
HARTLEY

Tax & Accounting, LLC

_***Greetings to clients and friends,**

WHAT A YEAR we've had at HTA! We are so appreciative of all of you. We do our best to prepare all our clients' various returns with the best possible professional care (specifically, in the 12 week time crunch that we work within). We do take the time we need to make sure each return is properly and professionally prepared.

We have two new employees on board with us this year! Tammy, who will be our Portal Manager. Those that use the portal, Tammy will be there for you with any questions you might have. Ramona is our new full-time secretary. We are very excited to have these two and know you will appreciate the service they give you.

We have been working all year with issues that have been created (many times) by the un-organization and erroneous input of the IRS again this year. Many times, we have been held on the phone for over an hour before reaching an agent and many times we have been on hold just to be told they do not have agents that can answer our questions that day. Due to this additional workload, we are going to request (if the issue is due to you, our client, or the IRS) a \$50 fee to resolve the issue. On average, it is taking us over two hours (sometimes 5!) to resolve the issue. We said we were going to request this last year, but I did not charge anything for the 2023 tax season.

Concerning our fees for service this year, there will be a \$10 increase. We do our best to keep all our expenses down. This increase is mainly reflective of our increase in personnel wages, increase in utilities and office expenses. I will always keep and continue to search for the best employees to put forth the best product (your tax returns) for you to be able to receive every tax credit and deduction which you are entitled.

We also provide you with professional tax planning and tax advice during the tax season. Please let us know if you ever have any questions concerning your return and/or the results of your returns. We always want you to understand your results, especially if they are different from your expectations.

If, after tax season is over, you would like a 'withholding' check-up due to new income and/or a new job; if you moved and have new jobs in a new state; or if you are planning on retiring and need help with your retirement withholdings; we offer this service all year long. The fee depends on the time needed to collect all data, ask questions, and calculate the new withholdings. On average this is approximately 45 minutes which would be a \$75 fee.

If you have any questions concerning tax deductions or tax credits or ministry tax questions, we are here to help and more than happy to do so for our current clients at no charge.

CONCERNING 2024 tax changes and general tax information.

The BOI reporting. This is an ongoing mystery. We have been told that there are court rulings stating that it is on hold for now. Some news states it is just for certain jurisdictions. In my opinion, I would go ahead and have it submitted. We tried to reach the majority of our clients that have an LLC and inform you that this report needs to be submitted.

-The Child Tax Credit is \$2,000 per child (0-16) and a \$500 dependent credit for 17 and older. There is also, again, a maximum limitation of \$1400 for the additional child tax credit.

-If you are 73 or older MAKE SURE you are taking your Required Minimum Distributions! If you do not know about this, please ask us.

-Tax rates did not change but the brackets are wider than 2023. (Due to inflation)

-Again, clients will receive 1099-Ks this year! (Please make sure you give us all tax documents you receive!). Third party settlement networks (PayPal, Venmo) will send out 1099-Ks if you were paid over \$600 for goods or services.

-Maximum contribution limits for SIMPLE IRAs, \$16,000 (plus extra \$3,500 people 50 or older)

-Traditional and ROTH IRAs \$7,000 (plus additional \$1000 for 50 or older)

-Teacher deduction remains \$300

-Please let us know if your child has over \$1,300 UNEARNED income

-Standard mileage rate for 2024 increased to \$0.67 per mile

-Children (dependent) tax returns will be \$20 per child. Once your child is no longer a dependent, we will charge our regular price (less \$45 discount the first year).

-Indiana Clients: Let us know if you have **Health Care Sharing Ministry** 'Insurance'. Indiana is allowing you to deduct the 'premiums' this year!

-Keeping Old Tax Returns; Six years is great BUT if you have old depreciation on an asset you still own, or old stock values in your older return folders and such – keep those.

-We will do our best to extend all tax returns when information to process comes in after April 1st. Please call us to make sure your returns have been extended.

Also **PLEASE NOTE extending your return stops any late filing penalties but not late paying penalties. Ask us for a voucher if you believe you might owe. THIS IS VERY IMPORTANT!! PLEASE REREAD THAT! Many did not understand this last year and were surprised when they received a penalty. I will help you try to figure out how much you do have to send in by April 15th if your tax return is not ready by then. (please be prepared to tell me if your income increased greatly from the previous year)**

OUR SECURE PORTAL– For three years, we invited all our ministers and missionaries and out-of-state clients to our new secure portal. It was a great success! Approximately 1,000 use it. We are very pleased with the process. We worked hard to tweak it so that past glitches do not happen again. If you would like this service (you can put all your tax documents in the portal, receive your returns this way and submit your signed and dated efile forms) please call our office. Be prepared to give a good email address for us to use.

PLEASE DO NOT submit tax documents to the portal until you have gathered ALL of them. This was one of the glitches that slowed the processing down quite a bit.

We will also verify with you that you have submitted all your documents. Your return will be put in the 'ready to be worked' process once we receive verification from you that we have all your information. We do understand that there may be times when an unexpected tax document shows up after. Please call our office and send a message and upload documents to the portal so we can merge the new data.

If you need help with figuring out how much you need to submit for payment on April 15th if your return is not going to be ready, PLEASE put this message in the portal WITH information as to if your income has increased significantly from the previous year. This is the only way we can help you calculate an estimate payment to send in.

We will also have a new form to sign that will be included with your efile forms this year. It will be for those receiving a refund and will just confirm the direct deposit account for your refund.

If you are a minister, please remember to update your housing allowance for the year. The checklist can be found at <http://www.hartleytaxaccounting.com>. Please make sure we receive information on any estimated tax payments AND dates you made each of them (IRS and the states go off these dates). Remember your out-of-pocket unreimbursed business expenses can help reduce your social security and medicare tax.

As always! Thank you for your business and all your wonderful referrals! We really do appreciate you!

Wishing you a happy and healthy 2025!

Jean Baird Hartley, CEO, EA

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