

CAROL A. REITHMILLER, CPA, PLLC

January 13, 2026

Dear Friend:

Your 2025 personal income tax organizer will be sent separately via email. Please verify your personal information (the first four printed pages), answer the questions that apply to you and review the rest to ensure that you will supply us with the original documents that we used in prior years.

Continued this Year.

We can send you a video of Carol reviewing your tax return with your electronic copy of the return. This way you can review at your leisure. Of course, we still offer Zoom, telephone or in-person meetings.

2025 Changes

As you are well aware, several changes were made to the 2025 tax code: Higher standard deduction. Senior Deduction, Qualified Tip Income Deduction, Qualified Overtime Pay Deduction, Child Tax Credit Boost, Charity deduction, increase in the amount of state and local taxes that are deductible and more. Note that most of these have income limitations and that you might not qualify for them.

- We need a copy of your last pay stub for those that earn tips and overtime.
- If you purchased a brand new car, January 1, 2025 **and** after, **and** the final assembly was in the US **and** you have a loan with interest, your lender should provide you with a Form 1098-VLI. If you do not receive this form we will need the VIN and a copy of the loan statement that reflects the interest paid in 2025.
- State and Local tax deduction – Was limited to \$10,000 for several years. The limit has been raised to \$40,000 (income caps do apply). Be sure to include your personal property taxes with your information (on your car license).
- Form 1099-DA Digital Asset Broker Reporting – For sales of cryptocurrencies. The absence of the document does not excuse you from listing the sale. Please provide all the information (date acquired, cost, date sold and sales price). Be sure to mark questions 6 under section 7 (Miscellaneous Income Questions) in the organizer.
- Effective September 30, 2025, the IRS has stopped accepting paper checks for tax payments. If you will owe income taxes and need to make tax payments, we strongly encourage you to visit <https://www.irs.gov/payments/online-account-for-individuals> and sign up for an IRS account and make the payments online. Having an IRS account will also enable you to view your tax transcripts online.

2026 Changes

- Charity – if you don't itemize you can deduct up to \$1,000 (for single filers) or \$2,000 (for married filing jointly filers) in cash donations with the standard deduction (keep the receipts).

We are offering a \$5 discount for those only receiving their returns electronically (no paper copy).

There will be a \$100 fee for any changes made after the tax return has already been prepared.

Due to stricter IRS and ACIPA regulations, we cannot proceed without:

- **Signed engagement letter**, which gives us permission to complete your return.

- For each **mortgage interest statement** (Form 1098), please note if it was used to purchase the home, refinance (without any cash taken), remodel the home or consolidate debt. We request that you initial the form in the top right corner: P = purchase, R = refinance, U= update home and C = consolidate debt. If the form is not marked, you will have a follow up e-mail or call from the front desk to clarify the purpose of the mortgage. This applies to all mortgage statements, new and old loans.
- **Both parties must sign the electronic filing forms.** Due to regulations, we cannot e-file the taxes prior to your review.
- **College students**, under education expenses, please complete the requested information on the organizer and note if your student has been convicted of a drug felony (yes/no). Please attach Form 1098-T; and Forms 1098-E and 1099-Q, if applicable. If you have not received Form 1098-T, please have your student pull it from the school's web site. Note the number of years that your student has completed as of December 31, 2024.
- Copy of birth certificate & social security card for any **child born or adopted in 2025**. New clients must supply this for all children.
- Copies of any Statements for the **sale or purchase of a home** in 2025.
- **Charities** must provide an acknowledgement for any deductions over \$250, we need this form.
- Each **non-cash deduction** must have a value on it, you can use our worksheet, but you must determine the value and basis. If your non-cash donation exceeds \$5,000 more documentation may be needed. Please call us if this applies to you.
- On each **K-1 received**, please write "P" for participant or "N" for non-participant in decision making.

As always, if you have **sold any stocks**, bonds, or other capital assets you will receive Form 1099-B. Please review the cost basis listed for accuracy before giving them to us, as we work from the information that you provide. If Form 1099-B does not list the cost basis for any security sold, please provide the cost basis to us with your information.

If you **started a new business, rental property or received a 1099-K** for 2025, please notify us immediately so that we can let you know if any additional information will be needed. North and South Carolina have personal property deadlines, in addition to income tax deadlines. For each **business automobile/truck, we require the mileage** broken down between business and personal. Let us help keep you compliant.

If you have a **PIN** from the IRS, please supply us with that letter. If you want **direct deposit** of your refund, you **must** complete the bank information in box four of the first page of the organizer. Same as last year will not suffice and will result in your refund being sent by check.

If you will be including medical expenses with your tax information, please reach out to your pharmacy for a printout in lieu of providing us with receipts.

I would like to clarify the time it takes for us to prepare your return. If you drop off in January and February and give us all the information required, you will normally have your return completed in two weeks. If you wait until the beginning of March, your return will take three weeks (due to the flood of brokerage forms that come out at this time – and yes, we miss the days when those statements were mailed on January 31. If you drop off after March 8th, expect to receive your return between April 8th to April 13th.

The individual federal and most states income tax returns are due on Wednesday, **April 15, 2026**. To ensure that we have ample time to complete your return accurately, we are requesting all information **in our office by Monday March 16, 2026**. If we receive your information after that date, we cannot guarantee that we will have your return done on April 15th.

January 13, 2026

Extensions can be prepared, which extends the time of filing until October 15, 2026. Please note this **does not extend the payment period**. Payment is still due on April 15th. Personal extensions are available for \$215 for the federal, \$80 for North Carolina, \$80 for South Carolina and \$95 for all other states and cities. We will not prepare an extension without your explicit **written** consent. The form is on our website, www.ladycpa.com or you can call us for one.

Thank you for the opportunity to be of service to you and your family.

Sincerely,

Carol A. Reithmiller