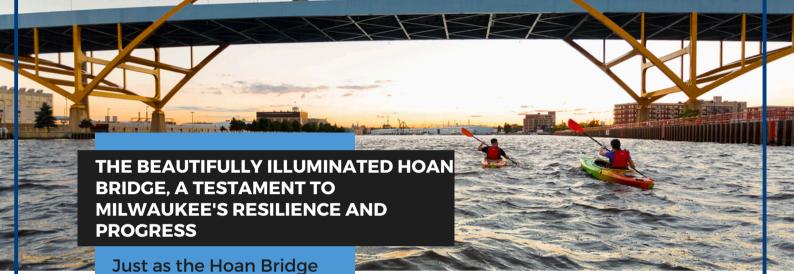


## MARCH 2025

# NEWSLETTER



Just as the Hoan Bridge has undergone enhancements to better serve Milwaukee, our team at MBTS is dedicated to continually improving our services to meet your evolving needs. We understand that navigating the complexities of bookkeeping and tax services can be challenging, much like traversing a vast bridge.

That's why we're here to guide you every step of the way, ensuring a smooth journey toward your financial goals.

> info@midwesttax.co 414-509-1441



Taxes help fund essential public services such as education, healthcare, infrastructure, and public safety. By filing and paying taxes on time, you're playing a role in strengthening the economy and supporting your community.

Need help with your tax return? Our team at Midwest Bookkeeping is here to assist you!



info@midwesttax.co

MARCH

2025

# NEWSLETTER

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IMPORTANT TAX
DEADLINES - DON'T
MISS THESE!



March 17, 2025 – S-Corp & Partnership Tax Return.

### Deadline:

 Applies to S-Corporations (Form 1120S) & Partnerships (Form 1065).



- April 15, 2025 Individual Tax Filing Deadline
- Applies to all individuals filing a U.S. tax return (Form 1040).
- If you need an extension to file (Business or Individual), we can help with this.



- Deadline to request an extension:
- S-Corps & Partnerships: March 17, 2025.
- Individual & Schedule C: April 15, 2025.



Extensions give more time to file, NOT more time to pay!



**Avoid Late Fees and Penalties** 

To prevent penalties and interest, make sure you file your tax return and pay any taxes owed by April 15, 2025. If you can't pay the full amount by then, you have the option to request a payment plan with the IRS.



# **MARCH** 2025

# NEWSLETTER



### TCJA EXPIRATION & TRUMP'S TAX PROPOSALS: WHAT YOU NEED TO KNOW

With key TCJA provisions expiring in 2025, Trump proposes extending or modifying them:

- ✓ QBI Deduction Keep the 20% pass-through business deduction beyond 2025.
- $\checkmark$  Bonus Depreciation Restore 100% immediate deductions for business assets.
- $\checkmark$  Individual Tax Rates Maintain lower tax brackets (10%-37%), funded by tariffs.
- $\checkmark$  Corporate Tax Rate Reduce from 21% to 20% (15% for U.S. manufacturers).
- ✓ Estate & Gift Tax Keep higher exemption levels (\$13M+ vs. \$7M in 2026).

### WHAT DOES THIS MEAN FOR SMALL BUSINESS OWNERS?

- ✓ Higher Taxes on Business Income The 20% QBI deduction for pass-through businesses may disappear, increasing taxable income.
- ✓ Reduced Deductions Bonus depreciation will phase out, making it more expensive to invest in equipment & assets.
- ✓ Uncertain Tax Rates If individual tax rates increase, sole proprietors, LLCs, and S-Corps may see higher tax liabilities.
- ✓ Corporate Tax Cut for Manufacturers Businesses in U.S. manufacturing could benefit from a lower 15% corporate tax rate.
- ✓ Estate & Cift Tax Impact Business owners planning to transfer assets should consider gifting before 2026, when exemptions drop.



If you use part of your home for business, you may qualify for a home office deduction.

- ✓ Who Qualifies?
- ✓ Exclusive & Regular Use Space must be only for business.
- ✓ Primary Business Location Where you conduct key business tasks or meet clients.
- ✓ Storage & Daycare Use Special rules apply; exclusive use may not be required.
- Deductible Expenses
- Calculation Methods
- Regular Method Deduct actual expenses based on space used.
- Simplified Method \$5 per sq. ft. (up to 300 sq. ft.).

Need help? Call us today! 414-509-1441 info@midwesttax.co

### **MARCH**

2025

# NEWSLETTER



If you're an Airbnb host, knowing your tax deductions can help you reduce taxable income and increase profits. Here are key points.



#### **DEDUCTIONS TO KEEP IN MIND:**

- ✓ Mortgage Interest & Property Taxes A portion is deductible based on rental usage.
- ✓ Rent (if subleasing) Deduct a portion of rent if renting out a leased property.
- ✓ Utilities & Internet Electricity, water, gas, and WiFi costs can be prorated.
- ✓ Depreciation Deduct property, furniture, and appliance depreciation over time.
- ✓ Repairs & Maintenance Plumbing, electrical, painting, and HVAC upkeep qualify.
- ✓ Cleaning & Laundry Services Professional cleaning and supplies are fully deductible.
- ✓ Guest Supplies Toiletries, coffee, kitchenware, and linens count as business expenses.
- ✓ Insurance Homeowner, rental, and liability insurance costs can be deducted.
- ✓ Airbnb Service Fees Booking fees charged by Airbnb are fully deductible.
- ✓ Advertising & Marketing Photography, website hosting, and paid ads qualify.
- ✓ Professional Services Accountant, tax preparer, or legal fees can be written off.
- ✓ Travel Expenses Transportation, lodging, and meals for managing rental properties.
- √ Home Office Deduction If you have a dedicated space for managing bookings.



At Midwest Bookkeeping, we love celebrating our clients! This month, we're shining the spotlight on 360 Brazilian Jiu-Jitsu (BJJ)—Milwaukee's premier BJJ academy dedicated to self-defense, fitness, and personal growth.

### Who They Are

360 BJJ isn't just about martial arts; it's about building a community. Their expert instructors offer a dynamic and structured approach to Jiu-Jitsu, blending traditional techniques with modern applications. Whether you want to compete, reduce stress, or get in shape, 360 BJJ has the perfect class for you!

### Why Choose 360 BJJ?

- ✓ Established since 2009 The first BJJ academy in Wauwatosa & Brookfield
- √ Expert Coaching World-class instruction for all ages & skill levels
- √ Flexible Schedule Multiple classes daily + structured lesson plans
- √ State-of-the-Art Facility Full locker rooms, showers, & spacious training areas
- √ Welcoming Community A supportive, friendly, and motivating environment
- 🥦 Try it out! They offer a 10-Day Trial Membership—come see why 360 BJJ is the #1 choice in

#### Milwaukee!

📍 Interested? Visit 360 BJJ's Website