



TPF TIPS – JANUARY, 2026

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Welcome to the new-look, TPF TIPS, monthly newsletter!

As we celebrate a major milestone—**our 35th anniversary**—we are excited to debut a fresh, updated image for our content.

While our look is evolving, our core purpose remains the same:

Applying three and a half decades of experience to cut through the noise, unpack the jargon, and offer clear, digestible insights on the financial topics that matter most to you.

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 tax season).

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

35th Anniversary – Did You Know?!

The Pierson Firm has operated out of the same location for 35 years!

Our only "sabbatical" occurred when a major storm took the roof off our building, forcing us to relocate to a local pool hall for six months. Even in those unusual surroundings, we had one of our most successful seasons—although we suspected some of our clients visited only to become better pool players!

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

The theme for this month is:

The Policy Pivot: New Rules Under the New Administration

As we bid a fond (and perhaps slightly exhausted) farewell to 2025 and welcome the promise of a year, all of us at *The Pierson Firm* extend our warmest wishes to you and your families. We hope 2026 brings you prosperity, success, and the kind of opportunities that make all those hours of hard work feel worth it.

If 2025 felt like a bit of a whirlwind, you aren't alone. Between the shifting political tides and the massive legislative overhaul, we all witnessed, it's been a year of resilience and adaptability.

Or, to put it more bluntly: we made it through the chaos! While we might have a few metaphorical bruises from navigating all the “noise” surround the facts, we made it through with flying colors ready to make 2026 the best year yet. If one thing is for certain, in a world of constant evolution, planning is power.

A Look Back: 2025, the Year of "Big, Beautiful" Change

To understand where we are going, we have to look at the landmark event of the past year: the passage of the *One, Big, Beautiful Bill Act (OBBBA)*.

This landmark legislation made permanent many aspects of the 2017 Tax Cuts and Jobs Act (TCJA) that were set to expire, while also introducing new deductions, credits, and inflation adjustments. The OBBBA has provided a level of certainty (and opportunity) we haven't seen in quite some time.

As with any "beautiful" piece of legislation, the proof is in the details—and the details create the difference between just “surviving” tax season and actually *thriving* under the new changes.

2026: A Bright Outlook

The horizon for 2026 looks brighter and, notably more predictable.

The OBBBA’s core provisions are fully implemented for the 2026 tax year, which means the rules of the game are defined (at least for now). That definition provides stability and gives businesses and individuals alike an opportunity to reassess both near and long-term goals while fine-tuning financial strategies.

We see three (3) defining forces shaping financial planning this year:

A More Permanent Tax Landscape

With individual tax rates and many TCJA provisions locked in, the focus shifts from year-to-year adaptation to proactive, multi-year strategy building.

A Technological Revolution in Finance

Artificial intelligence, automation, and blockchain aren’t buzzwords anymore — they are fully integrated into financial systems. From predictive accounting tools to automated compliance systems, the digital transformation continues to influence how we earn, save, and invest.

A Renewed Emphasis on Risk Management

As cybersecurity becomes central to financial security, safeguarding sensitive data and assets is a top priority for households and businesses alike.

Our mission for 2026 is simple: ***to help you take advantage of every opportunity this environment offers while protecting against potential pitfalls.***

New Rules for 2026: Highlights from the OBBBA

Let’s break down the “headlines” from the *One, Big, Beautiful Bill Act* and see what it could mean for your wallet:

Tax Rates:

Most individual rates and brackets have now been made permanent, ensuring greater stability for long-term financial planning.

Standard Deduction:

- Married Filing Jointly: \$32,200
- Single Filers: \$16,100

Estate Tax:

The basic exclusion amount has increased substantially to \$15,000,000, creating meaningful opportunities for estate and gift planning, particularly for high-net-worth individuals looking to secure generational wealth transfers.

SALT Deduction Cap:

Taxpayers in high-tax states have reason to celebrate—the cap on state and local tax (SALT) deductions has been lifted to \$40,400 for qualifying income levels.

New (Temporary) Deductions

- An additional \$6,000 deduction for individuals aged 65 and older.
- Up to
 - + \$25,000 for joint filers on qualified overtime pay.
 - + \$25,000 for qualifying tip income.
 - + \$10,000 on certain new car loans

Child Tax Credit (CTC):

Has permanently increased to \$2,200 per child, though higher-income phase-out thresholds have been adjusted downward slightly.

Each of these updates reshapes how clients should approach both short-term tactics (like timing deductions and contributions) and long-term strategies (including estate structures, charitable giving, and retirement planning).....*and we are here to help!*

Note to Self: Important 2026 Tax Deadlines

Planning ahead is more critical than ever!

Mark your calendars with these important dates associated with 2025 filings and 2026 estimated payments:

- **January 15, 2026:** Fourth quarter 2025 estimated tax payment due.
- **February 2, 2026:** Deadline for employers to mail W-2 forms.
- **March 16, 2026:** Partnership and S-Corporation tax returns due (or file an extension).
- **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.

*A friendly reminder: **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.

New Thinking: Planning, Planning and More Planning!

The permanence of tax provisions and the introduction of new deductions shift the focus of tax planning from simply reacting to year-end changes to adopting a broader strategy.

The goal is no longer just tax minimization for the current year, but optimal wealth preservation.

We know, we know, life is supposed to get easier – not always the case. Especially if you are not used to planning....or planning ahead!

Final Thoughts. . .

With the tax landscape more settled, the real magic happens in long-term strategy. We're not just aiming to lower this year's bill—we're building plans that protect your assets, support your retirement dreams, and pass on wealth efficiently.

Life is complicated enough—taxes shouldn't add to the stress.

We're here to simplify, answer questions, ease concerns, and help you keep as much of your money as possible and, what you've worked so hard to establish.

Remember:

We truly appreciate your trust and partnership. *Reach out anytime* – whether for a question, a discussion or just to catch up. This is what we enjoy doing and are always at the ready to assist.

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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 30 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.



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