



# 2024 YEAR-END NEWSLETTER



# HORNING'S ACCOUNTING & TAX SERVICE

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The tax laws continue to provide opportunities for the wise and traps for the unwary. For many, tax savings can be achieved by acting before the year ends. With 2024 being an election year, anything can happen. The incoming administration can enact new tax laws or extend current ones. In addition, several provisions enacted under the Tax Cuts and Jobs Act in 2017 will expire at the end of 2025, unless they are extended.

The information and strategies provided within this newsletter may or may not be appropriate for your situation. It's important to consult with your tax professional before implementing them.

(Continue Reading on Page 3)

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EXPERIENCED IN ALL YOUR TAX AND ACCOUNTING NEEDS, BOTH BUSINESS & PERSONAL

# FROM THE DESK OF DAVID H. HORNING

Hello Everyone!

Here we are again, starting a new tax filing season. The 2024 tax season will be my 48th year of preparing tax returns, and it is looking to be very memorable. Not that there are many changes this year, but many changes are being proposed to get this country back on track.

The changes being proposed this year are far-reaching, and which ones make it through the legislature's political game is yet to be seen. Tax changes like the standard deduction, property tax maximum benefits, capital gains, social security benefits, tax credits, energy credits, employee business expenses, moving expenses, retirement contributions, tax rate tables, and the taxability of overtime and social security benefits. Many of these items are already set to change in 2024, and many more are expected to change in 2025.

At Horning's Accounting and Tax Service, we are working hard to ensure your 2024 Tax Year will be the best tax preparation year yet. We ask all of you to organize your records and receipts as much as possible to ensure fast and accurate tax preparation. Also, try to get in as soon as you have everything ready to avoid the rush in April. We are already setting appointments for February and March. The IRS is saying that the season will start on January 27th, when we can begin transmitting live IRS e-file returns.

If you anticipate owing money this year, it would be essential to ensure your tax return is completed by April 15 to eliminate failure to pay penalties (if you can pay the taxes you owe by April 15). If you owe money and file on time but do not pay the taxes or file an extension, you do not stop the Failure to Pay or the Failure to Estimate penalties until the taxes are paid. If you owed taxes last year and got the penalties forgiven, that doesn't mean they will continue to forgive the penalties this year. Many of our clients were unhappy with all the penalties for failure to estimate and late payment penalties imposed on them last year. These have been in place for several years, but the IRS is being more vigilant in collecting these penalties due to the reduced government funding they are receiving.

If you are planning to Email, Text, or mail your documents this year, below is the information on where to submit:

Email: [david@horningsaccounting.com](mailto:david@horningsaccounting.com)

Text: 830-582-8155

Mail: Horning's Accounting & Tax Service - 830 S Revere Mesa, AZ 85210

If you are not filing or don't need our services this year, please let us know. Just send us an email!

We look forward to seeing or hearing from you all soon!

Sincerely,

David & Priscilla Horning



# 2024 TAX PLANNING & TIPS

## New Rules Effective for 2024

### Retirement Savings

Starting in 2024, certain individuals may take penalty-free withdrawals from their retirement accounts. These include:

- \* **Domestic Abuse Victims.**  
Individuals under age 59½ can withdraw up to \$10,000 from their retirement accounts. The distribution is taxable but is not subject to the usual early withdrawal 10% penalty. Eligible distributions are those made with a 1-year period beginning on any date on which the individual is a victim of domestic abuse by a spouse or domestic partner. The term “domestic abuse” is defined in as physical, psychological, sexual, emotional, or economic abuse, including efforts to control, isolate, humiliate, or intimidate the victim, or to undermine the victim’s ability to reason independently, including by means of abuse of the victim’s child or another family member living in the household.
- \* **Emergency Withdrawals.**  
Taxpayers facing an emergency can withdraw up to \$1,000 penalty-free. An emergency personal expense distribution is a distribution made to an individual for purposes of meeting unforeseeable or immediate financial needs relating to necessary personal or family emergency expenses. An emergency personal expense distribution is includible in gross income, but it is not subject to the 10% percent additional tax.

### Increased Retirement Contributions

- \* Beginning in 2024, catch-up contributions to IRAs will be indexed for inflation. For 2024, contributions to a traditional IRA are limited to \$7,000. If you are age 50 or older, the catch-up contribution limit remains at \$1,000 for 2024.
- \* In 2025, the catch-up contribution limit for 401(k) plans will increase from \$7,500 to \$10,000 for workers aged 60 to 63.

### Required Minimum Distributions (RMDs)

- \* The RMD age remains 73 in 2024 and will gradually increase to 75 by 2033. This allows for more time to defer taxes on retirement savings.
- \* Beginning in 2024, RMDs are no longer necessary for Roth 401(k) account holders.
- \* Beneficiaries of a decedent’s IRA generally have 10 years to withdraw the entire balance of the inherited IRA. Distributions are to begin the year following the year of death. However, the IRS postponed until 2025 the requirement for beneficiaries who were required to take RMDs in 2021, 2022, 2023 or 2024. This postponement does not extend

## Additional Information

### Adoption Credits.

An individual may claim a tax credit for qualified adoption expenses which are reasonable and necessary adoption fees, court costs, attorney fees, and other expenses that are directly related to the legal adoption of an eligible child (an individual under age 18, or physically or mentally incapable of self-care.) The credit is a nonrefundable personal credit allowed against the income tax and alternative minimum tax. The total amount that may be taken as a credit for all tax years for the adoption of a child is \$16,810 for 2024.

The credit begins to phase out for taxpayers with modified adjusted gross income (MAGI) in excess of \$252,150. The phaseout is complete at MAGI of \$292,150.

### Student Loan Interest Deduction.

The maximum amount of student loan interest you can deduct each year is \$2,500. The deduction is phased out if your adjusted gross income (AGI) exceeds certain levels.

For tax years beginning in 2024, the \$2,500 maximum deduction begins to phase out after modified AGI exceeds \$80,000 (\$165,000 for joint returns) and is completely phased out for taxpayers with modified adjusted gross income of \$95,000 or more (\$195,000 or more for joint returns).

### Educator Expenses.

Eligible educators are allowed a maximum \$300 deduction for out-of-pocket classroom expenses in 2024. If both you and your spouse are eligible educators, each of you can deduct up to \$300 for out-of-pocket classroom expenses.

Out-of-pocket expenses include books, supplies, computer equipment, related software and services and other equipment, and supplementary materials used in the classroom. Qualified expenses also include personal protective equipment, disinfectant, and other supplies used for the prevention of the spread of COVID-19. Covered items include face masks, disinfectants, hand soap, hand sanitizer, disposable gloves, tape, paint, or chalk used to guide social distancing; physical barriers, such as clear plexiglass; air purifiers; and other items recommended by the Centers for Disease Control (CDC).

Eligible educators include teachers, instructors, counselors, principals, and aides who work at least 900 hours a school year in a school providing elementary or secondary education.

Expenses for homeschooling or nonathletic supplies for health or physical education are not eligible.

### Standard Mileage Rate.

Taxpayers can use the standard mileage rate instead of actual expenses when computing the deductible costs of operating vehicles owned or leased by them for business purposes.

The following rates are applicable for the 2024 tax year:

2024 Mileage Rates	
Business	\$0.67
Medical	\$0.21
Moving	\$0.21*
Charitable	\$0.14

\*Applies to members of the Armed Forces on active duty who move pursuant to a military order.

#### Health savings accounts.

If you become eligible in December of 2024 to make health savings account (HSA) contributions, you can make a full year's worth of deductible HSA contributions for 2024 provided you make them by April 15, 2025. For 2024, the maximum contribution you can make is \$4,150 for self-only coverage, and \$8,300 for family coverage. You can contribute an additional \$1,000 if you are over age 55.

You are eligible to make contributions into a health savings account if you are covered under a high deductible health plan.

## Notable Changes for 2025

The tax year 2025 adjustments described below generally apply to income tax returns to be filed starting tax season 2026. The tax items for tax year 2025 of greatest interest to many taxpayers include the following dollar amounts:

#### Standard Deductions.

For single taxpayers and married individuals filing separately for tax year 2025, the standard deduction rises to \$15,000 for 2025. For married couples filing jointly, the standard deduction rises to \$30,000. For heads of households, the standard deduction will be \$22,500 for tax year 2025.

#### Alternative Minimum Tax Exemption Amounts.

For tax year 2025, the exemption amount for unmarried individuals increases to \$88,100 (\$68,650 for married individuals filing separately) and begins to phase out at \$626,350. For married couples filing jointly, the exemption amount increases to \$137,000 and begins to phase out at \$1,252,700.

#### Earned Income Tax Credits.

For qualifying taxpayers who have three or more qualifying children, the tax year 2025 maximum Earned Income Tax Credit amount is \$8,046.

#### Health Flexible Spending Cafeteria Plans.

For the taxable years beginning in 2025, the dollar limitation for employee salary reductions for contributions to health flexible spending arrangements rises to \$3,300. For cafeteria plans that permit the carryover of unused amounts, the maximum carryover amount rises to \$660.

#### Medical Savings Accounts.

For tax year 2025, participants who have self-only coverage the plan must have an annual deductible that is not less than \$2,850 (a \$50 increase from the previous tax year), but not more than \$4,300 (an increase of \$150 from the previous tax

year).

The maximum out-of-pocket expense amount rises to \$5,700. For family coverage in tax year 2025, the annual deductible is not less than \$5,700; however, the deductible cannot be more than \$8,550. For family coverage, the out-of-pocket expense limit is \$10,500 for tax year 2025.

#### Foreign Earned Income Exclusion.

For tax year 2025, the foreign earned income exclusion increases to \$130,000.

#### Estate Tax Credits.

Estates of decedents who die during 2025 have a basic exclusion amount of \$13,990,000, increased from \$13,610,000 for estates of decedents who died in 2024.

#### Annual Exclusion for Gifts

Annual Exclusion for gifts increases to \$19,000 for calendar year 2025, rising from \$18,000 for calendar year 2024.

#### Adoption Credits.

For tax year 2025, the maximum credit allowed for the adoption of a child with special needs is the amount of qualified adoption expenses up to \$17,280.

## Year-End Planning

As the end of the year approaches, now is the perfect time to review your investment portfolio and consider your options for managing capital gains and losses. Below are some helpful strategies and important considerations to keep in mind.

#### When to Recognize Gains and Losses

The key to effective tax planning is timing. As your income, gains, and losses for the year become clearer, you can plan to make strategic decisions to reduce your tax liability.

- \* **Recognize Long-Term Gains:**

If you expect to be subject to a higher tax rate in the future, it may be beneficial to recognize long-term capital gains in 2024 to take advantage of the lower current rate.

- \* **Stay Below the Zero-Rate Threshold:**

For taxpayers with income below the zero-rate threshold, recognizing long-term gains up to that amount can be advantageous. If your income is already below the threshold, avoid recognizing long-term capital losses this year.

- \* **Capitalize on Capital Losses:** If you have no gains to offset, you can still recognize up to \$3,000 in capital losses (\$1,500 if married filing separately) to reduce your taxable income.

#### Bond Swaps

If you're holding municipal bonds that have declined in value, a bond swap may be a smart move. Selling a bond at a loss and buying a similar bond can help you recognize a capital loss, offset short-term capital gains, or reduce your overall income by up to \$3,000.

#### Wash Sales and How to Avoid Them

The "wash sale" rule prevents you from claiming a tax loss on



the sale of stock or securities if you repurchase substantially identical ones within 30 days before or after the sale. However, there are strategies to work around this:

- \* **Wait It Out:**  
Sell the original stock and wait 31 days to repurchase the same shares.
- \* **Shift Investments:**  
Sell your original stock and invest in similar stocks or mutual funds within the same industry. Remember that the wash sale rules only apply if identical securities are purchased within the 60-day period.

**Important Note:**

The wash sale rule only applies when selling at a loss. You can sell stock at a gain and immediately repurchase it without triggering this rule.

**Deferring Gains with Installment Sales**

If you're looking to defer gains from the sale of assets, consider using the installment sale method. With this option, you only recognize gain when payments are received.

**Deferring Gains with a Like-Kind Exchange**

A like-kind exchange can allow you to defer taxes on eligible property (i.e., real estate held for business use or for investment purposes) by exchanging it for similar property without triggering a taxable event.

**Donating Appreciated Securities**

If you plan to make charitable contributions, consider donating appreciated securities instead of cash. By donating the

securities directly, you avoid paying capital gains taxes on the appreciation, and the organization still benefits from the full value.

**Selling Your Home?**

If you're selling your principal residence, strategic timing can lead to big tax savings. If you've lived in your home for at least two of the last five years, you can exclude up to \$500,000 of gain if married filing jointly, or \$250,000 for other taxpayers. Surviving spouses may also qualify for the \$500,000 exclusion if they sell within two years of the spouse's death.

We do not disclose any non-public personal information about our clients or former clients to anyone, except as instructed to do so by such clients, or required by law. We restrict access to non-public personal information, and we maintain physical, electronic, and procedural safeguards to guard your personal non-public information.

**Privacy Policy**

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**TAX TIME  
2024 FILING DEADLINES**

Wondering when the deadline is this year to file your business or personal taxes?  
File your return or file an extension by the following dates:

**March 17, 2025**

Filing Deadline for  
Partnerships and  
S-Corporations

**April 15, 2025**

Filing Deadline for  
Individuals and  
C-Corporations

**Have a Tax or Financial  
Question for David?**



Send him an e-mail:  
david@horningsaccounting.com

**Ask Us About QuickBooks Online!**

Horning's Accounting & Tax Service continues to offer QuickBooks Online to our clients! QuickBooks makes online accounting easy! Cloud based software that works on your PC, Mac, tablets, and smartphones.

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- Connect bank and credit card accounts
- And So Much More!



# Year-Round Tax Planning Pointers for Taxpayers



## HERE ARE SOME SIMPLE THINGS TAXPAYERS CAN DO THROUGHOUT THE YEAR TO MAKE FILING SEASON LESS STRESSFUL

### ORGANIZE TAX RECORDS.

Create a system that keeps all important information together. Taxpayers can use a software program for electronic recordkeeping or store paper documents in clearly labeled folders. They should add tax records to their files as they receive them. Organized records will make tax return preparation easier and may help taxpayers discover overlooked deductions or credits.

### IDENTIFY FILING STATUS.

A taxpayer's filing status determines their filing requirements, standard deduction, eligibility for certain credits and the correct amount of tax they should pay. Changes in family life - marriage, divorce, birth and death — may affect a person's tax situation, including their filing status and eligibility for certain tax credits and deductions.

### UNDERSTAND ADJUSTED GROSS INCOME (AGI).

AGI and tax rate are important factors in figuring taxes. AGI is the taxpayer's income from all sources minus any adjustments. Generally, the higher a taxpayer's AGI, the higher their tax rate and the more tax they pay. Tax planning can include making changes during the year that lower a taxpayer's AGI.

### CHECK WITHHOLDING.

Since federal taxes operate on a pay-as-you-go basis, taxpayers need to pay most of their tax as they earn income. Taxpayers should check that they're withholding enough from their pay to cover their taxes owed, especially if their personal or financial situations change during the year. If they want to change their tax withholding, taxpayers should provide their employer with an updated Form W-4.

### MAKE ADDRESS AND NAME CHANGES.

Taxpayers should notify the United States Postal Service, employers and the IRS of any address change. Report any name change to the Social Security Administration. Making these changes as soon as possible will help make filing their tax return easier.

### SAVE FOR RETIREMENT.

Saving for retirement can also lower a taxpayer's AGI. Certain contributions to a retirement plan at work and to a traditional IRA may also reduce taxable income.

(IRS.GOV, IRS Tax Tip 2024-52)

## WHAT TO BRING (OR SEND IN) FOR YOUR TAX PREPARATION APPOINTMENT

### INCOME - BRING ALL DOCUMENTS THAT APPLY

- **Employment Income** - W-2 form(s)
- **Self-Employment Income** - 1099-NEC and/or 1099-K
- **Retirement or Disability Benefits.** SSA-1099. 1099-R
- **Unemployment Income** 1099-G for unemployment benefits.
- **Records of Income not Reported on 1099 Forms**

### OTHER SOURCES OF INCOME

- **Refund of State/Local Income Taxes** -1099-G
- **Scholarships/Fellowships** 1098-T
- **Income or Loss from the Sale of Stocks, Bonds, or Real Estate**
- **Alimony Received.**
- **Statements for Prizes or Lottery/Gambling Winnings.**
- **Interest and Dividends** - 1099-INT/1099-DIV
- **Records for Any Other Income**

### EXPENSES - BRING DOCUMENTATION FOR ALL THAT APPLY

- **Record of Estimated Tax Payments**
- **Retirement Contributions**, including a 401(k) or IRA
- **State and Local Taxes** you've paid.
- **Mortgage Statements and Property Tax Bills** - If you are a homeowner
- **College Tuition** - Form 1098-T
- **Student Loan Statements** - Form 1098-E

- **Childcare Expenses** - Including payment records/receipts and provider's name, address, and federal tax ID # (SSN or EIN)
- **Charitable Donations** - Cash and Non-Cash Contributions
- **Medical and Dental Bills** - Including prescriptions, copays and medical mileage
- **Auto License Plate/Registration Fees**
- **Records for Supplies Used as an Educator**

### THOSE WITH BUSINESSES AND/OR RENTALS

- **Mileage logs** - Total miles and business miles per vehicle
- **Office in Home Expenses** – Mortgage/mortgage interest, insurance, utilities, repairs, maintenance, depreciation and rent
- **Business use of cell phones and internet**
- **Medical Insurance Costs**

### OTHER TAX DOCUMENTS OR NOTICES

- **New Additions** - Birth Certificates and Social Security Numbers for New Additions to Your Family (No Animals)
- **Form 1095-A** if you had coverage through the Health Insurance Marketplace
- **Other Documents** from the IRS, Health Insurance Marketplace, your state tax agency, or anything that says "IMPORTANT TAX DOCUMENT"

# CLIENT UPDATE FORM

If you had any changes in 2024, please complete this form  
and bring with you to your tax appointment or email it to:  
david@horningsaccounting.com

Name \_\_\_\_\_

Spouse \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone: \_\_\_\_\_ Cell \_\_\_\_\_

E-mail: \_\_\_\_\_

Any new dependents in 2024?  Yes  No

If yes, please provide full name and social security #:

Full Name: \_\_\_\_\_

Social Security #: \_\_\_\_\_

### Additional Notes/Comments:

**NEW CLIENT TAX PREP  
SAVE 10%**

Bring in this coupon to receive a **10% discount**  
on tax preparation. **NEW CLIENTS ONLY**  
If you are an existing client, receive a 10% discount  
for each new client you refer (Up to 10)

Horning's Accounting & Tax Service  
830 S Revere Mesa, AZ 85210 Phone 480-833-3265



**Early Bird Discount**

Bring in this coupon and have your taxes  
prepared by February 28th  
to receive an additional **10% Off**  
your tax preparation fees.

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**VETERANS DISCOUNT**



**SAVE 10%**

Veterans, bring in this coupon  
to receive a 10% discount  
on tax preparation

**THANK YOU FOR YOUR SERVICE!**

Horning's Accounting & Tax Service  
830 S Revere Mesa, AZ 85210 Phone 480-833-3265

# Services Offered by Horning's Accounting & Tax Service

## Accounting

- \* **Computerized Bookkeeping Services.** Computerized full general ledger, general journal. Accounts payable, accounts receivable, financial statements, bank reconciliation and payroll.
- \* **Accounts payable and Accounts Receivable** Monthly check writing and billing process
- \* **QuickBooks Pro Advisors.** We can offer a discount on all QuickBooks products and have free trials that you can have to test out the product before purchasing it.



## Payroll

**Payroll Processing**  
Report your payroll hours to us and we will calculate your payroll amounts including employer and employee taxes and provide payroll checks and reports.

**Payroll Tax Reporting**  
Prepare A1WP (Withholding Tax), A1-QRT (Withholding Liability) A1R (Reconciliation), DES Quarterly reports; Prepare Form 940 and 941.



## Tax

- \* **Tax Preparation** (personal & business)
- \* **Tax Consulting**
- \* **Audit Services**
- \* **Year Round Income Tax Services**

## Insurance

- \* **Life Insurance**
- \* **Medical Insurance**

## LLC/Corporate

**Corporation Set-up**  
Includes Preparation of Corporate Articles; Filing Fee; Corporate Binder with Corporate Seal; SS-4; Joint Tax Application and Sub S Election (if applicable)

**Corporate Compliance**  
State required annual registered agent services; Stock transfer ledger maintenance; Advance notification of all your annual reports; and preparation of annual corporate meeting minutes.

**Medical Reimbursement Plan**  
Allows qualified small business owners a 100% deduction of all family medical expenses such as vision, prescription drugs; co-pays and deductibles.

**Set-up of Corporations & LLC's in any state** We now have the ability to set-up a corporation in any state.

## Investments & Retirement

If you need assistance in the areas of Life Insurance, Disability Insurance, Annuities or other Retirement Products such as IRA or 401K please call us and set up an appointment with David to provide you with a Complimentary Financial Analysis to see what your real needs are.

Don't wait till you have an insurance agent sitting in front of you trying to sell you a policy.



## Referrals

As many of you may have noticed, we have a shelf in our office containing business cards of our clients offering an array of services.



We invite you to be a part of our business referral network. We promote our clients, to our clients! Referrals are the best form of advertising!

As usual, we are offering a 10% discount for any new client and a 10% discount to our existing clients for each new client referred to us.

## Notary Public

- \* Real Estate - Powers of Attorney
- \* Affidavits - Titles
- \* Wide Range of Notarial Services



## Personal Information

If anything changed from prior year, check this box.

Taxpayer

Spouse

First Name & Initial			
Last Name			
Social Security No			
Date of Birth			
Occupation			
Home Phone			
Work Phone			
Other Phone			
E-Mail Address			
Street Address		Apt No	
City	State	Zip	

## Dependents

Name	Relationship	Date of Birth	Social Security Number	Months Living with you	Student Disabled	Gross Income
					\	
					\	
					\	
					\	

	Yes	No
Do you have health insurance coverage from the Marketplace?		
Did you receive unemployment or Disability Income?		
Did you purchase, sell or refinance any of your homes or take an equity loan?		
Did you make any energy home improvements to your home during the year?		
Did you convert a traditional/SEP/SIMPLE IRA to a Roth IRA?		
Can you be claimed as a dependent on another persons tax return?		
Did you foreclose, file bankruptcy, or have repossession procedures?		
Did you make any purchases from catalog or internet and not pay sales tax?		
Did you have any education expenses for you or dependents?		
Did you receive (as a reward, award, or payment for property or services); or, sell, exchange, gift or otherwise dispose of a digital asset (or a financial interest in a digitas asset)?		

## Required Document Check List

<input type="checkbox"/> Bring All Wage Statements (W-2s)	<input type="checkbox"/> Bring Soc Security/Railroad Benefits (SSA-1099)
<input type="checkbox"/> Bring All Pension, Annuity IRA Documents (1099-R)	<input type="checkbox"/> Bring Interest Income Statements (1099-INT)
<input type="checkbox"/> Bring All Trust & Estate Documents (K-1s)	<input type="checkbox"/> Bring Dividend Income Documents (1099-DIV)
<input type="checkbox"/> Bring Property Sold Documents (1099-S)	<input type="checkbox"/> Bring Day Care Statements
<input type="checkbox"/> Bring Real Estate Tax Bill	<input type="checkbox"/> Bring any letters received from IRS or state
<input type="checkbox"/> Bring Health Ins Marketplace Statements (1095s)	<input type="checkbox"/> Bring Education Forms (1098-T, 1099-Q)

### Adjustments to Income

Alimony Paid	
Name _____	SSN _____
Amount Paid:	\$ _____
IRA/SEP Contribution Taxpayer	\$ _____
IRA/SEP Contribution Spouse	\$ _____
Student Loan Interest	\$ _____
Health Savings Account	\$ _____

### Other Income

Alimony Received	\$ _____
Gambling/Lottery Winnings	\$ _____
(Bring W-2 Gs)	
Jury Duty	\$ _____
Disability Income	\$ _____
State Income Tax Refund	\$ _____
Other	\$ _____

## Investments Sold

Bring All 1099-B's and Confirmation slips

Investment	Date Acquired	Date Sold	Basis (cost)	Sale Price

**State Information**

If rent paid: Amount No Months W / Heat Y/N  
 \$ \_\_\_\_\_  
 \$ \_\_\_\_\_

**Health/Long Term Care Insurance**

Amount Paid for health insurance - employer paid a portion  
 Amount Paid for health insurance - not employed or retired  
 Amount Paid for health insurance - employer did not contribute

Yes	No
_____	_____
_____	_____
_____	_____

**Note: If health insurance premiums are deducted pre-tax, disregard.**

**Estimated Tax Payments**

	Federal	Prior Year - Jan 15, 2024	State
1st Qtr - Apr 15, 2024	_____	1st Qtr - Apr 15, 2024	_____
2nd Qtr - Jun 17, 2024	_____	2nd Qtr - Jun 17, 2024	_____
3rd Qtr - Sep 16, 2024	_____	3rd Qtr - Sep 16, 2024	_____
4th Qtr - Jan 15, 2025	_____	4th Qtr - Jan 15, 2025	_____
Total	_____	Total	_____

**Itemized Deductions**

**Medical Dental Expenses**

Medical Ins Prem (pd by you) \_\_\_\_\_  
 Long Term Care Insurance \_\_\_\_\_  
 Prescription Drugs \_\_\_\_\_  
 Glasses, Contacts \_\_\_\_\_  
 Hearing Aids, Batteries \_\_\_\_\_  
 Medical Equipment, Supplies \_\_\_\_\_  
 Hospital \_\_\_\_\_  
 Doctor, Dentist, Specialist \_\_\_\_\_  
 Medical Miles \_\_\_\_\_ Miles  
 Other \_\_\_\_\_  
 Other \_\_\_\_\_

**Charitable Contributions (Receipts Required)**

Church Cash Contributions \_\_\_\_\_  
 You must have receipts for cash contributions  
 Other Cash Contributions \_\_\_\_\_  
 Donated Goods \_\_\_\_\_  
 Must have receipts from organization  
 Organization donated to \_\_\_\_\_  
 Address \_\_\_\_\_  
 Volunteer mileage \_\_\_\_\_ Miles

**Real Estate Taxes Paid**

Real Estate Taxes -Prin Residence \_\_\_\_\_  
 Other Real Estate Taxes \_\_\_\_\_  
 Personal Property Tax \_\_\_\_\_  
 Sales Tax \_\_\_\_\_  
 Other \_\_\_\_\_

**Bring Tax Bills**

**Miscellaneous Expenses**

Gambling Losses \* \_\_\_\_\_  
 Other \_\_\_\_\_  
 Other \_\_\_\_\_  
 Other \_\_\_\_\_

**Mortgage Interest Expense**

Mort Int Paid - Bring 1098 \_\_\_\_\_  
 Equity Line of Credit \_\_\_\_\_  
 Use of Equity Loan \_\_\_\_\_  
 Interest pd to others - no 1098 \_\_\_\_\_  
 Paid to: Name \_\_\_\_\_  
 Address \_\_\_\_\_  
 Soc Sec No/EIN \_\_\_\_\_

Investment Interest \_\_\_\_\_

\* Gambling losses require documented substantiation.

**Day Care Expenses**

Children cared for	_____	Provider 2	_____
Provider 1	_____	Address	_____
Address	_____		
Soc Sec No/EIN	_____	Soc Sec No/EIN	_____
Amt Pd	_____	Amt Pd	_____

**Schedule C Business Income and Expenses** The IRS has determined that small business owners are very likely candidates to make mistakes applying the tax law. Accordingly, anticipate more audits for business owners in the near future. Please review the following information carefully to assure compliance with the law.

Business Name \_\_\_\_\_

**Total Sales** \$ \_\_\_\_\_ Owner Taxpayer  Spouse

Holding deposits until next year is *not* a tax planning item. IRS requires all receipt to be reported in the year received. If there are absorbent deposits that occur following the year end, photo copy all checks being deposits to confirm the payment dates.

Credit Cards - Do you accept credit cards from your customers? If you receive payments exceeding \$600, your credit card service is required to send a 1099-K to you. Bring all 1099's to your appointment (1099-K's, 1099-MISC, 1099-NEC)

During 2023, did you refinance using your primary resident to secure a business loan? Bring all Paperwork.

Balance on note prior to re-finance: \_\_\_\_\_ Balance on Note at 12-31: \_\_\_\_\_

**Expenses**

Advertising	_____	*Repairs & Maintenance	_____
Business Miles # _____	_____	Supplies	_____
Commissions	_____	Taxes	_____
Contract Labor	_____	**Telephone	_____
Dues & Subscriptions	_____	Tools & Equipment	_____
Insurance (Other than Health Ins)	_____	Travel Expenses	_____
Interest - Mortgage	_____	Uniforms	_____
Interest - Other	_____	Utilities	_____
Legal & Professional Fees	_____	Vehicle Expense	_____
Meals & Entertainment	_____	Wages	_____
Office Expense	_____	Employee Health Ins	_____
Rent - Building	_____	Other	_____
Rent - Equipment	_____	Other	_____

\*Do any amounts shown in Repairs and Maintenance add value to the property, prolong useful life, or adapt it to new uses? If so, these amounts can be depreciated. Bring in description of alteration, cost, and in service date.

\*\*Cell Phones: Does the business blend itself in such a manner that a cell phone is an ordinary and necessary component of the business? Is the cell phone on your business card? Is the cell phone number listed on your letterhead and/or yellow page advertising?

**Cost of Goods Sold**

Beginning Inventory	_____
Purchases	_____
Less Personal Use	( _____ )
Direct Labor	_____
Supplies	_____
Other	_____
Ending Inventory	_____

Credit Card purchases - Did you use a credit card for business purchases? Payment by credit card is considered to be a payment of cash at the time of the charge, not at the time when the credit card company is paid. Please bring a copy of December 31st credit card statement with business purchases.

**Schedule C Home Office Expenses**

Is a home office used for administrative or management activities for business? \_\_\_\_\_ Is there \_\_\_\_\_

Total Square Feet of Home \_\_\_\_\_ Purchase Price of Residence \_\_\_\_\_

Total Square Feet of Office \_\_\_\_\_ *Bring in Real Estate Tax Bill for 2023* \_\_\_\_\_

Simplified method available. Square footage of office space x \$5 for maximum of \$1,500 deduction.

Expenses: Mortgage Insurance \_\_\_\_\_ Property Insurance \_\_\_\_\_  
Real Estate Taxes \_\_\_\_\_ Utilities \_\_\_\_\_

<b>Assets Purchased</b>			
Date	Amount	Description	Business Percentage

<b>Assets Disposed</b>			
Date	Amount	Description	Business Percentage

**Form 1099-MISC or 1099-NEC Required. Paid more than \$600 to one vendor for rent or services.**

If you have are required to issue 1099-MISC or 1099-NEC, call the office immediately. 1099-MISC or 1099-NEC must be filed with the IRS by January 31st. If not filed timely, severe penalties apply.

Vendor Name	Address	EIN	Amount Paid



**Schedule E Rental Income and Expenses** Please review the following information carefully.

**Type of Property:**

Choose From:

Single Family  
Mutli Family

Vacation/Short Term Rental  
Commercial

Land  
Royalties

Self-Rental  
Other

<b>Rental Property</b>	<b>Property 1</b>	<b>Property 2</b>	<b>Property 3</b>	<b>Property 4</b>
Address				
City, State, Zip				
Type of Property (from above)				
Fair Market Rental Value				
Fair Rental Days /Personal				

\* Personal use days include any days in which charging less than fair market rental value to related party.

A fair rental price is the amount of rent you can expect to received from an unrelated party. Consider structure, size, condition, furnishing, and location when determining the fair market rental value. If renting to related party, fair rental value required from real estate agent.

**Is Property Rented To A Relative? Y / N**

**If so, how was the Fair Market Value Determined?**

<b>Rent Received</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
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**Expenses**

Advertising				
Cleaning & Maint				
Commissions Paid				
Insurance				
Interest - Mortgage				
Interest - Other				
Legal & Prof Fees				
Management Fees				
Repairs				
Supplies				
Taxes				
Utilities				
Vehicle Miles	Miles	Miles	Miles	Miles
Other				
Other				
Other				

**Form 1099-MISC or 1099-NEC Required. Paid more than \$600 to one vendor for rent or services.**

If you have are required to issue 1099-MISC or 1099-NEC, call the office immediately. 1099-MISC or 1099-NEC must be filed with the IRS by January 31st. If not filed timely, severe penalties apply.

Vendor Name	Address	EIN	Amount Paid