

Dear Client,

In preparation of the upcoming tax season, enclosed is an income tax organizer and a year-end newsletter explaining common tax strategies and current year changes in tax law. The income tax organizer has been included to assist you in collecting information for your 2024 individual tax return.

Tax reporting forms will begin to arrive shortly, we want to remind you which ones we need you to accumulate and send to us with your tax information. First, there is a new form, the 1099-K that many of you will receive this year for things like EBay or Facebook Marketplace sales, and sometimes for simple cash transfers using a cash app such as Zelle, CashApp or Venmo. If you receive a 1099-K this year, please make sure to provide it to us and be prepared for a phone call and some questions from us so that we can report it properly to minimize income tax or determine that tax does not apply.

We still need the annual information forms that are sent to you for tax purposes. As a reminder, here is a simple checklist:

- W-2 for wages
- 1099-DIV for dividends
- 1099-NEC for income
- 1099-R for retirement
- 1099-Int for mortgages
- K-1 forms from investments in S corporations or partnerships
- Form 5498 for IRA values
- Child care costs, and the name, address, amount and ID # of the recipient
- Charitable donations-total amounts and recipients
- Property tax paid on your home, property or cars
- Estimated tax payments and dates
- Any letters you received from the IRS or state tax authorities
- Our engagement letter
- W-2G for gambling
- 1099-B Brokerage
- 1099-Misc for income
- 1099-G for refunds & unemployment
- 1098-T for tuition
- IRA and Roth IRA contributions for 2023
- 1099-Int for interest
- SSA-1099 Social Security
- 1099-K for income
- 1099-SA for HSA's

If you have a small business or rental property we can provide you with a separate checklist for those activities if needed.

Again, crypto-currency activity continues to increase, and we need to report any crypto activity, please be sure to provide us with that information.

IRS scrutiny of foreign accounts means it is important you inform us of any non-US accounts or income.

New credits for home improvements went into effect this year and can provide you with tremendous tax benefits. If you installed a new furnace, A/C, boiler, heat pump, water heater, woodstove, windows, doors, insulation, solar or battery storage please be sure to provide us with a copy of the invoice.

Similarly, if you bought a new electric or hybrid car in 2024 please be sure to provide that invoice copy and dealer paperwork as well.

Regarding year-end planning, we are reasonably certain federal income tax rates will increase in 2025; tax deductions will be more valuable next year vs. this year. If you have any control over year-end bonuses, please call to discuss if it would be better to receive them before the end of 2024 or wait until 2025.

Every year we are reminded how much we value your business, and we want to once again say thank you. Please call us with any questions.

Sincerely,

Steven R. Misener