

Newsletter

Erin's Tax and Accounting Services

Federal and State Tax Updates:

We would like to take a moment and thank all of you for supporting us with our new business venture. Our first year in business has been a great success. Heather and I are looking forward to continuing to work with you for all your tax and accounting needs.

Standard Deduction Rates for 2024 and 2025

For tax filing year 2024 the standard deduction rates are as follows:

Single or Married Filing Separate \$14,600

Married Filing Joint \$29,200

Head of House Hold \$21,900

For tax filing years 2025 the standard deduction rates are as follows:

Single or Married Filing Separate \$15,000

Married Filing Joint \$30,000

Head of House Hold \$22,500

If you are 65 and older you qualify for an additional \$1,950 in your standard deduction.

PERSONAL INCOME TAX:

RETIREMENT CONTRIBUTIONS:

For individual retirement accounts or IRA's both Roth and traditional types the 2024 contributions will max out at \$7000.00. Those age 50 and older can contribute an additional \$1,000.00

AFFORDABLE CARE ACT/PREMIUM TAX CREDIT:

If you purchased health insurance from the Marketplace in 2024 you will still receive form 1095A. We will need this form in order to prepare your tax return.

2024 ENERGY CREDITS:

Energy credits have been extended until December 31, 2032. If you have installed new energy efficient exterior doors, windows, skylights or had insulation materials or systems installed with air sealing

materials please bring us those receipts. You may qualify for a credit up to 30% tax credit.

These items qualify for credits as well central air conditioners, natural gas, propane or oil water heaters, furnaces, hot water boilers.

Improvements to or replacement of panelboards, sub-panelboards, branch circuits or feeders. Home energy audits, heat pumps and biomass stoves and boilers.

Gifting:

We receive a lot of questions regarding gifting money. The annual gift tax exclusion is \$19,000.00 for 2025. A person can give up to \$19,000.00 to as many family members as he or she wants without any taxes on the gifts. However this is not a tax deduction for the person gifting the money.

2024 Standard Mileage Rates:

The IRS standard mileage for business is 0.67. Medical mileage rate is 0.21, and charity mileage rate is 0.14. The IRS has not release the mileage rates for 2025 at the time this newsletter was written.

Pennsylvania Tax Updates: New for 2024:

Student loan interest paid on qualified student loans may be deducted from Pa taxable income. The deduction must not exceed \$2,500.00 per tax year and cannot result in a taxpayer's taxable income being less than zero.

Percentage Depletion of Mineral Deposits: Taxpayers may claim a tax deduction for the percentage of depletion of a mine, oil or gas well and the natural deposits on the taxpayer's property.

Pennsylvanian' Property Tax Rebate:

This rebate program has been in place for many years but starting in 2024 the income cap for the rebate program has been increased to a household income of \$45,000.00 per year. The maximum rebate amount is \$1,000.00. To qualify for this rebate you must be age 65 and older, widow and widowers age 50 and older and individuals with disabilities age 18 and older.

Website:

We're in the process of completing our new website Erintax.com. On the website you will find our tax season worksheets for itemized deductions, business, farms and rental properties worksheets.

If you have 1099's you need issued you can print and send us the 1099 worksheet.

We also offer a secure file transfer option. You can go to our website and email us your tax information using this tool.

[You can like us on Facebook!](#)

WHAT TO BRING TO YOUR TAX APPOINTMENT

1. Federal, state and local estimated payment vouchers.
2. W-2's, 1099's, SSA statement or business records if you are self-employed.
3. Copy of your drivers license.
4. Date of birth for taxpayer, spouse and all dependents.

If you refer a new client, you will receive 20% off your completed tax return.

New client:

Referred by:

Direct Deposit and Direct Withdrawal:

Direct deposit of your federal refund available at no extra charge for Forms 1040. We can also set up to have your amount due to the IRS direct withdrawn from your checking account.

You must provide us with the bank information, we ask you to please bring a voided check with you to your appointment or when you pick up your return.

BILLING:

Our fees are based on the complexity of your tax return. Your tax return fee can, therefore, vary from year to year. Factors such as selling stock, deducting child care expenses, etc., will require additional tax schedules and time. You will receive an itemized bill showing the charge for each form prepared. Payment is requested at the time your tax return is complete, unless prior arrangements have been made. There will be a minimum charge of \$75.00 to amend a return once it is completed if it is due to your omission of information. There will be no charge if it is due to our error.

We look forward to working with you in 2025. If you have any questions please call our office at (570) 934-2391.

Or e-mail us at erintax1025@gmail.com, heathertax2005@gmail.com. We are accepting new clients and your referrals are always appreciated.



Erin's

Tax and Accounting Services

5677 State Route 706 Montrose, Pa 18801

570-934-2391, 570-396-7644, or 570-533-6422

Website www.erintax.com