



# 2024 Year-End Tax and Business Planning Webinar

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KahnLitwin.com | 888-KLR-8557

# Presented by



**Laura Yalanis, CPA**  
Partner, Director of Tax Services

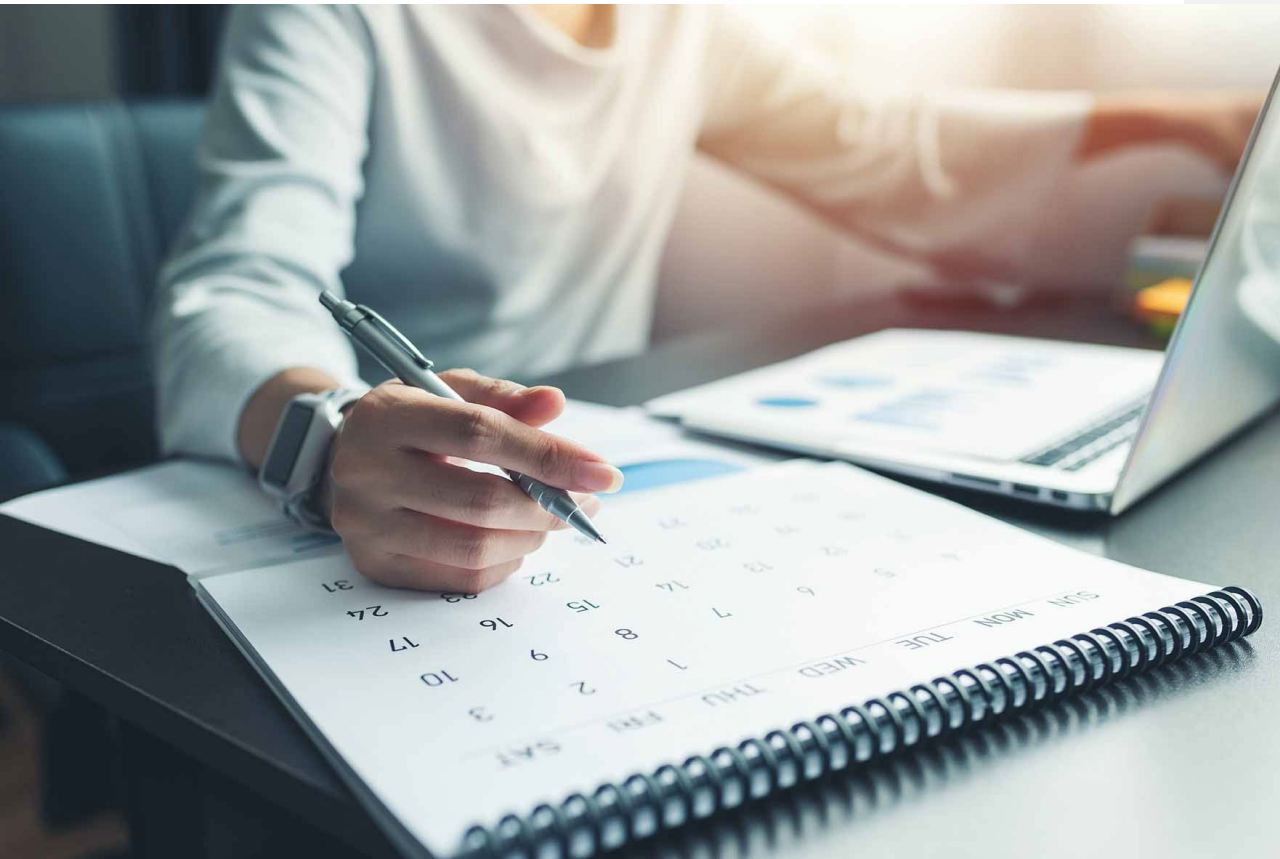
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**Anthony Mangiarelli, CPA**  
Partner, Director of Strategic Business Solutions

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# Agenda



- BREAKING NEWS – CTA/BOI Update
- Status of TCJA changes set to expire in 2026
- Update on Secure Act 2.0
- Developments on the Employee Retention Credit (ERC) processing and increased compliance efforts
- 2024 Election tax policies
- General tax planning suggestions
- What's in store for 2025 and beyond



A photograph of the U.S. Capitol dome in Washington, D.C., taken from a low angle looking up. The dome is white with many windows and is topped with a statue. The sky is filled with dramatic, orange and yellow clouds, suggesting a sunset or sunrise. An American flag is visible on a pole in front of the dome.

# Status of TCJA Changes Set to Expire in 2026

A photograph of the U.S. Capitol dome in Washington, D.C., taken from a low angle looking up. The dome is illuminated by the warm, golden light of a sunset or sunrise, with the sky showing soft orange and yellow hues. The American flag is visible on a pole in front of the lower part of the dome. A solid green vertical bar is positioned to the right of the dome image.

# Status of TCJA Changes

## Expiring Provisions 12/31/2025 – Individuals

- Marginal Rates – will increase -  
Highest rate of 39.6% will return
- Standard Deduction – will decrease  
to less than ½ of current deduction
- Personal Exemptions – will return
- Child Tax Credit – Credit cut in half  
income level phaseout significantly reduced
- Credit for Other Dependents – eliminated



A photograph of the U.S. Capitol dome in Washington, D.C., taken from a low angle looking up. The dome is illuminated by the warm, golden light of a setting or rising sun, with the sky showing soft orange and yellow clouds. The American flag is visible on a pole in front of the lower part of the dome.

# Status of TCJA Changes

## Expiring Provisions 12/31/2025 – Itemized Deductions

- \$10k SALT Deduction limit – eliminated
- Mortgage interest – debt limit returns to \$1M plus \$100k home equity debt
- Misc. Itemized Deductions – reinstated
- Overall limitation on itemized deductions – reinstated based on AGI thresholds

A photograph of the U.S. Capitol dome in Washington, D.C., taken from a low angle looking up. The dome is illuminated by the warm, golden light of a sunset or sunrise, with the sky showing soft orange and yellow clouds. The American flag is visible on a pole in front of the lower part of the dome.

# Status of TCJA Changes

## Expiring Provisions 12/31/2025 – Alternative Minimum Tax

- Will revert to pre-TCJA levels
- Exemption amounts significantly reduced
- Exemption phaseouts begin at significantly lower income thresholds



A photograph of the U.S. Capitol dome in Washington, D.C., featuring its iconic white marble structure, arched windows, and the Statue of Liberty on top. The sky is a mix of orange and grey, suggesting a sunset or sunrise. A green vertical bar is positioned to the right of the image.

# Status of TCJA Changes

## Expiring Provisions – Business Provisions

- 199A – Pass-through entity deduction will expire 12/31/2025
- Bonus Depreciation – phaseout – 80% in 2023; 60% in 2024; 40% in 2025; 20% in 2026; 0% in 2027

## Other Provisions – Estate and Gift Tax

- 2024 Lifetime exemption - \$13,990,000
- After 12/31/2025 – scheduled to drop to \$5M and then adjusted for inflation



A background image showing a business meeting. In the foreground, a person's hand is on a laptop trackpad. The laptop screen displays a line graph with green and blue data points. In the background, other people are visible, some holding documents, in a brightly lit office setting.

## Update on Secure 2.0



# Secure 2.0 Tax Changes – 2025 Impact

- RMD age increases to 73; 75 after 2033
- SIMPLE IRAs and SEPs can have Roth IRA contributions
- Penalty for failing to take RMDs drops from 50% to 25%
- Employers can match contributions to employees' student loan payments
- Amounts held in a 529 can be rolled over to a Roth IRA – but a lot of limitations / restrictions apply
- 401(k) catch-up contributions for participants earning > \$145k annually must be Roth contributions (however, there is a transition period allowed thru 12/31/2025.)





# Secure 2.0 Tax Changes – 2025 Impact

- Part-time employees will be eligible to participate in 401(k)/403(b) after 2 years of service
- Catch-up limit is increased for participants aged 60-63 (Higher of \$10k or 150% of regular catch-up amount for 401k / \$5k for SIMPLE)
- Mandatory auto enrollment for most newly established 401(k) and salary reduction 403(b) plans

A background image showing a business meeting. Two people are seated at a dark table. On the left, a person's hands with red nail polish hold a white tablet. On the right, a person in a light blue shirt is writing on a notepad with a pen. A laptop is partially visible on the right side of the table. The scene is brightly lit, possibly from a window in the background.

# **Latest on Employee Retention Credit**



# Employee Retention Credit

## Newsroom:

- [To protect taxpayers from scams, IRS orders immediate stop to new Employee Retention Credit processing amid surge of questionable claims; concerns from tax pros](#)
- IR-2023-169, Sept. 14, 2023 — Amid rising concerns about a flood of improper Employee Retention Credit claims, the Internal Revenue Service today announced an immediate moratorium through at least the end of the year on processing new claims for the pandemic-era relief program to protect honest small business owners from scams.
- [Red flags for Employee Retention Credit claims; IRS reminds businesses to watch out for warning signs of aggressive promotion that can mislead people into making improper ERC claims](#)
- IR-2023-170, Sept. 14, 2023 — The Internal Revenue Service continues to warn businesses to watch out for aggressive marketing by nefarious actors involving the Employee Retention Credit (ERC) and urged people to watch out for red flags that can signal trouble.
- [IRS announces withdrawal process for Employee Retention Credit claims; special initiative aimed at helping businesses concerned about an ineligible claim amid aggressive marketing, scams](#)
- IR-2023-193, Oct. 19, 2023 — As part of a larger effort to protect small businesses and organizations from scams, the IRS today announced the details of a special withdrawal process to help those who filed an Employee Retention Credit (ERC) claim and are concerned about its accuracy.



# Employee Retention Credit Eligibility

ERC Claims for 2021 eligible quarters must be filed by April 15, 2025. Window has closed for ERC claims for 2020.

Generally speaking, the ERC is available to businesses who meet the following criteria –

- The 1st criteria – You experienced a full or partial suspension of operations during 2020 or 2021 because of governmental orders limiting commerce and impacting your business.
- The 2nd criteria – You had at least a 50% decline in gross receipts in any calendar quarter in 2020 compared to the same quarter in 2019 (20% decline in gross receipts in any calendar quarter in 2021 (or Q4 2020) compared to the same quarter in 2019).

Generally speaking, must have less than 100/500 average full-time employees in 2019 to be eligible for the credit in 2020/2021.





# Employee Retention Credit Shut Down Orders

1. Can't be voluntary, needs to be govt order. (Government asking for social distancing does not count.)
2. If the work could be replaced by teleworking, you will not qualify.
3. Think reductions in capacity or complete closure orders from the government (Restaurants).
4. Does the shutdown order have a more than nominal effect on the business operations? The IRS considers revenues (or hours) in excess of 10% as the threshold to determine whether or not a shutdown order had a more than nominal effect.



# Employee Retention Credit

## ERC Processing Halt

Due to a surge in fraudulent claims for the ERC, the IRS placed an immediate halt on processing any new ERC claims received, effective September 14, 2023. Beginning August 2024, the IRS began processing claims filed between September 13, 2023 and January 31, 2024.

## ERC withdrawal process

Due to a surge in fraudulent claims for the ERC, the IRS created a formal process for companies who believe they are ineligible but filed an ERC claim, to withdraw their refund filing and avoid repayment of amounts claimed and assessed interest and penalties.





# Employee Retention Credit

- If you receive communication from IRS regarding an ERC claim, contact your tax advisor immediately!
- Formal Appeal Requests must be filed within 30 days to strengthen appeal and claim's protection.
- Response must contain support for eligibility and detailed calculation for ERC amount claimed.



**Department of the Treasury  
Internal Revenue Service  
Small Business/Self Employed**  
60 Quaker Lane  
Warwick, RI 02886-0119

**IRS**

Date: \_\_\_\_\_  
Taxpayer ID number: \_\_\_\_\_  
Form: 941  
Tax period: 2020  
Person to contact: \_\_\_\_\_  
Contact ID number: \_\_\_\_\_  
Contact number: \_\_\_\_\_

Dear \_\_\_\_\_:

Your employment tax return for the year(s) or period(s) shown above has been selected for examination. I have scheduled the following appointment to meet with you regarding this examination.

**What you need to do**  
Please call me on or before \_\_\_\_\_ to confirm this appointment. You can reach me at the number shown above between the hours of 8:00 AM-4:30 PM EST. If this date and time is not convenient, please give me a call so that we can schedule a more convenient time.

We understand that the COVID-19 pandemic may present challenges that could impact your ability to effectively prepare for an examination. During our conversation we can discuss any concerns or questions you may have.

To reduce the amount of time spent on this examination, please have available the items listed on the attached Form 4564, Information Document Request, at our scheduled appointment. During our telephone conversation, we will talk about these items so if you have questions, feel free to ask.

**Someone can represent you**  
You may have someone represent you during any part of this examination. If you want someone to represent you, please provide me with a completed Form 2848, Power of Attorney and Declaration of Representative, or Form 8821, Tax Information Authorization, at our first meeting or mail it to me prior to our first appointment. You can get these forms from our office, from our web site at [www.irs.gov](http://www.irs.gov), or by calling 800-TAX-FORM (800-829-5676). If you decide you want to have someone represent you after the examination has started, we will delay further examination activity until you are able to secure representation.

**Your rights as a taxpayer**  
We have enclosed Publication 1, Your Rights as a Taxpayer, and Notice 609, Privacy Act Notice. We encourage you to read the Declaration of Taxpayer Rights found in Publication 1. This publication discusses general rules and procedures we follow in examinations. It explains what happens before, during, and after an examination, and provides additional sources of information.

**Letter 3850 (Rev. 7-2020)**  
Catalog Number 382339

Thank you for your cooperation, and I look forward to hearing from you by \_\_\_\_\_.

Internal Revenue Agent-ET Specialist

Enclosures:  
Publication 1  
Notice 609  
Publication 5146

**Letter 3850 (Rev. 7-2020)**  
Catalog Number 382339

**Form 4564 (Rev. September 2008)** Department of the Treasury - Internal Revenue Service  
**Information Document Request** Request Number: 1

To (Name of Taxpayer and Company Division or Branch): \_\_\_\_\_ Subject: 941  
SSAN Number: \_\_\_\_\_ Submitted to: \_\_\_\_\_  
Dates of Previous Requests (month/year): \_\_\_\_\_

Description of documents requested:  
(Please provide the following documentation in a portable in the 2020 employment tax examination discussed on Letter 3850, 3851 or 3850-2.)

- General ledger, trial balance, payroll tax ledger, for 2020.
- Payroll register by employee with running balance or year end total. Records of wages, bonuses, awards and any other compensation paid in cash or in any other form.
- All tax returns for any related entities (if applicable) for 2020.
- Copy of Form 941-X for all four quarters of 2020 and 2021, if applicable.

**Employee Retention Credit Related Items**

- Copy of Form 941 Worksheet(s) that were used to compute the credits included on 941-X.
- Please provide a schedule to include the following details for 2020 and 2021 if applicable:
  - A list of employees who were paid wages for which the Employee Retention Credit was claimed.
  - The amount of wages paid to each employee for which the Employee Retention Credit was claimed.
  - Whether or not any of the taxpayer's employees who received wages included in the Employee Retention Credit are related individuals (i.e. relatives of the employee).
  - If applicable, documentation to show how the taxpayer determined the amount of qualified health plan expense that the employee allocated to the Employee Retention Credit.
- Documentation that the taxpayer was eligible to claim the Employee Retention Credit. Whichever is applicable:
  - If your operations were fully or partially suspended due to orders from an appropriate governmental Authority, please provide a copy of the order.

Information due by: \_\_\_\_\_ At Next Appointment: ☒ Mail in: \_\_\_\_\_ Date (month/day/year): \_\_\_\_\_  
From: \_\_\_\_\_ Office Location: \_\_\_\_\_ Employee ID Number: \_\_\_\_\_ Telephone Number: \_\_\_\_\_  
Catalog Number 23140K [www.irs.gov](http://www.irs.gov) Part 1 - Taxpayer's File Copy **Form 4564 (Rev. 9-2008)** Worksheet 010-1.2

**Form 4564 (Rev. September 2008)** Department of the Treasury - Internal Revenue Service  
**Information Document Request** Request Number: 1

To (Name of Taxpayer and Company Division or Branch): \_\_\_\_\_ Subject: 941  
SSAN Number: \_\_\_\_\_ Submitted to: \_\_\_\_\_  
Dates of Previous Requests (month/year): \_\_\_\_\_

Description of documents requested:

- Documentation that the taxpayer experienced a significant decline in gross receipts during the calendar quarter(s) for which the Employee Retention Credit was claimed. (If the taxpayer is part of an aggregated group, all gross receipts should be included).
- Documentation that the employer is a recovery start up business during the calendar quarter for which the Employee Retention Credit was claimed (if applicable).
- If the taxpayer is a member of an aggregated group, copies of the following documents should be provided for 2020: income tax returns, employment tax returns, forms W-2 and W-3.
- Copies of the employer's forgiveness letter received by SBA for a PPP loan, and/or a copy of the application for a PPP loan.

**Sick and Family Credits (if applicable)**

- List of employees who were paid sick and/or family leave, along with the following:
  - Dates sick/family leave was paid
  - Amounts paid to each employee for sick/family leave
  - Statement(s) provided by employee(s) stating the Covid-19 related reason for requesting leave
  - Reason that the employee was unable to work, including by means of telework

(If leave was due to a quarantine order, or self-quarantine advice, please include the name of the government entity ordering quarantine or the name of the health care professional advising self-quarantine. If the person that is subject to self-quarantine or advised to self-quarantine is not the employee, please provide the person's name and relation to the employee.)

(If leave was due to a school closing or childcare provider unavailability, the employee statement should include: name(s) of child/children cared for, the name of the school that has closed, or place of care that is unavailable.)

Information due by: \_\_\_\_\_ At Next Appointment: ☒ Mail in: \_\_\_\_\_ Date (month/day/year): \_\_\_\_\_  
From: \_\_\_\_\_ Office Location: \_\_\_\_\_ Employee ID Number: \_\_\_\_\_ Telephone Number: \_\_\_\_\_  
Catalog Number 23140K [www.irs.gov](http://www.irs.gov) Part 1 - Taxpayer's File Copy **Form 4564 (Rev. 9-2008)** Worksheet 010-1.2

# IRS Letter Example

**Form 4564 (Rev. September 2008)** Department of the Treasury - Internal Revenue Service  
**Information Document Request** Request Number: 1

To (Name of Taxpayer and Company Division or Branch): \_\_\_\_\_ Subject: 941  
SSAN Number: \_\_\_\_\_ Submitted to: \_\_\_\_\_  
Dates of Previous Requests (month/year): \_\_\_\_\_

Description of documents requested:  
unavailable, and a representation that no other person will be providing care for the child during the period for which the employee is receiving family medical leave requiring the employee to provide care.)

**\*\*It is preferred that records from your accounting software be provided electronically on a disc or flash/thumb drive. This request for electronic records is being made since they are generally less costly for you to provide and tend to significantly reduce exam times.**

- If QuickBooks or Peachtree systems are used for accounting or tax preparation, please provide the backup copy of records on a disc or flash/thumb drive - at a minimum the general ledger and vendor list.
- If other systems are used, or if preferred, export general ledger and any other accounting and tax records into an Excel format.

*Additional records may be requested as the examination progresses.*

Information due by: \_\_\_\_\_ At Next Appointment: ☒ Mail in: \_\_\_\_\_ Date (month/day/year): \_\_\_\_\_  
From: \_\_\_\_\_ Office Location: \_\_\_\_\_ Employee ID Number: \_\_\_\_\_ Telephone Number: \_\_\_\_\_  
Catalog Number 23140K [www.irs.gov](http://www.irs.gov) Part 1 - Taxpayer's File Copy **Form 4564 (Rev. 9-2008)** Worksheet 010-1.2

**Electronic Records Attachment**

Please provide the following (for QuickBooks):

- Year-end work papers and reports:
  - Worksheet reconciling the QuickBooks electronic books and records to the tax returns for the tax years ending 12/31/2020.
  - Adjusting journal entries and closing entries for the returns for the tax years ending 12/31/2020.
- A copy of the original electronic backup file of the QuickBooks books and records that includes the period from 01/01/2020 through 12/31/2020. This copy should not be an altered version of the QuickBooks data but rather a copy of the original electronic backup file.
 

The QuickBooks backup file should include any changes to the data entered after year end and should have a file extension of QBD. The backup file can be provided on a CD, DVD, or thumb/flash drive.
- The QuickBooks administrator's user name and password for the backup file requested in item 2 above.
 

Please note that you may temporarily change the administrator's password before copying the electronic backup file for the IRS in response to this IDR; then you may change the password back to the original "standard" one within your main QuickBooks working file.
- The Version (i.e., year) and the Edition (e.g., Pro, Premier, Enterprise Solutions) of QuickBooks used to create the backup file.

Please provide the following (for Peachtree):

- Year-end work papers and reports:
  - Worksheet reconciling the Peachtree electronic books and records to the tax returns for the tax years ending 12/31/2020.
  - Adjusting journal entries and closing entries for the returns for the tax years ending 12/31/2020.
- A copy of the original electronic backup file of the Peachtree books and records (with PTB file extension) that includes the period from 01/01/2020 through 12/31/2020. This copy should not be an altered version of the Peachtree data but rather a copy of the original electronic backup file.
 

The Peachtree backup file should include any changes to the data entered after year end and should have a file extension of PTB. The backup file can be provided on a CD, DVD, or thumb/flash drive. Do not use email to transmit these files as this medium is not secure.
- The Peachtree administrator's user name and password for the Peachtree Backup file requested in item 2 above. Please note that you may temporarily change the administrator's password before copying the electronic backup file for the IRS in response to this IDR; then you may change the password back to the original "standard" one within your main Peachtree company data folder.
- The Version (i.e., year) and the Edition (e.g., Pro Accounting, Complete Accounting, Premium Accounting, or Quantum) of Peachtree used to create the backup file in item 2 above.

010-1 IDR Electronic Records Attachment



# IRS Denial Letter Example



Department of the Treasury  
Internal Revenue Service

7940 Kentucky Drive, Stop 318A  
Florence KY 41042

9307110756203013510875

In reply refer to: 0233790209  
Oct. 30, 2024 LTR 105C 0  
05-0471517 202109 01 0  
00005506  
BODC: SB



000186

## CERTIFIED MAIL

Taxpayer identification number:  
Kind of tax: Employment Tax  
Amount of claim: \$42,000.00

Date of claims received: Sep. 18, 2023  
Tax period: Sep. 30, 2021

Dear Taxpayer:

### WE CAN'T ALLOW YOUR CLAIM

We disallowed your claim for credit for the tax period listed at the top of this letter.

### WHY WE CAN'T ALLOW YOUR CLAIM

Based on a review of IRS records, we have determined you are not an Eligible Employer for purposes of the Employee Retention Credit (ERC) during the period(s) shown above. Only employers that experienced a full or partial suspension of operations due to a government order related to COVID-19 or who experienced the required decline in gross receipts are Eligible Employers.

Our records indicate there were no government orders related to COVID-19 in effect during the quarter(s) you claimed ERC which could have fully or partially suspended your trade or business. Our records also show you do not meet the required decline in gross receipts.

### WHAT TO DO IF YOU DISAGREE

Find tax forms or publications by visiting [IRS.gov/forms](https://www.irs.gov/forms) or calling 800-TAX-FORM (800-829-3676).

### HOW TO CONTACT US

If you have questions, you can call 800-829-0115.

If you prefer, you can write to the address at the top of the first

0233790209  
Oct. 30, 2024 LTR 105C 0  
05-0471517 202109 01 0  
00005507

page of this letter.

When you write, include a copy of this letter, and provide your telephone number and the hours we can reach you in the spaces below.

Telephone number ( ) \_\_\_\_\_ Hours \_\_\_\_\_

Keep a copy of this letter for your records.

Thank you for your cooperation.

A copy of this letter and any referenced enclosures have been forwarded to your authorized representative(s).

Sincerely yours,

Warren R. Burton, Operations Mgr  
Accounts Management Operations 1

Enclosures:  
Publication 1

# IRS Letter Example



Department of the Treasury  
Internal Revenue Service  
Small Business/Self Employed  
60 Quaker Lane  
Warwick, RI 02886-0110

Form <b>4564</b> (Rev. September 2006)	Department of the Treasury – Internal Revenue Service <b>Information Document Request</b>	Request Number 1
To (Name of Taxpayer and Company Division or Branch)		Subject 941
Page 3		SAIN Number Submitted to:

## Description of documents requested

Please provide the following documentation as it pertains to the 2020 employment tax examination discussed on Letter 3850, 3851 or 3850-T.

1. General ledger, trial balance, payroll tax ledger, for 2020.
2. Payroll register by employee with running balance or year end total. Records of wages, bonuses, awards and any other compensation paid in cash or in any other form.
3. All tax returns for any related entities (if applicable) for 2020.
4. Copy of Form 941-X for all four quarters of 2020 and 2021, if applicable.

## Employee Retention Credit Related Items

5. Copy of Form 941 Worksheet/s that were used to compute the credits included on 941-X
6. Please provide a schedule to include the following details for 2020 and 2021 if applicable:
  - A. A list of employees who were paid wages for which the Employee Retention Credit was claimed
  - B. The amount of wages paid to each employee for which the Employee Retention Credit was claimed
  - C. Whether or not any of the taxpayer's employees who received wages included in the Employee Retention Credit are related individuals (i.e. relatives of the employer)
  - D. If applicable, documentation to show how the taxpayer determined the amount of qualified health plan expenses that the employer allocated to the Employee Retention Credit
7. Documentation that the taxpayer was eligible to claim the Employee Retention Credit. Whichever is applicable:
  - A. If your operations were fully or partially suspended due to orders from an appropriate governmental Authority, please provide a copy of the order.



# PPP Loans (remember them???)

# SBA Audit Notice Example

Page 1



SMALL BUSINESS ADMINISTRATION  
WASHINGTON, DC 20416

1/2023

VIA FORGIVENESS PLATFORM

Re: Notification of Post Payment Paycheck Protection Program Loan Review  
and Request for Documents  
Borrower:  
SBA Loan No.  
Loan Approval Amount  
Loan Approval Date:  
Lender Forgiveness Decision Submission Date:

Dear,

As you are already aware, the above referenced PPP loan is under review by SBA. As part of this review, additional information is required and is outlined below in this letter. Without the benefit of the additional documentation requested, SBA will have to make a decision that might negatively impact the borrower.

Please communicate to the borrower within 5 days of the receipt of this letter, that a final determination will have to be made unless the requested documentation is provided within 20 days of the date of this letter. Such a decision may include referral to the Office of Credit Management and/or transfer of this matter (borrower and lender) to the Office of Inspector General.

If any of the requested documents were not already provided by the borrower, you must request them from the borrower and the borrower should respond to that request within 5 days of receipt.

The additional documentation required for this loan review is as follows:

We are doing a thorough review of all documentation provided for the above referenced PPP Post-Payment Review. Based on our preliminary findings of the review, we are considering recommending a Denial of the previously received forgiveness amount. Please understand our recommendation is preliminary and will undergo more processing before reaching a final

Page 2

decision. Please provide the following documentation in order for the review to be completed:

All payroll documentation used to calculate the loan origination:

- 2019 Detailed Payroll report/CARES Report
- 2019 W2 Statements
- 2019 940 & 941 Statements
- 2019 State Unemployment Taxes
- 2019 Benefits & Retirement Contributions
- Proof of payroll on
- Wages over \$100,000

All covered period payroll expenses and non-payroll costs:

- Detailed Payroll Summary/CARES Report
- 941 Statement for the covered period
- State Unemployment Taxes for covered period
- Benefits & Retirement paid for covered period
- Non-payroll expenses ex: phone, rent, utilities etc.

All of the following Identity Verification and Origination documentation:

- Valid (unexpired) Picture ID for all principals (Driver's License or State ID Card)
- Full filed and signed business tax returns for tax years 2018, 2019, and 2020
- Business IRS transcript for tax years 2018, 2019, and 2020
- Signed Business 4506-C
- Business Bank Statements: 8 months total of business bank statements, or 3 months if sole prop.
- 1099s if applicable (if a sole prop)
- Filed copy of the DBA documentation or Secretary of State filing (if the borrower owns a business)
- Business License (if the borrower owns a business)
- 2483
- Note





# 2024 Election Tax Policies



# 2024 Election Tax Policies

## AREAS MENTIONED DURING CAMPAIGN

- TCJA Extension
- Tariffs
- Tips / Overtime / SS Income
- Increase in SALT Cap
- Green Energy Incentives Elimination
- Reduction of Corp Tax Rate

A hand is shown dropping a coin into a clear glass jar that is already filled with many coins. In the background, a calculator and some papers are visible on a desk, suggesting a financial or accounting context. The scene is well-lit, with a warm, slightly blurred background.

# **Tax Planning Strategies to Consider**





# Items for Consideration

- Business succession / Gifting strategies
- R&D Expenditures Tax Credit/Repeal of IRC §174 DID NOT happen – capitalize expenses and amortize over 5 years (15 years for foreign R&D)
- NOLs limited to 80% of taxable income
- 163(j) interest expense limited to 30% of adjusted taxable income (small business exemption - \$27M 3-yr average gross)
- Harvest capital losses
- Crypto scam losses
- Charitable donations - QCD / DAF

The background image is a soft-focus photograph of a workspace. In the foreground, a hand is seen pressing buttons on a black calculator, which sits on a desk. Below the calculator, there are papers with faint, illegible text and a bar chart. To the left, a portion of a laptop is visible. In the background, a small potted plant sits on the desk, and a person's arm is partially visible, suggesting they are working. The lighting is warm and natural, coming from a window out of frame.

# Future Outlook





# Your Questions Answered



# Questions

- What are we expecting raised taxes on?
- Do you think the Inflation Reduction Act will be enforced/repealed?
- What is the possible effect of the presidential election on capital gains tax rates and likely timing of changes in tax policy?
- For high income wage earners, is a back-door Roth IRA contribution still allowed?
- Do you think the Corporate Transparency Act will be enforced? Repealed?
- What is unclaimed funds reporting in RI?
- If I sold my house in 2024, does that automatically mean I should itemize to maximize my tax advantages, or opt for standard deduction?

# Become future ready.

## Our Mission

To help our clients and colleagues achieve success and drive growth by becoming future ready and embracing an innovative mindset in everything we do.

## Our Vision

Our vision is to be the advisor of choice while remaining true to our core values, by empowering our colleagues to deliver exceptional insights, innovative strategies and solutions that foster success.

**Integrity | Client-centric | Community | Collaboration | Innovation**





# We're Here to Help

Laura Yalanis, CPA

Partner, Director of Tax Services

lyalanis@kahnlitwin.com

Anthony Mangiarelli, CPA

Partner, Director of Strategic Business Solutions

amangiarelli@kahnlitwin.com



888-557-8557



KahnLitwin.com

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Become Future Ready

