

# K & M Precision Tax

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**M-Th 9-7 Fri 9-5 Sat 10-4 Sun Closed**

I usually start out talking about my vacations. I did not do any big vacations last year as I seem to get very sick every time I go on vacation. We just went to Florida and to a friends' cottage. But we did manage to play a lot of pickleball!!!!

What's old is new again, Trump will be back in office. The first thing we have heard is that the tax brackets will not be going up. They will stay the same for 2025. (nothing is finalized as of now) We have also heard that there is a massive bill with several tax changes in the planning, so stay tuned for more updates.

Garfield Road is now completed. If you are coming from the south, you can now take Garfield right to my office. It turns into Romeo Plank at 25 mile rd. Drive carefully in the circles. People are idiots. IF you are in the circle, you have the right of way. But please be careful.

IF you have an LLC in your name, you are required to do BOI reporting. This is very easy to do. This requirement was rescinded, reinstated and rescinded all within a week. Since they can't make up their minds, just do it. Go to [fincen.gov.boi](https://www.fincen.gov/boi) and get it done. Its very easy.

Don't forget to stop in and pick up your calendars. We always have tons to pass out.

Remember to bring me any paperwork for anything that you think qualifies for an energy credit. You can now get a credit every year. Some things qualify for your second home also.

We will continue to limit the number of people in the building, so please try to drop off or email or scan documents to us. You may still have an appointment to have your taxes prepared while you wait. You do NOT need an appointment to just drop your taxes off. Turnaround time for drop offs is usually within a few days. Please make sure to bring me all the documentation I need to prepare your return.

There are also the 2 drop boxes by the back door of my office. They have a camera on them so feel safe to drop off your return in them.

If you would like the secure link to upload documents, just reach out to us and we will send it to you.

As in the past, we still need something in our files with your child's name and address when you claim them as dependents. I understand how redundant this is, but this is required for me to have in my file every year. Doctor statement, school records, driver's license, childcare statement, 1099-B from your job (showing health insurance). Anything that is a legal document.

## Federal changes impacting 2024

- Energy credits for electric cars, even pre-owned cars qualify.
- Mileage rate for self-employed for all of 2024 was 67¢. Going up to 70¢ for 2025
- 1099K, if you get one of these forms. I must have it. This is from 3<sup>rd</sup> parties such as Zelle, cash app, Venmo etc. The reporting amount for this form is \$5000. IF your personal or business transactions were over \$5000 you will receive one of these statements. Please don't throw it away. Even if it was all personal items, it needs to be reported on your tax return. IRS is watching!!!
- Energy credits for your principal residence AND for your second home.
- I have uploaded a new business worksheet on my website. Please use the new one or contact us for a new one to be sent to you.

## Michigan changes for 2024

- Michigan income tax rate went up to 4.25%. Up from 4.05%. Also increased was the Exemption amounts. Up to \$5600 per person from \$5400
- Property tax credit has increased to a maximum of \$1800, up from \$1700. The income amount to qualify has increased to \$69,701. Please, please, please bring me **2024** tax bills, It does NOT matter *when* or *if* paid.
- The pension subtraction for those under 65 remains impossible to explain. Its insanely complicated and I'm glad I have a program to figure out the best possible outcome for each of you in the situation.
- Michigan has charities that you can direct some of your refund towards. Please let me know if you want to donate to any of these with part of your refund.
  1. American Red Cross
  2. Animal Welfare Fund (my favorite)
  3. Children's Trust fund
  4. Military Family Relief
  5. United Way