

Please review checklist on next few pages for important documents needed to complete returns.

PERSONAL DATA

- Social Security Numbers and dates of birth for you and all your dependents
- Child care provider: Name, address and taxpayer identification number of day care provider and amount paid in the calendar year
- Alimony paid: Social Security Number of recipients if prior to December 31, 2018
- Driver's licenses or State issued ID cards (Front and Back please)

EMPLOYMENT AND INCOME DATA

- W-2 forms (last pay stubs help with some deductions)
- Unemployment compensation: Forms 1009-G (available online for download)
- Miscellaneous income including royalties: Forms 1099-MISC
- Partnerships, S Corporation, and trust income: Schedules K-1 necessary
- Pensions and annuities: Forms 1099-R
- Social Security benefits statement Form SSA 1099
- Alimony received
- Jury duty pay
- Gambling and lottery winnings W-2G and loss statement for possible deduction
- State and local income tax refunds: Form 1099-G (available online only)
- Cancellation of Debt Income: Form 1099-C

FINANCIAL ASSESTS

- Interest income statements from all banks and brokerage houses: Form 1099-INT
- Dividend income statements from brokerage houses: Form 1099-DIV (All pages)
- Any information about Crypto Currencies purchases and sales.
- Proceeds from broker transactions: Form 1099-B (along with original cost basis and holding period of any stocks or bonds sold)
- Property Tax Rebate Amounts
- 529 Contributions to qualified plans - NY allows deductions of \$5,000 per taxpayer on the return (Not dependents). Some other but not all states also allow deductions.

HOMEOWNER/RENTER DATA

- Mortgage Interest Paid: Form 1098 for First Mortgage, Home Equity Lines of Credit and Second Mortgages as well as interest for second homes, time shares, etc. We also need date of mortgage – beginning and ending principal for the year if over \$750,000. For all mortgages that have a principal balance over \$750,000, I will need the starting principal balance and the ending principal balance to determine the deductibility of interest paid.
- Real estate taxes **paid** during the calendar year
- Rent paid during tax year (Deductible for certain states and home office expenses)
- Points paid on a new purchase or refinancing (Include HUD-1 form from Closing)
- 1099S for Sales of any Properties

FINANCIAL LIABILITIES

- Auto loans and leases if a vehicle is used for business
- Student loan interest paid (usually available online)
- Cancellation of Debt income from credit cards or auto loans/leases – Form 1099 C

EXPENSES

- Gifts to charity and all not-for-profit agencies including, checks, cash, clothing, cars, household items, mileage, etc.
- Unreimbursed expenses related to volunteer work
- Unreimbursed business expenses (travel expenses, entertainment, professional memberships, cellular telephone bills, subscriptions, etc.) (Possible state deduction)
- Investment expenses including fees for IRA and brokerage accounts and managed accounts (Possible state deduction)
- Job-hunting expenses include resumes, newspapers, mailings (Possible State deduction)
- Job-related education expenses (Possible state deduction)
- College tuition expenses for yourself or dependents-The 1099T is available usually on the student's portal.
- Adoption expenses
- Tax return preparation expenses and fees (Possible state deduction)
- Legal Fees for Wills, Divorces (where tax deductions are concerned), estate planning, etc. (Possible state deduction)
- HSA Withdrawals and Contributions

SELF-EMPLOYMENT DATA

- Business income: Forms 1099-NEC and your own records of income received
- Business-related expenses: List of Expenses, receipts and other documents from your own records including automobile, home office supplies, telephone expenses, internet expenses, etc.
- Employment taxes and other business taxes paid for current year
- Self-employed insurance premiums including Medicare premiums, etc.

MISCELLANEOUS TAX DOCUMENTS

- Federal, state, and local estimated income tax paid for current year including payments made in January for the prior year
- Purchase of a new car may allow an additional sales tax deduction if itemizing
- Purchase of Electric cars and other Efficiency household items.
- IRA, SEP, and other retirement plan contributions which shows the type of plan
- Records to document medical expenses (Deductible limited to amount of 7.5% of AGI) including HSA Withdrawals
- Records to document casualty or theft losses (Only if in a Federal Disaster area)
- Records for any other revenue or sale of property that may be taxable or reportable including form 1099S
- Foreign taxes withheld on foreign source income (usually on the brokerage statement)
- Form 1095 if on State sponsored health insurance

COLLEGE CREDITS FOR YOU AND YOUR DEPENDENTS:

- Please have all 1099 T's available for proper tuition deductions and payment information. The student does not always get them mailed to them but can download them from the student's school portal. Also have all payment records available whether it be cash, check, credit card or loan. We need this information for withdrawals from 529 plans as well.

Highlights of 2025 Changes per the One Big Beautiful Bill Act

1. No tax on Qualified Tip Income:

Allows for a dollar-to-dollar deduction for a designated amount of tips earned by workers where tipping is customary.

Income eligible for the deduction is capped at \$25,000.

Higher income workers may only be able to claim a partial deduction as the benefit begins to phase out starting at a Modified Adjusted Gross Income (MAGI) of \$150,000 (Single) / \$300,000 Married Filing Jointly).

The deduction is not available for people using the Married Filing Separately status.

Additionally, the rules require the taxpayer receiving the tips to have a valid Social Security number valid for work and employer designation on a W-2 or similar form.

The wages are still subject to Social Security and Medicare Tax, but that tax should have been withheld already. This should be reflected in Box 7 of your W-2 but it may need clarification with your final paystub.

Please supply the final paystubs for tax preparation.

2. No Tax on Qualified Overtime Pay – Effective 2025-2028

This rule will allow certain workers to claim a dollar-for-dollar deduction for a designated amount of overtime pay covered by the Fair Labor Standards Act

a. Income eligible for the deduction is capped at \$12,500 (single)/\$25,000 Married Filing Joint

b. This applies to Single Filers with Modified AGI under \$150,000 and Married Filing Jointly with Modified AGI under \$300,000. And a phase out above these amounts. No deduction for those claiming Married Filing Separately.

c. This rule requires the taxpayer receiving the tips to have a valid Social Security number valid for work

d. Requires the Employers to designate overtime wages on the W-2.

Your W-2 may or may not have this information.

Please supply the final paystubs for tax preparation.

3. No Tax on Car Loan Interest Effective 2025-2028

.Starting in 2025 individuals can deduct up to \$10,000 in interest paid on loans for Qualified Vehicles. This deduction applies to new personal vehicles and is available whether you itemize your taxes or take the standard deduction. This applies to Single Filers with Modified AGI under \$100,000 (Phased out between \$100,000 and \$150,000) and Married Filing Jointly with Modified AGI under \$200,000. (Phased out between \$200,000 and \$250,000)

Conditions for deduction

a. Loan must be issued after December 31, 2024

b. Original Purchases – Used vehicles are not applicable (Only New Vehicles)

c. Must be for personal use

- d. Must be secured by a lien against the vehicle. VIN Must be included on the tax return for the deduction.

Qualified Vehicles are:

- a. Car, Minivan, van, pickup truck or motorcycle with gross weight under 14,000 pounds. (This amount is usually on the sticker in the door jamb)
- b. **Only vehicles that are assembled in the USA are eligible.** Cars assembled in the USA will have a VIN starting 1, 4 or 5.

To get the deduction we will need to provide the VIN number(s) on the return for every year that it is claimed.

- c. The lender is to provide the interest amount which also gets reported to the government.

4. Enhanced deduction for Seniors

Seniors Aged 65 and older can claim an additional deduction of \$6,000 for single and head of household. \$12,000 for Married filing joint are 65 or older by the end of the tax year. This deduction is available whether you itemize your taxes or take the standard deduction.

This applies to Single Filers with Modified AGI under \$75,000 (Phased out between \$75,000 and \$175,000) and Married Filing Jointly with Modified AGI under \$150,000. (Phased out between \$150,000 and \$250,000)

5. Higher Standard deduction -----

Single or Married Filing Separately – \$15,750

Head of Household – \$23,625

Married Filing Jointly or Qualifying Surviving Spouse – \$31,500

6. Increased Child Tax credit: Effective 2025 and beyond.

Credit increased from \$2,000 to \$2,200

Permanent Phase out of credit for Single Filers with income above \$200,000 and Married Filing Joint \$400,000

Amount of Child Tax Credit and refundable credit will be adjusted for inflation annually. Social Security numbers are required.

7. Income Tax Rates:

The permanent brackets are: 10%, 12%, 22%, 24%, 32%, 35% and 37%.

8. Form 1099-K reporting threshold: Effective 2025 and beyond.

Only required if to be sent if you receive total payments over \$20,000 and you receive over 200 transactions on any platform. If this is a business you are still required to report the income

9. Residential Energy Credits Repealed Effective 2025

They have essentially been eliminated after 2025.

10. Clean Vehicle Credits Repealed Effective September 30, 2025

They have essentially been eliminated. If you qualify in 2025 we must have the paperwork from the dealer showing where the credit was applied, etc.

Highlights of 2026 Changes per the One Big Beautiful Bill Act

1. Trump Child Savings Account

Accounts will be funded for babies born between 2025-2028.

Government will deposit \$1,000

The child must be a US Citizen

2. Child and Dependent Care Credit Expansion

The maximum percentage of expenses you can claim is 50% (up from 20%) . The percentage stays at \$3,000 per child up to 2 children

These percentages phase out as follows

For single taxpayers with an adjusted gross income:

Between \$0 and \$15,000, the credit percentage is 50%.

Between \$15,000 and \$45,000, the credit phases down from 50% to 35%.

Between \$45,000 through \$75,000, the credit percentage is 35%.

Between \$75,000 and \$105,000, the credit percentage phases down from 35% to 20%.

Over \$105,000, the credit percentage is 20%.

For taxpayers filing Married Filing Jointly with an adjusted gross income:

Between \$0 and \$15,000, the credit percentage is 50%.

Between \$15,000 and \$45,000, the credit phases down from 50% to 35%.

Between \$45,000 through \$150,000, the credit percentage is 35%.

Between \$150,000 and \$210,000, the credit percentage phases down from 35% to 20%.

Over \$210,000, the credit percentage is 20%.

Allows for a dollar-to-dollar deduction for a designated amount of tips earned by