Table of Contents

Health Savings Ac	counts (HSAs)	1
What is an HSA	۸?	1
Qualified medic	cal expenses	2
Contributions		2
Distributions		3
Forms		3
Long-Term Care (L	TC)	4
Qualified LTC s	ervices	5
Chronically i	 	5
ADLs		6
Long-term care	e insurance	6
Deductible med	dical expenses	6
Reporting LTC	distributions	7
Updates for SECU	RE 2.0 and RMDs	7
Rollover fror	m 529 plan to Roth IRA	8
Qualified ch	aritable distributions	9
New exception	s to additional tax on early distributions	9
Domestic at	ouse	1C
Emergency	expenses	11
SIMPLE plans	only	12
Higher defer	rral limits	12
Additional n	onelective contributions	13
Qualified plans	, including SIMPLEs	13
Student loar	n payments treated as elective deferrals	14
Mandatory F	Roth treatment for catch-up elective deferrals	16
Higher catch	n-up limit for ages 60-63 for 2025	16
401(k) and 403	(b) plans	17
Starter 401(k) plans	17

	Required minimum distributions (RMDs)	18
	Lifetime RMDs	19
	RMDs for beneficiaries	20
	Missed RMDs	24
An	nnual inflation adjustment amounts	26
	Tax brackets, standard deduction and filing thresholds	26
	Standard deduction	27
	Filing thresholds	28
	Capital gain rates	30
	Medical benefit limits	31
	Long-term care insurance	31
	Foreign earned income exclusion	32
	Per diem rates	32
	Standard mileage rate	33
	Adoption credit	33
	Earned income tax credit	34
	EIC eligibility	35
	Child tax credit	36
	Qualifying child	36
	Additional child tax credit (ACTC)	37
	Other dependents credit	38
	Retirement account contributions	38
	Traditional IRAs	38
	Roth IRA	39
	Qualified business income deduction (QBID)	41
	Gift and estate tax amounts	41
Ind	dividual Updates	41
	Digital asset reporting	42
	Final regulations	42
	Calculating gain or loss	43

	Form 1099-DA	44
	Recent guidance	45
	Reconciling clean vehicle credits	47
	Cannabis update	47
	Student loan debt cancellation	48
	Work required in certain professions	48
	Federal or state programs for health professionals	49
	Special rule for tax years 2021-2025	49
	Self-employed health insurance deduction	50
	Reporting	51
	2024 changes to Draft Form 1040	51
	Form 1040:	51
	Schedule 1:	52
	Schedule 2:	52
	Schedule 3:	53
	Sunset of TCJA provisions after 2025	53
	Marginal tax rates	53
	Miscellaneous itemized deductions	54
	SALT limitation	54
	Standard deduction	54
	Personal exemptions	54
	Personal casualty and theft losses	55
	Summary of Individual TCJA Provisions	56
	Non-impacted provisions	59
Bu	siness Updates	59
	Qualified commercial clean vehicle credit	60
	Amount of the credit	60
	Energy efficient home credit	61
	What is the credit?	61
	Eligibility requirements	62

	How to claim the credit	63
	Depreciation updates	63
	§179 expense deduction	63
	Phase down of bonus depreciation	63
	Draft Form 172	63
	Sunset of TCJA provisions after 2025	66
	Deduction for pass-through business income — §199A deduction	66
	Limitation on losses for noncorporate taxpayers [§461(l)]	67
	Business interest deduction limitation [§163(j)]	67
	Research and experimental (R&E) expenditures amortization (§174).	67
	Other provisions set to expire	68
	Beneficial ownership reporting	69
	Ruling stops FinCEN enforcement for some	69
	FinCEN accepting BOI reports	70
	Recent FinCEN updates	70
	IRS reviewing questionable ERC claims	72
	IRS moving to process more claims	72
	IRS finds most ERC claims improper	72
	Amnesty program temporarily reopens	73
	ERC claim withdrawal still an option for some	73
	Rules for recapturing erroneous ERC payments	74
	Reporting changes for Form 1099-K	74
	What is a TPSO?	75
	All Forms 1099-K must be reported	75
Tax	x Planning and Tips for Clients	75
	Form W-4 tips and tricks	76
	Step 2(c)	76
	Step 4(c)	78
	Credits	80

Index	95
When starting a business	89
Business vs. hobby	87
Clients starting a new business	87
When to report	86
Schedule K-1s	86
Roth IRA conversion	83
Reducing taxable income	82
American opportunity tax credit (AOTC)	82
Child tax credit, additional child tax credit and other dependents credit	81