ANDREWS-DRUMMOND GROUP PC

January 2026

Hello and Happy New Year!

We are excited to help you again this year with your tax returns. We realize when we are dealing with your financial interests, we are in a position of trust and confidentiality. We take this position very seriously. While the returns may stack up somewhat during the busy time of year, when we are working on ***your*** return, we will take all the time needed to ask questions, request information and research to get the best result for you. What we need from you is to provide the information. 😊

As you are most likely aware, Congress passed new tax rules retroactive to January 2025 that could save some money for many of you.

* If you were paid overtime (and have a W-2 or paystub that shows this overtime), we can exempt the 50% pay over base pay from federal income tax. The maximum deduction is $12,500 for single filers and $25,000 for joint filers. The IRS has not updated W-2's with a place specifically for your employer to list overtime so we will need your last paystub of the year to calculate your overtime exemption.

* If you receive tips from a qualified business, these tips can also be exempt from federal income tax. There currently is a place on the W-2 for tip income. Remember, if tips are reported, they are subject to social security tax and Medicare tax, and your employer should have already deducted these taxes from your pay on tips reported on your W-2.

* If you purchased a new vehicle (**must be NEW**) assembled in the USA and had loan payments, we can deduct your loan interest this year, depending on your income level; income phaseouts start at $100K for single filers and $200K for joint filers. Please provide Form 1098-VLI and/or a statement from your lender showing interest paid in 2025.

*Also, taxpayers over 65 collecting Social Security may see a portion of those payments exempt from federal tax based on income limits.

You can find various checklists on the INFORMATION page of our website. Visit **www.adcpagroup.com** for a wealth of information and additional checklists.

Here is a list of most common reports and documents you can use. This list is not all inclusive, nor will all documents apply to your specific return:

_ W-2 (wages)
_ W-2G (gambling)
_ 1099-Int (interest)
_ 1099-Div (dividends)
_ 1099-B (brokerage)
_ 1099-NEC (income)
_ 1099- Misc (income)
_ 1099-K (income)
_ 1099- R (retirement)
_ 1099-SSA (social security)
_ 1099-G (refunds & unemployment)
_ K-1 forms (investments in S Corps or Partnerships)
_ 1099-SA (HSA's)
_ Form 5498 (IRA values)
_ IRA and Roth IRA Contributions 2025
_ Property tax paid (home & auto)
_ 1098 (mortgages)
_ Charitable Donations (cash/non-cash)
_ 1098-T (tuition)
_ Estimated tax payments & dates
_ Child care costs (name, address, amount and ID# of provider)

_1099-K (3rd party payments received)*** Note, while the requirements for merchant reporting has changed a couple times since last year, if you received a 1099-K, that means the IRS received it also. So, we need that information to report on your return. It may or may not be taxable….we will discuss with you.

_1099-DA Cryptocurrency and foreign accounts—IRS requires reporting of any activity with these types of accounts. Penalties are steep for failure to report, so please let us know any and all foreign or crypto accounts you have.

Tax Notices—if you receive any notices from IRS or a state agency, please provide a copy to us. We are encouraging all clients to set up an account with the Internal Revenue Service at https://www.irs.gov/payments/online-account-for-individuals and the with the Georgia Department of Revenue online at Georgia Tax Center https://gtc.dor.ga.gov//#1. There you can now access your individual account information such as payments, balance of account, tax records and more. If you file a joint return, both taxpayers need to set up their own account.

We have several ways for you to get your tax information to us.
The **most secure method** is to upload your tax documents to our secure online portal.

If you used our portal last year, your account is still active. Just log in and upload your documents.
If you have forgotten your Password and/or Username you can find reset links on the login page.

Login is https://voffice.dillners.com/vo_angular_app/Security/Login/96690

If you have NOT used this feature before and would like to start, you can request an invitation by email or giving us a call.
If you have any questions, please contact our office.

<u>Please remember, when wondering whether a specific deduction, credit or tax will apply to you...or how much tax it will save you, most of the time the answer is IT DEPENDS.</u> As much as we would like to give you a definite answer to your questions prior to getting all your info, most of the time it *does* depend....on your filing status, income, type of income, children, children's ages, other deductions, etc. So, as you gather your information for us, it would be most helpful if you have questions about certain issues to list them separately. If you wonder about any potential deductions, please list your questions, and put the receipt or info with your tax info. We will be thrilled to get you that deduction--we usually can't give a definite answer over the phone but want to answer ....*and WANT to get you that deduction!* When we get your information in, we promise you we will spend as much time as necessary to get every deduction you are entitled to.

Appointments are not necessary, but please provide your current email and phone number so we can contact you. Also, please note any changes in your bank account, address, marital status or dependents being claimed.

Please always remember, ***<u>we do not work for the IRS--we work for you!</u>*** We are your advocates and will do everything possible to help you with your taxes throughout the year!

NOTE FROM TINA DRUMMOND -- While I am the owner of this firm and very involved with all aspects of our business, I want you to know that I am extremely confident and proud of the staff of accountants that work with me. While I welcome a call or visit anytime, I think those of you who have been working with our staff will agree with me—they are the best! We all understand that we must continue to earn your business each year. We do not ever take you for granted. Thank you for trusting us with your tax and financial service needs.

Talk to you soon!

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