to some of our favorite anecdotes from our years as a company in the new, **35<sup>th</sup> Anniversary – Did You Know??** section of the newsletter.

Here we will share insider stories, successes and lessons learned in serving generations of clients. Hope you enjoy this special look into our history.

We know your time is precious and your inbox is sacred. We strive to make these emails a quick, valuable read (5–7 minutes) and plan to deliver them to you on or around the 15th of each month (a not-so-subliminal nod to that important day in tax season).

After all, **it's your money—we want to help you keep as much of it as possible!**

**35<sup>th</sup> Anniversary – Did You Know?!**

*Weapons drawn.*

*Note to self – never bring a calculator to a gun fight!*

*Summer, 1999.*

*Returning to the office, I saw two people in dark suits, backs against the wall, guns drawn slowly making their way to the entrance of The Pierson Firm office. It was reminiscent of a police show scene where the “good guys” are about to burst in on the “bad guys”.*

*Of course, my present in the hallway ruined any element of surprise. So, instead of making their way into the office, the agents turned their attention to me.*

*Almost immediately, I was accosted by an agent with a gun put to my temple and the pronouncement of “We are the treasury department and we are here to talk about Client X (name protected).” My partner at the time, came out to investigate the commotion and was treated in the same manner by the other gun-toting agent.*

*After ten minutes of discussion and credential checking and reassurances, we were able to convince the agents from the Treasury Department Enforcement Arm (now known as FIN CEN) that our team was NOT an international money laundering operation, but rather; a well-established, local, tax preparation office. They left with a meek, or should we say; weak apology.*

Thank goodness they did not see the washing machine in the back!!

Please note: we do NOT launder money and money is not "laundered" by washing it in a washing machine. Accountant humor!

It's that time.....buckle up and let's get **savvy**!!!

The theme for this month is: **Navigating the Digital Shift and New Law Changes**

As the month of March rushes by, the office is filled with that familiar tax-season energy: equal parts dedication, high-octane caffeine and the sound of keyboards clicking softly. It's a rhythm we have known for 35 years, yet 2026 is a bit of a landmark with the balancing of the new "digital shift" and the new legislative changes from the end of 2025.

### **Faster IRS processing – (Yes, Really)**

The IRS opened the 2026 filing season for 2025 individual returns in late January and has rolled out more staffing and AI-driven processing tools. For "clean" e-filed returns with direct deposit, refunds are generally moving faster than in prior years. E-filing early also reduces identity theft risk and gives you more time to handle any surprise notices

### **Digital Oversight – 1099-DA is Here**

The "Wild West" of digital asset reporting has been tamed with the implementation of Form 1099-DA (Digital Asset Proceeds From Broker Transactions). If you sold or swapped crypto, NFTs, or tokenized assets in 2025, your custodial brokers (like Coinbase, Kraken, or Gemini) have likely already sent you this form.

#### **What you need to know right now:**

Definition of "Broker": Legislative updates have clarified that "brokers" currently only include custodial platforms. The "DeFi" (decentralized finance) regulations were repealed in 2025, so for now, you only need to worry about the forms from centralized exchanges.

"Basis": Brokers are primarily reporting *gross proceeds*. They know you sold it, but they might not know what you paid for it. This means you will need your transaction records to show detailed gains and losses (on Form 8949). Otherwise, the IRS will default your cost to \$0 generating the risk of being taxed as if the entire sale price was profit.

Electronic First: New rules allow brokers to send these forms electronically by default. If you're waiting by the mailbox, check your "Tax Documents" portal instead.

### **Big Boost for the Real World**

While the digital world is becoming more regulated, the "bricks and mortar" world just received a big boost. One of the most significant wins for businesses this year is the retroactive repeal of the mandatory five-year R&D amortization under the One Big Beautiful Bill Act (OBBBA).

For the last few years, businesses were forced to temper their domestic research and development deductions. This was a significant cash-flow drain for many companies in manufacturing, aerospace, and technology.

#### **What you need to know right now:**

Full Expensing: Starting with 2025 and 2026 returns, businesses can once again fully deduct domestic R&D costs in the year they occur.

"Claw back" Window: If your business has average gross receipts of \$31 million or less, you may be eligible to amend your 2022, 2023, and 2024 returns to reverse that amortization and claim immediate refunds.

The Deadline: The window to amend 2022 returns is the standard “amend return” refund period: 3 years from when the original return was filed (or its original due date, if filed early) or 2 years from when the tax was paid, whichever is later

### **HSA Contributions**

Health Savings Accounts still quietly do triple duty: deductible contributions, tax-free growth, and tax-free withdrawals for qualified medical expenses.

- For 2025 (still fundable until April 15, 2026), HSA limits are \$4,300 for individuals and \$8,550 for families.
- For 2026, those limits increase to \$4,400 for self-only coverage and \$8,750 for family coverage.

If you're eligible for an HSA and not using it, you're leaving one of the most powerful tax tools sitting on the table.

### **Home Office & Hybrid Work**

If your “commute” involves moving from the kitchen to a dedicated workspace, you're in good company.

A few boundaries to keep in mind:

- Home office rules remain strict: the space must be used regularly and exclusively for business. A laptop on the dining table doesn't qualify just because you answer email there.
- Gig workers and self-employed taxpayers should carefully track expenses like utilities, rent, mortgage interest, property taxes, and internet to properly allocate business use.

On the business side, mileage and travel rules, equipment purchases, and benefit plans all play into your overall tax picture. Reviewing methods for inventory, cost of goods sold, and equipment (bonus depreciation, Section 179) can improve both cash flow and taxes if handled thoughtfully.

### **BOI Reporting**

Remember BOI (Beneficial Ownership Information) reporting that was required for most (if, not all) small businesses?? The reporting was created to make it harder for bad actors to hide behind anonymous companies and shell entities.

The reality was creating just another thing for a legitimate small business to comply with. Many failed to do so and suffered penalties – again, not great for a small business.

Finally, some good news on this regard.

As of March 2025, U.S. small businesses are largely exempt from filing Beneficial Ownership Information (BOI) with FinCEN. While foreign-owned companies still have requirements, the regulatory burden for local domestic firms has been significantly lifted.

### **Document Organization**

Below is a checklist of important documents to have at the ready:

- Income: W-2s, 1099-NEC, 1099-INT, 1099-DIV, K-1s.
- Digital Assets: 1099-DA forms plus CSV exports from exchanges.
- Adjustments: Student loan interest, HSA contributions, educator expenses, etc..
- Deductions: Receipts or summaries for car loan interest (where deductible), charitable donations, and any qualifying energy-efficient home improvements.

Instead of the infamous “shoebox of receipts”, please ask us about The Pierson Firm secure portal. This cloud-based service provides a private, secure, access anywhere environment for all your critical documents.

## Other Essentials

- *K-1: If you are an investor in a partnership, you are most likely still waiting for a document. K-1s are notoriously late. Don't panic, but keep an eye out.*
- *FBAR: If you have an offshore account (or even a foreign digital wallet) that held more than \$10,000 at any point last year, the IRS will want to hear from you. We at [The Pierson Firm](#) specialize in FBAR so, let us help!*
- *Stay Alert for Scams.* The IRS does not call, text, or email in an unsolicited way — ever.

## REMINDER: IRS Moves Toward All-Electronic Refunds

As we mentioned last month, the IRS has announced its transition toward **all-electronic refund processing** beginning this year.

While paper returns will still be accepted, electronic filing and direct deposit are now the preferred methods due to identity theft and methods paper communication are susceptible to.

### ***IMPORTANT: Even if you file an extension, tax payments are still due April 15!***

Missing that date can lead to penalties that easily offset the benefits of deferral, so keep that date in **bold** on your calendar.

## Key Dates

Mark your calendars with these important tax season dates:

- **April 15, 2026 (the Super Bowl of tax season):**
  - + Individual (Form 1040) returns for tax year 2025 due.
  - + First quarter 2026 estimated payment due.
  - + Last day to make 2025 IRA and HSA contributions.
- **June 15, 2026:** Second quarter 2026 estimated payment due.
- **September 15, 2026:** Third quarter 2026 estimated payment due.
- **October 15, 2026:** Extended 2025 individual returns due.

## Final Thoughts. . .

The 2026 financial landscape is a mix of high-tech digital shifts and high-impact legislative wins. It can feel like a lot to juggle, but that's why we are here. Tax time is more than just filling out the right forms, it's about planning ahead, navigating the changes and **helping you keep as much of your money as possible.**

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## About The Pierson Firm

Conroe-based The Pierson Firm offers a comprehensive range of tax-related services to individuals and businesses alike; and have been doing so for over 35 years. From Tax Planning, Preparation & Representation to Business Operations, Advisory and Compliance, the firm provides personalized solutions to those around the block or around the globe. Additional company information can be found by visiting [www.thepiersonfirm.com](http://www.thepiersonfirm.com).



*Gladys Pierson*  
Managing Member, **The Pierson Firm**  
Conroe, TX. 77301  
[thepiersonfirm.com](http://thepiersonfirm.com)