

# LINDSEY & WALDO

CERTIFIED PUBLIC ACCOUNTANTS

"You see the numbers, we look for the opportunities."



## SPECIAL POINTS OF INTEREST:

- Will all provisions in the Tax Cuts and Jobs Act (TCJA) revert in 2025?
- Paperless payments
- Ahead of his time
- Referrals
- Richard's reads, quotes, and more...

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# Taxing Times

Dedicated to helping our clients keep the money that belongs to them through a focus on tax.

VOLUME 16, ISSUE 9

SEPTEMBER 2024

## Navigating the Sunset of the TCJA: Essential Tax Planning Tips Amid Upcoming Federal Elections

As we approach the expiration of the Tax Cuts and Jobs Act (TCJA) at the end of 2025, effective tax planning is more critical than ever. The TCJA, enacted in December 2017, introduced significant tax relief and changes that have impacted both individuals and businesses. With its provisions set to sunset on December 31, 2025, now is the time to prepare for potential shifts in tax law and adjust your strategies accordingly. Additionally, upcoming federal elections could play a significant role in shaping future tax policies.

### What Happens When the TCJA Expires?

When the TCJA sunsets, many of its provisions will revert to their pre-TCJA status unless new legislation is enacted. This could result in higher tax rates, reduced deductions, and other changes. Here are some key areas to watch:

1. **Individual Income Tax Rates:** The TCJA reduced individual income tax rates across most brackets. These rates will return to pre-TCJA levels unless new laws are passed.
2. **Standard Deduction:** The TCJA nearly doubled the standard deduction. Post-2025, this deduction will revert to its pre-TCJA amount.
3. **Child Tax Credit:** The TCJA increased the child tax credit and expanded eligibility. Without TCJA, the credit will decrease and eligibility might narrow.
4. **State and Local Tax Deduction (SALT):** The TCJA capped the SALT deduction at \$10,000. This cap may be lifted or modified depending on future legislation.
5. **Corporate Tax Rates:** The TCJA reduced the corporate tax rate to 21%. Post-sunset, the rate could rise, affecting business profitability.
6. **Estate and Gift Taxation:** The TCJA effectively doubled the estate and gift tax basic exclusion amount from \$6,490,000 in 2017 to \$11,180,000. Each subsequent year has been adjusted for inflation so that the 2023 exclusion is \$12.92 million per person.

### Impact of Upcoming Federal Elections

Federal elections can significantly impact tax policy and future legislation. The results of these elections could influence whether current tax laws are extended, modified, or allowed to expire. Key considerations include:

1. **Potential Changes in Tax Legislation:** Different political parties have varying tax policy agendas. For example, one party might advocate for extending the TCJA provisions or making them permanent, while another might push for higher tax rates or new tax reforms. The outcome of the elections could shape the trajectory of future tax laws.
2. **Budget and Spending Priorities:** Election results can also affect federal budget priorities and spending. Changes in spending priorities may lead to new revenue-generation measures or adjustments in tax policies.
3. **Increased Uncertainty:** The uncertainty surrounding the outcome of elections can impact financial and investment decisions. Businesses and individuals might face increased volatility in tax planning due to the potential for significant policy shifts.

### Strategic Tax Planning Tips

Given these uncertainties and the imminent expiration of the TCJA, here are some strategic steps to consider:

1. **Accelerate Deductions:** Consider accelerating deductions into 2024 or early 2025 to take advantage of current tax benefits before they potentially decrease.
2. **Deferral of Income:** If feasible, defer income to 2026 or later.
3. **Review Retirement Contributions:** Maximize contributions to retirement accounts to reduce taxable income now and plan for future tax implications.
4. **Evaluate Investment Strategies:** Assess your investment portfolio and explore tax-efficient strategies such as tax-loss harvesting to offset gains.
5. **Revisit Estate Planning:** Review and update your estate plan in light of potential changes to estate tax exemptions and other related provisions.
6. **Stay Informed on Election Outcomes:** Monitor election developments and proposed tax policies to stay ahead of potential changes. Adjust your tax strategies based on the results and anticipated policy shifts.
7. **Consult with a Tax Professional:** Work with us to receive personalized advice tailored to your specific situation and to navigate any forthcoming changes effectively.

### Stay Proactive and Prepared

The dynamic nature of tax laws and the potential impact of federal elections make proactive planning essential. By preparing now and staying informed, you can optimize your tax strategy and mitigate potential adverse effects from the expiration of the TCJA and upcoming policy changes. ✧



## A Great Reason to Ditch Mail-in Checks

Remember when music went digital? No more massive stacks of CDs or worries over scratched discs. You could exchange all of that for your first-generation iPod that fit in your pocket.

But, if you're old enough to remember that you also remember a less-than-legal shared music platform called Napster. With this new tech, you could listen to "free" music and burn your own CDs without paying the artists a dime (ever make a mixed CD for someone you liked?).

So, the theft could keep going. Not ideal for music artists with copyright on those songs waiting to get paid for access to them. It eventually got shut down (though it actually still exists today in a re-branded form).

There's often a fallout somewhere when advancing technology sweeps in.

That goes for digital payment options, too. As you know, there are a rising number of ways to make payments electronically, but there are actually a lot of people and businesses who still put checks in the mail to pay their bills.

Unfortunately, that can be a problem (not only because it takes longer), but also because it makes you vulnerable to check fishing.



Hard to depend on anything anymore: The U.S. Postal Service is warning folks that thieves are now stealing checks right out of mailboxes.

If you needed a straw-breaking-the-camel's back reason to start doing more money transactions electronically, there it is. What are your options?

### Please Mr. Postman

This check-fishing is no crime of opportunity by loners, but a growing wave. Banks issued some 680,000 reports of check fraud last year, almost double the number from 2021. The USPS reported about 500,000 complaints of mail theft in 2021, more than double that of 2020.

There's no reason to think this is going away soon. Authorities say that the crooks have sophisticated operations that train thieves to snatch envelopes that look like they might contain checks, with others worming their way into actual USPS centers.

The most common type of check crime is "washing," where a criminal changes the payee's name on the check and the amount of money. Still other crooks create fake IDs and even companies with the information on the checks. The potential damage to your finances is limitless.

But your bills won't wait. What do you do?

### ACH

You may already know one answer.

If you have autopay on your bank account for any regular bills, it probably shows up on your bank statement as an "ACH debit." ACH stands for electronic, bank-to-bank money transfers processed through the Automated Clearing House Network.

ACH transfers are quick and usually free. The network processes payments almost continuously and settles payments four times a day. Your bills generally get paid on the next business day after you make the transaction. These are on the rise, too – indicating that they're secure ways to send money. Nacha, a non-profit association funded by the financial institutions that use its ACH network, says 50 billion ACH payments were made in 2022 – a fairly good track record for security, unlike your corner mailbox lately.

There can be a few drawbacks. Banks sometimes limit how much money you can send via ACH, by transaction or over a set time like a day or a week. Also, not every bank sends ACH transfers at the same time – which you need to watch if you're cutting it close to pay a bill. (The system overall is improving its same-day processing.)

You can usually sign up to make ACH payments either through the vendor like your cable company, insurer or mortgage company or through your bank. You'll need to know your bank account number and routing number, which is on the lower left of your checks.

### Third parties

You know about these, too, we bet: the likes of Venmo, PayPal, Zelle, Plaid, and others that let you send money to others who either also use the vendor or will send it to others' bank accounts.

Accounts and transactions on these vendors may be backed by your bank account or credit card or, in some cases, an account with a third-party platform.

There can be a few more hiccups than with ACH, so read the fine print. Most platforms charge fees for at least some types of transactions, and some won't deal with international transfers of money.

You've probably also heard a lot about how Uncle Sam is going to start tracking your payments through these platforms and that early next year the IRS will expect information to issue a Form 1099-K to everyone you paid.

That—in theory now, anyway—will apply only to *professional* payments, not to loans to friends or to fronting Uncle Leo his share of the dinner tab the other night. For now, though, if you use one of these platforms, keep good records. It never hurts to be able to prove it was a *personal* payment ... You might have to check back with us on this a few months from now.

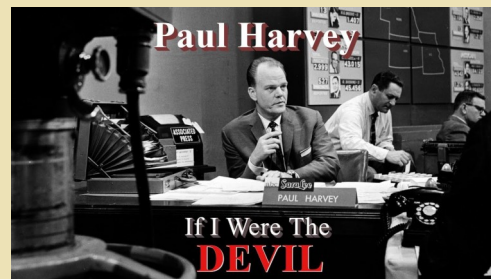
### Wire transfers

This is the legendary

***Continued on back cover ➔***

## A Warning from 1965

I was reminded of this in an email from a friend last month and thought I'd forward this very important transcript by Paul Harvey. It is really amazing to realize over 59 years ago how accurately he prophesied the future spiritual condition of the United States. Many of his statements were considered ridiculously outlandish at the time. Yet, we find ourselves today in a place that ...



### *If I were the Devil*

“If I were the devil ... If I were the Prince of Darkness, I'd want to engulf the whole world in darkness. And I'd have a third of its real estate, and four-fifths of its population, but I wouldn't be happy until I had seized the ripest apple on the tree — Thee. So, I'd set about however necessary to take over the United States. I'd subvert the churches first — I'd begin with a campaign of whispers. With the wisdom of a serpent, I would whisper to you as I whispered to Eve: ‘Do as you please.’

“To the young, I would whisper that ‘The Bible is a myth.’ I would convince them that man created God instead of the other way around. I would confide that what's bad is good, and what's good is ‘square.’ And the old, I would teach to pray, after me, ‘Our Father, which art in Washington...’

“And then, I'd get organized. I'd educate authors in how to make lurid literature exciting, so that anything else would appear dull and uninteresting. I'd threaten TV with dirtier movies and vice versa. I'd pedal narcotics to whom I could. I'd sell alcohol to ladies and gentlemen of distinction. I'd tranquilize the rest with pills.

“If I were the devil, I'd soon have families that war with themselves, churches at war with themselves, and nations at war with themselves; until each in its turn was consumed. And with promises of higher ratings, I'd have mesmerizing media fanning the flames. If I were the devil, I would encourage schools to refine young intellectuals, but neglect to discipline emotions — just let those run wild, until before you knew it, you'd have to have drug sniffing dogs and metal detectors at every schoolhouse door.

“Within a decade I'd have prisons overflowing, I'd have judges promoting pornography — soon I could evict God from the courthouse, then from the schoolhouse, and then from the houses of Congress. And in His own churches, I would substitute psychology for religion and deify science. I would lure priests and pastors into misusing boys and girls, and church money. If I were the devil, I'd make the symbols of Easter an egg and the symbol of Christmas a bottle.

“If I were the devil, I'd take from those who have, and give to those who wanted until I had killed the incentive of the ambitious. And what do you bet? I couldn't get whole states to promote gambling as the way to get rich? I would caution against extremes in hard work, in Patriotism, in moral conduct. I would convince the young that marriage is old-fashioned, that swinging is more fun, that what you see on TV is the way to be. And thus, I could undress you in public, and I could lure you into bed with diseases for which there is no cure. In other words, if I were the devil I'd just keep right on doing what he's doing.

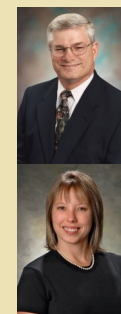
Paul Harvey, good day.” ※

## We Believe in Referrals

We really believe in the process of referrals, so part of the service we provide is to be sure to refer our clients and associates to other qualified businesspeople in the community.

Below, you'll find a list of areas in which we know very credible, ethical, and outstanding professionals. If you're looking for a professional in a specific area we've listed, please feel free to contact us. We will be glad to put you in touch with the people we know who provide these products or services.

- |                        |                                  |                      |
|------------------------|----------------------------------|----------------------|
| ◆ Printer              | ◆ Life Insurance                 | ◆ Financial Advisor  |
| ◆ Medicare Supplements | ◆ Travel Agent                   | ◆ Signs              |
| ◆ Realtor              | ◆ Home Insulation                | ◆ Remodeler          |
| ◆ Business Insurance   | ◆ Custom Embroidery/Monogramming | ◆ Payroll Processing |
| ◆ HR Services          | ◆ Fences                         | ◆ HVAC Repair        |
| ◆ Social Media Expert  | ◆ Elder Care                     | ◆ Cultured Marble    |





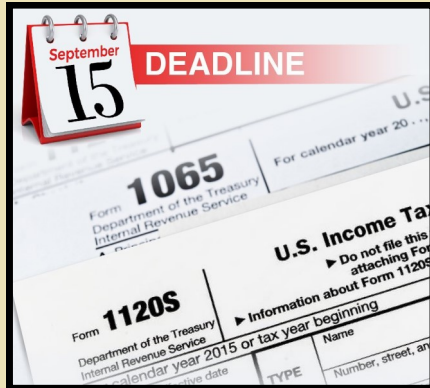
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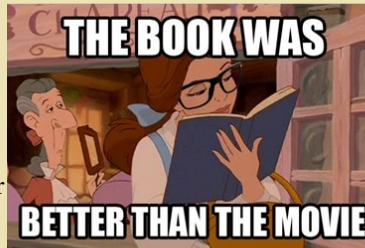
#### NOW

*Danger's Ebb* by John J. Gobbell

#### RECENTLY

*The General's Gold*  
by Bruce Robert Coffin and LynDee Walker

*The War on Warriors*  
by Pete Hegseth



### A Great Reason to Ditch Mail-in Checks *continued from page 2*

(and perhaps among the first) non-mail way to send money, an electronic transfer of funds domestically and worldwide. They can involve amounts from accounts between banks or via a service such as the famous Western Union.

To send one, you need the recipient's name, address, and contact number as well as their banking information if you're making a bank-to-bank transaction. International wire transfers can take two business days to process; domestic usually take less.

These transfers can be pricey compared with ACH; Western Union might cost around 10% of the transmitted amount. Banks might take as much as 50 bucks.

A rip-off? Maybe. Postage stamps weren't free, either.

If there's a way to pivot away from writing checks, it's time to consider it. While there are different implications with e-payments, the world is becoming increasingly "paperless" so staying with that momentum will make your life easier (plus you'll always have a "paper" trail — ironic terminology here). ✖

*"The great aim of education is not knowledge but action."*  
- Herbert Spencer

*"It's not enough to be busy, so are the ants; the question is, what are you busy about?"* - Henry David Thoreau

*"The key is in not spending time, but in investing it."*  
- Stephen R. Covey

*"The secret of getting ahead is getting started."*  
- Mark Twain



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