



Greetings,

We hope the New Year finds you all in good health and that you have all had a wonderful Holiday Season.

We would like to thank you for your continued trust in our firm and look forward to working with you to prepare your 2025 income tax return. We have summarized a few important topics and updates in this letter.

### **Important Dates & Information**

➤ **Business Tax Return Deadline: March 16, 2026**

All tax documents and information for business tax returns must be submitted to our office no later than Monday March 2, 2026. All income tax payments (federal, state and city municipalities) must be paid by March 16, 2026, regardless of filing an extension.

➤ **Personal Tax Return Deadline: April 15, 2026**

All tax documents and information for personal tax returns must be submitted to our office no later than Monday April 2, 2026. All income tax payments (federal, state and city municipalities) must be made by April 15, 2026, regardless of filing an extension.

➤ An extension is not an extension of time to pay. If you owe, you must pay by the original filing deadline to avoid penalties.

➤ New this year... **All refunds will be direct deposited.** If you receive a refund, the federal government will no longer issue paper checks. Make sure we have your current banking information on file. \*\*\*



## **The One Bill Beautiful Bill Act**

**The One Big Beautiful Bill Act (OBBA)** was signed into legislation on July 4, 2025. Below you will find an outline that may impact your 2025 tax return and 2026 planning. Please read through and complete our tax organizer when assembling your documents.

- **Tax rates & brackets** – OBBA permanently extended the current tax rates; they were to expire at the end of 2025.
- **Standard deduction** – Increased to \$15,750 for single filers, \$23,625 for head of household, and \$31,500 for married filing jointly.
- **Child tax credit** – OBBA increases the maximum child tax credit to \$2,200 per eligible child.
- **Deduction for state and local taxes** – Individuals itemizing their deductions can claim up to \$40,000 for state and local taxes paid. The deduction is reduced for taxpayers with Modified Adjusted Gross Income (MAGI) over \$500,000.
- **Deductions for seniors** – OBBA provides a new \$6,000 deduction per filer age 65 and older. Married couples with both spouses 65 and older are eligible to deduct \$12,000. The deduction phases out for taxpayers with MAGI over \$150,000 on joint tax returns and \$75,000 on single and head of household tax returns. If married, a joint return must be filed.
- **No tax on tips** – Individuals employed in occupations listed by the IRS as customarily and regularly receiving tips may take up to \$25,000 deduction. The deduction phases out at MAGI over \$300,000 on joint returns and \$150,000 for all other files.
- **No tax on overtime** – Up to \$12,500 of overtime pay is deductible for single filers and \$25,000 for joint filers (premium portion only). The deduction phases out at MAGI over \$300,000 on joint returns and \$150,000 for all other files.
- **No tax on car loan interest** – Individuals who purchase a new, qualifying vehicle are eligible to deduct up to \$10,000 of interest paid on such loans. The loan interest phases out at MAGI over \$200,000 for joint filers and \$100,000 for other files. Lease payments and purchase of used vehicles does not qualify.
- **529 Plan** – OBBA increases the annual limit on distributions from \$10,000 to \$20,000. Eligible K-12 expenses are significantly expanded. Excess assets, up to \$35,000, may be converted to a Roth IRA.
- **Clean energy credits** – Many of these have expired in 2025. Expenditures made after December 31, 2025, are disallowed for the Residential Clean Energy Credit. Property must have been placed into service by December 31, 2025, to qualify for the Energy Efficient Home Improvement Credit. Clean vehicle credits require qualifying vehicles were acquired on or before September 30, 2025.
- **Tax-advantaged savings account** – Beginning July 4, 2026, parents, guardians, or others may fund a Trump Account for an eligible child born in 2025 through 2028. The federal government will contribute \$1,000 to each account. Employers may contribute up to \$2,500 per year without tax consequence for the employee. The contributions are not tax

deductible and income tax on the earnings is deferred until the account owner withdraws the funds.

## **Frequently Asked Questions**

### **How do I provide my tax documents for preparation?**

- In person, drop in our secure exterior drop box/mail slot, USPS mail, or FedEx/UPS.
- Our client portal - <https://wrobelcpas.clientportal.com/#/login> If you are not set-up with our client portal please call our office or email [Amber@WrobelCPAs.com](mailto:Amber@WrobelCPAs.com)

### **How do I best ensure the information submitted is complete?**

- Complete our client tax organizer; review all questions in detail. Tax legislation changes annually and may have an impact on your tax return.
- Provide updates to any items that have changed; contact information, dependents, residency, bank accounts, etc.
- Review your last filed tax return and all the information you previously provided. Please do not submit any information or documents to our office until you have all your 2025 tax documents.
- If needed, please contact our office to request a tax organizer specific to your prior year tax return.
- Missing items and incomplete tax organizers might create a delay in processing your tax return.

### **What happens when my tax return is complete?**

- We will contact you when your tax return is complete.
- The completed tax returns will be delivered via client pick-up, mail, or the client portal based on the client's request.
- Sign and return Form 8879, permission to electronically file to our office. Return the signed form to us via mail, fax, drop off, upload to our client portal, or email to [Missy@WrobelCPAs.com](mailto:Missy@WrobelCPAs.com)
- Pay tax prep invoice via check, credit card, debit card, or ACH. Nonpayment may result in a delay in filing your return.

If you have any questions, please let us know.

We truly appreciate your business. We look forward to seeing you in 2026 and another successful tax season.

Sincerely,

Wrobel & Associates, CPAs