

Powers & Company

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It's tax time again for most taxpayers and in keeping you informed, I am highlighting major changes in our organizers on our website (above). As usual, we will be updating the Tax-Power.com website for 2025 tax questionnaires and news.

The **One Big Beautiful Bill Act (OBBBA)**, signed into law on July 4, 2025, permanently extends individual tax rates which were set to expire at the end of 2025. It raises the cap on the state and local tax deduction to \$40,000 for taxpayers making less than \$500,000, with the cap reverting to \$10,000 after five years. The OBBBA includes several tax deductions for tips, overtime pay, auto loans, and creates Trump accounts, allowing parents to create tax-deferred accounts for the benefit of their children, all set to expire in 2028. It also includes a permanent \$200 increase in the child tax credit.

For your protection and in accordance with the provisions of the Graham-Leach-Bliley Act and revised FTC and IRS safeguard rules, instead of attaching confidential information to emails, please use Secure and Encrypted Drop Box (DB) folders to upload your tax information and retrieve completed tax forms. DB files at rest are encrypted with Advanced Security Standard (AES). Copies of prepared tax returns will be uploaded to your private folder. Using DB all documents and information can be safely shared by us. IF you lost your link or require a new shared folder, let me know. If you are unable to access our shared DB folder, please send me an email or give me a telephone call to make alternative arrangements.

Your tax information will be preserved for at least three years from the time the tax returns are filed as required by IRS rules. It is strongly suggested that you keep backups as well.

IRS is reminding everyone to be certain to file every year and if you have not to catch up asap to avoid audits and potential penalties.

If you have any questions, please contact me either by telephone or email.

Kind regards,

