

As you prepare for the 2025 tax year, please review the following summary of major tax law changes and the specific information and documents you will need to provide to us for each change. This will help ensure you receive all available benefits and your return is filed accurately and efficiently.

## **1. Standard Deduction Increases**

Single/MFS: \$15,000; MFJ/QSS: \$30,000; HOH: \$22,500.

Provide:

- Your filing status (single, married, head of household, etc.)
- Dates of birth for you and your spouse
- Documentation if you or your spouse are blind
- Information if you or your spouse can be claimed as a dependent elsewhere

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## **2. SALT Deduction Limit Raised**

Temporarily increased to \$40,000 (\$20,000 MFS) for 2025–2029, with a minimum of \$10,000 (\$5,000 MFS) and phase-down for higher incomes.

Provide:

- Copies of all property tax bills paid in 2025
- Year-end statements or receipts for state and local income taxes paid (including estimated payments and amounts paid with your 2024 return)
- Documentation of personal property taxes (e.g., vehicle registration)
- Estimate of your 2025 income if you expect to exceed \$500,000 (\$250,000 MFS)

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## **3. New Deductions for Tips and Overtime (2025–2028)**

Up to \$25,000 in qualified tips and the “premium” portion of overtime pay (up to \$12,500/\$25,000 joint) may be deducted, subject to income and occupation limits.

Provide:

- All 2025 Forms W-2 (ensure tips and overtime are reported)
- Tip logs or employer statements for tips not on W-2
- Forms 1099-NEC or other records for self-employed tip income
- Documentation of your occupation (job title, employer)
- Social Security Numbers for you (and spouse, if joint)
- Final Annual Paystub showing total overtime pay for 2025

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#### **4. New Car Loan Interest Deduction (2025–2028)**

Up to \$10,000 per year of interest paid on loans for new, personal-use vehicles (under 14,000 pounds, U.S.-assembled) may be deducted above-the-line. The deduction phases out for single filers with MAGI over \$100,000 and joint filers over \$200,000. The vehicle's VIN must be reported, and lender documentation is required. Used vehicles, commercial vehicles, and certain other loans are excluded.

Provide:

- Copy of the loan agreement (showing origination after 12/31/2024, first lien, and original ownership)
- Vehicle Identification Number (VIN)
- Documentation that the vehicle is new, for personal use, under 14,000 pounds, and U.S.-assembled
- Lender statements or Form 1099-VLI showing interest paid in 2025
- Proof of payment (bank statements, canceled checks, etc.)
- Your 2025 modified adjusted gross income (MAGI)
- Ensure the VIN and interest paid are reported on your tax return (Schedule 1-A, Part IV)

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#### **5. Transition to Electronic Refunds**

IRS will phase out paper refund checks after September 30, 2025; most refunds will be electronic.

Provide:

- Current bank account and routing numbers for direct deposit
- Notify us if you cannot receive electronic refunds

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#### **6. Timely Filing**

The IRS will no longer accept a business's metered postmark as proof of timely filing. Only a USPS postmark or the date recorded by an approved private delivery service is valid.