

Dear Client,

Happy New Year! We wish you health, happiness, and success in 2026. Thank you for the continued trust you place in our team—we truly appreciate the opportunity to serve you.

As we prepare for the 2025 tax year (filed in 2026), there are significant changes to the tax law that affect credits, deductions, and compliance requirements for many taxpayers. Because of these changes, completing the **Individual Tax Checklist** is more important than ever to allow us to identify all applicable tax benefits and prepare your return as efficiently as possible.

What You Need to Do Now

To keep your tax return on track and avoid delays, please focus on the following:

1. Review the [Engagement Agreement](#).
2. Complete the [Individual Tax Checklist](#) fully and accurately. Indicate how you want federal tax payments handled (Kirsch-initiated or self-initiated)
3. Submit your checklist and all tax documents by March 4, 2026.

Please note that recent tax law changes may result in IRS processing delays and later issuance of refunds. Our tax team is staying ahead of these developments to help you navigate the changes with confidence.

Electronic Payment Requirement – Executive Order 14247

Effective September 30, 2025, all federal tax payments—including refunds, balances due, estimated payments, and extension payments—must be made electronically. You remain in control of how and when payments are made. We need your preference:

- Kirsch initiates payment on your behalf with the submission of your tax returns to the IRS
 - Please include your most current bank information on the Individual Tax Checklist.
- You initiate payment yourself
 - Check the appropriate box on the Individual Tax Checklist.
 - Electronic payment instructions will be included with your tax return delivery.

2025 Individual Tax Law Changes – One Big Beautiful Bill Act (OBBBA)

Below is a high-level summary of key tax law changes impacting individuals in 2025. Many of these provisions are subject to income thresholds. Our role is to evaluate eligibility—your role is to disclose complete and accurate information on the checklist. For more information, please visit our [OBBBA Resource Center](#).

- **State and Local Tax Deduction** – Increase of up to \$40,000 (from \$10,000 in 2024)
- **Senior Deduction** – Up to \$6,000 for taxpayers age 65 and older
- **Tip Income Deduction** – Up to \$25,000 per year of qualified tips
- **Overtime Pay Deduction** – Up to \$25,000 for married filing joint or \$12,500 for single filers
- **Auto Loan Interest Deduction** – Up to \$10,000 for loan interest on new vehicles USA assembled
- **Clean Vehicle Credits** – Available only for vehicles purchased before September 30, 2025
- **Child Tax Credit** – Increased to \$2,200
- **Bonus Depreciation** – Restored to 100% as of 1/19/25 (from 60% in 2024)
- **Section 179 Depreciation** – Expense limit increased to \$2.5 million

Future tax years (including 2026 and beyond) are expected to bring additional changes. We will continue to keep you informed as guidance becomes available.

Ohio Income Tax Changes

Ohio continues to reduce individual income tax rates:

- 2025: Top tax rate reduced from 3.5% to 3.125%
- Looking ahead to 2026: Transition to a flat rate of 2.75%

Kirsch Billing Policy Changes

To continue delivering the highest level of service, we are updating our billing policy effective January 1, 2026. Invoices not paid within 45 days of the invoice date will incur a late fee of 1.0% per month on the outstanding balance. Timely payments allow our team focus on serving you—not on collections—and enable us to continue investing in our people, technology, and the quality of service you expect.

Tax Preparation Process

Step 1 – Visit the Client Center at kirschcpa.com:

- Read the [Individual Tax Engagement Agreement](#).
- **Complete and Return** the [Individual Tax Checklist](#). Submitting a completed checklist and all required tax documents together helps us prepare your returns efficiently.

Step 2 – Submit your documents to Kirsch. Choose one of the following:

- **Upload:** SafeSend Exchange via the "[Secure File Upload](#)" tab at [Kirschcpa.com](https://kirschcpa.com).
- **Mail or Deliver:** 2 S. 3rd Street, Suite 400, Hamilton, OH 45011.
- **TaxCaddy Users:** Log into your [TaxCaddy](#) account and review the 2025 Tax Year Letter.

Step 3 – Tax Return Preparation:

- Our team will prepare your tax return and contact you if we have any questions.

Step 4 – Review and Approve Your Tax Return:

- **Receive** your completed return in your email via SafeSend Returns.
- **Review** your tax return and **sign** the e-file authorization form (Form 8879) within 48 hours.
- **Pay** your Kirsch invoice.
- **Pay** all applicable federal, state, local and school district taxes.
- If applicable, **print, sign, and mail** city or local tax returns (with payment due, if required).

Important Deadlines

Mid to late January– Expected IRS e-file open date. Delays are expected making extensions more likely.

March 4, 2026– Checklist and Tax Documents are due to Kirsch.

April 15, 2026– Individual tax filing deadline. Payments are due regardless of an extension.

We truly value your trust and appreciate your continued business. If you have questions or need additional support—including accounting, bookkeeping, payroll, or tax and business strategy—please contact us at (513) 858-6040 or email your Kirsch contact.

Warm Regards,

The Team at Kirsch CPA Group