2024 Newsletter & Tax Update

JAMES E. CHENEY
CERTIFIED PUBLIC ACCOUNTANT, PLLC

Please have all 2024 Tax Documents to our office by April 1, 2025

Can you believe it's already almost tax time again?

Last year we made the decision to take our annual newsletter virtual. If you are receiving this mailing, we do not have a valid e-mail on file for your account. Please provide our office with an updated e-mail address by calling 315-548-8017 or emailing Michelle at michelleH@cheneycpa.com, to ensure you receive any annual reminders and notifications regarding important tax updates throughout the year.

TaxDome is utilized at our firm, as more than just a communication platform. We utilize TaxDome as a tool allowing our staff to access your tax documents, communications, and to monitor your return's status. Over the past two years that we have rolled out this new platform, we have received a very positive client response by those who used it. TaxDome is a secure, encrypted portal keeping your information safe.

Once your online account is activated, we can begin sending notification via SMS communication (text messages), if preferred. This will be a 2-way communication tool allowing us to reach out to you and for you to respond directly to our office.

Organizers will also be available on your TaxDome account. If you requested a hard copy of your tax organizer last year, it is included in this packet. If you did not request a hard copy last year and would like one, please email Michelle at michelleh@cheneycpa.com. If you do not wish to use a tax organizer (either virtual or hard copy), we request that you fill out the attached Information Verification Form.

Enclosed Documents

Enclosed in this packet is :

- An **Engagement Letter.** As a CPA firm, we are required to have you sign this agreement that states the services we are both agreeing to. **Please sign the Engagement Letter enclosed within this packet and return to our office with your tax information.**
- An **Information Verification Form**. This Form is to help save you time when you drop off your documents. Please take a moment to fill out this information and bring it with your documents. If you are using the full organizer, this form does not need to be completed.
- **Release of Information Form.** We're happy to send a copy to a third party for you, however, we must have a signed Release of Information form, which is enclosed. If you know of anyone that you want us to send a copy of the return to, such as your financial planner or banker, please indicate that on the form, sign and return to us with your tax information.
- Our **Privacy Policy,** which we are required to provide to you. Please keep this for your records. Do not return to our office.

Extensions

It is our policy to do whatever we can to avoid extending the due date of returns. Occasionally, because complete information is not available on a timely basis, we have to do so. Please help us avoid this situation, if at all possible, by getting your documentation to us as soon as possible. ***If information is not received by April 1st, it is very possible that we would have to request an extension and that additional fees by the IRS and NYS could apply.*** In addition, there will be a $25 fee to our office for extensions filed, unless it is at our request.

**Please note: We will not automatically file an extension if you have not submitted any documents to our office. If you know you'll need an extension, please contact our office before the April 15 deadline.

E-filing

We are required to have your signature on the e-file Authorization Form to file your return. Therefore, when you receive your tax packet from us, either via mail, in person, or our portal, please be sure to sign and return the authorizations as soon as possible.

Checklist

- ☐ Complete Organizer online or bring in hard copy
- ☐ **Signed Engagement Letter**
- ☐ Signed Release of Information form (if applicable)
- ☐ Copy of Identification (driver's license for both spouses, if married)
- ☐ Completed Information Verification Form (unless using an organizer)
- ☐ Voided Check for direct deposit or payment (if applicable)
- ☐ Receipts for charitable donations
- ☐ Receipts for real estate taxes paid **Note: This is no longer just for people who itemize**
- ☐ Receipts and proof of payment for education expenses (if applicable). The 1098-T alone is no longer sufficient. Please request a statement from the college showing all the charges and payments to your student's account.
- ☐ **Copy of payments for estimated tax payments (if applicable)**
- ☐ Original W-2's,1098's & 1099's as detailed in organizer if you are a returning client. We are not allowed to submit a return based on amounts provided verbally or via e-mail. We must see original documents (or copies / scans of the original).
- ☐ 1095-A if you received state health insurance assistance
- ☐ 1099-G if you received unemployment benefits ***Please note the state does not automatically send these, you will need to request it or retrieve it online***
- ☐ Documentation on the cost basis of stocks sold, if broker statement is not accurate.
- ☐ If claiming a child as a dependent, documentation that they lived with you for more than half the year (daycare receipts, school records, medical record, etc.) *Yes, the IRS actually wants us to verify that your child lived with you (and makes it very expensive for us if we don't).*

**Please note, when you are physically submitting these documents to our office we request that you do not include staples, paper clips, or post its as they jam our scanners.

*****Please note: Our phone number is now 315-548-8017 for Phelps AND Geneva*****

*****Reminder: Our Canandaigua office is now closed*****

Our Payment Policy

We have updated our billing system. Your invoice will now be available on your TaxDome portal with the option to pay online.

Please note that our new policy is that all invoices must be paid in order for us to file your return. We ask that you pay at the time of pickup or signing. As stated in our engagement letter, any accounts over 30 days past due are subject to interest.

Single Member LLC Update

If you have a single member LLC that is recorded on your personal return, NYS still requires you to file the IT-204LL by March 15 if you had any activity under the LLC. With the form, NYS charges a $25 fee for operating your LLC. This fee must be taken out electronically so please make sure we have the appropriate routing and account number on file.

We will be charging a $50 fee for filing the LLC form.

If you opened an LLC this year or have not reported the form separately in the past, please let us know before March 1 in order to have it completed timely.

Tax Law Changes (it was a relatively quiet year for changes)

- The increased itemizing threshold is $14,600 for single filers, $29,200 for married filers, and $21,900 for head of household.
- The annual gift exclusion has increased to $18,000.
- The IRA contribution limits have not changed. They are still $7,000 for those under 50 and $8,000 for those 50 and older.
- 401(k) and Roth 401(k) contribution limits increased to $23,000. If you're over 50, you can make an additional $7,500 catch-up contribution.
- The maximum HSA contribution for an individual is $4,150 and for a family is $8,300. People 55 and older can contribute an additional $1,000.
- The standard mileage rate for business purposes is $0.67. For medical purposes it is $0.21.
- The threshold for a 0% capital gains rate increased to taxable income of $47,025.
- The maximum additional child tax credit increased to $1,700 per qualifying child.

Meet Our Staff

Phelps Office:

James. E Cheney - *Certified Public Accountant.* Oversees day to day operations of all offices, Business Valuations, Consulting, Budgeting, Financial Statement Compilations and Reviews, Tax Return Preparation, Tax Planning, Controllership Services.
Email address: jcheney@cheneycpa.com

Paige Cheney-Bianchi– *Certified Public Accountant.* Individual Tax Returns, Corporate Tax Returns, Partnership Tax Returns, Not-For-Profit Tax Returns, Financial Statements, Consulting, and Bookkeeping.
Email address: paigec@cheneycpa.com

Megan Agan- *Office Manager, Payroll Director & Staff Accountant.* Payroll Processing, Payroll Tax Returns, Sales Tax Returns, Individual Tax Preparation and Bookkeeping.
Email address: megana@cheneycpa.com

Kathleen Wise—*Senior Manager.* Corporate Tax Preparation, Partnership Tax Preparation, and Bookkeeping Services Manager
Email address: kathleenw@cheneycpa.com

Alyssa Consiglio– *Bookkeeping and Payroll Specialist.* Bookkeeping, Payroll Processing, Individual Tax Preparation, Billing Manager
Email address: alyssac@cheneycpa.com

Desirae Darcangelis—*Bookkeeper*
Email address: desiraed@cheneycpa.com

Michelle Hicks– *Office Administrator.* Client Services.
Email address: michelleh@cheneycpa.com

Geneva Office:

Kelly Perry - *Senior Staff Accountant.* Individual Tax Return Preparation, Corporate Tax Preparation, Partnership Tax Preparation, Sales Tax Returns, and Bookkeeping. Email address: kellyp@cheneycpa.com

Elaina Sindoni—*Staff Accountant.* Bookkeeping, Individual Tax Preparation.
Email address: elainas@cheneycpa.com

Emilia Patrick– *Office Administrator.* Client Services.
Email address: emiliap@cheneycpa.com

Megan House– *Administrative Assistant.* Client Services.
Email address: meganh@cheneycpa.com