

# Tax Facts News



*Please don't wait until the last minute! Upload or drop of your tax documents today.*

Dear Clients, I'm thrilled to introduce myself as your **new tax advisor**. I'm Balaji Polepalli Ramesh, our team and I bring years of experience in accounting and taxation to serve your needs. Having acquired this practice from Clint and Penny, I've heard wonderful things about each of you and the strong relationships they've built over the years.

Rest assured, my commitment is to maintain the exceptional service standards you've come to expect, while bringing fresh perspectives to support your financial success. I'm eager to meet each of you and continue this journey together.

## 2025 Taxes: Plot Twist Ahead!

Remember that feeling when you finally mastered the 2017 tax rules? Well, hold onto your W-2s, because 2025 is shaping up to be the season finale of "As The Tax Code Turns"!

### What's Currently on the Tax Menu

Right now, we're starting 2025 with our familiar tax recipe – you know, the one we've all gotten comfortable with since 2017. Think of it as your favorite comfort food: lower tax rates, generous standard deductions, and child tax credits that actually make having kids seem financially reasonable (just kidding... sort of).

### The Plot Thickens

But like any good cliffhanger, **we're approaching the dramatic conclusion of the Tax Cuts and Jobs Act (TCJA)**. Without new legislation, 2025 will be the last year for many of our current tax:

- Those cozy lower tax rates and wider brackets
- Supersized standard deductions we've grown to love
- The beefier child tax credits
- The generous estate and gift tax exemptions (because who doesn't love giving?)

The second half of 2025 could bring new tax legislation, but like a carefully negotiated dinner bill, everyone at the table will have to agree on who pays what.

### What This Means For You

Any major changes would likely take effect in 2026, giving us time to plan and adjust. Rest assured, we're keeping our eyes on Capitol Hill and our calculators ready. Consider us your tax weather forecasters – we'll let you know when it's time to grab an umbrella! – **Balaji**

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Our 2025 Tax Season hours will be:

Monday – Thursday	8:30–6:00
Friday	8:30–5:00
Saturday	8:30–2:00

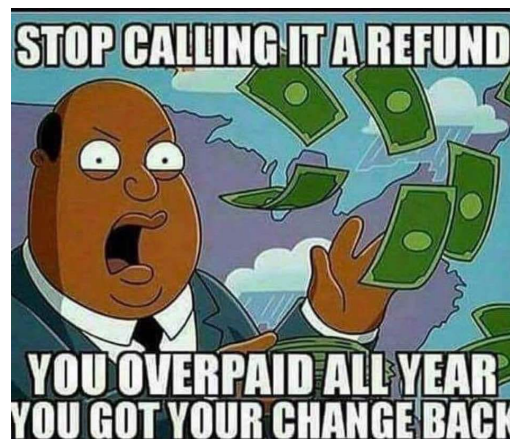
Emails and Drop-Offs are encouraged!

Walk-ins are always welcome!

If you are a prior client and your tax situation hasn't changed much, **you can use our Secure Portal to get us your tax information** and we'll have your taxes prepared in a few days. You can find useful forms at our [website](#) or call us for a personalized organizer.

## FYI for 2024

- Business Mileage rate: **\$0.67**
- Medical/Moving mileage rate: **\$0.21**
- Volunteer mileage for charity rate: **\$0.14**
- Contribution to an IRA max: **\$7,000 increases to \$8,000** if over age 50
- Social Security Wage Max: **\$168,600**



## What's New

- IRS requires crypto brokers to issue 1099-DA for 2025
- 1099K reporting threshold for 2024 is **\$5,000**
- Required Min Distribution age remain at 73
- Increased Retirement Contribution allowed for 60-63 to 401K, 457, 403 and SIMPLE plans.
- Gift tax exclusion is \$18,000 for 2024. It increases to **\$19,000** for 2025.
- Left over 529 funds can be rolled over to Roth IRA with lifetime cap of **\$35,000**
- Individuals in federal disaster areas can deduct personal losses
- Business Milage Rate for 2025 is **0.70**
- More business reporting requirements (below)

## The Great BOI Reporting Drama of 2024-25

Remember the old saying "the only constant in life is change"? Well, the Federal Courts have taken this to heart with their recent ping-pong match over the Corporate Transparency Act (CTA). Let's break down this riveting legal soap opera: **On December 3, 2024**: The Fifth Circuit Federal Courts dramatically **suspended BOI reporting requirements**. Business owners everywhere breathe a collective sigh of relief. **December 23, 2024**: Plot twist! The courts changed their minds faster than you can say "tax season," reinstating the requirements. Cue the dramatic music! **Then December 26, 2024**: In a final holiday surprise (because who doesn't love tax news with their Christmas leftovers?), the **courts suspended the requirements again**. Yes, you read that right - it's like watching a legal tennis match!

Currently, **FinCEN is sitting on the sidelines**, prohibited from enforcing any BOI reporting requirements or deadlines. It's like they've been given a timeout in this regulatory game. Here's our recommendation, despite this legal drama, we **strongly recommend preparing your BOI reports now**. Why? Because when the courts make their final decision (and they will), you don't want to be caught in the last-minute rush. Think of it as buying an umbrella before it rains - better to be prepared than caught in a regulatory downpour!

## When Mother Nature Changes Your Tax Calendar: Important Updates for Disaster-Affected Areas

Ever wished for more time to file your taxes? While we don't recommend doing a rain dance to get an extension, Mother Nature has already taken care of that for many taxpayers this year. Here's what you need to know if you're in an affected area: Your New "**Tax Day**" Might Not Be April 15<sup>th</sup> (And no, this isn't an early April Fool's joke!)

### February 3<sup>rd</sup>, 2025 Filers

For those in Louisiana, Vermont, all of Puerto Rico, the Virgin Islands, and parts of Arizona, Connecticut, Illinois, Kentucky, Minnesota, Missouri, New York, Pennsylvania, South Dakota, Texas, and Washington state - your new deadline is **February 3, 2025**. Think of it as a post-holiday gift!

### May 1st, 2025 Filers

Residents of Alabama, Florida, Georgia, North Carolina, South Carolina (entire states), and parts of Tennessee and Virginia - you've hit the extension jackpot! Your deadline for BOTH 2023 AND 2024 returns is **May 1, 2025**. Talk about a two-for-one deal!

Important Fine Print (Because There's Always Fine Print)

- These extensions are **automatic** if your address is in a disaster area.
- Eligible taxpayers are individuals and businesses affected by various disasters that occurred during the late spring, summer and early fall of this year.

