

2025 Tax Planning – To-Do Checklist

The tax season is officially here. If you haven't already, now is the time to get prepared. Whether you meet with a tax professional or prepare your taxes yourself, proper planning helps the processes go more smoothly and may reduce the risk of costly errors. Check out the tips below and prepare to tackle this tax season with confidence.

To-Do #1: Gather All of Your Forms

Beginning in January, you likely started to receive the forms you need to properly complete your tax return. If you are expecting a large refund, you will want to make a list so you don't forget anything that could affect it. Once you have received your documents, first give them a scan to make sure they are correct and contact the sender if there are any discrepancies. Remember, even a simple misspelling can cause a flag with your tax return. Inspect all your documents carefully.

Some of the forms you will need to look out for include:

- W-2s from your job (or jobs)
- SSA-1099 for Social Security benefits
- 1099s for additional income, interest, gains and losses
- 1095-A for government marketplace health coverage
- 1098s for reporting interest and tuition payments
- W-2Gs for any gambling winnings
- Schedule K-1s for company ownership
- Be mindful of investment assets or bank accounts that you have opted in for electronic, rather than paper delivery

To-Do #2: Round Up Your Receipts

If you have your own business or plan on itemizing your deductions, you will need to record expenses so that you can take advantage of any available write-offs. Gather all the receipts for business expenses, medical expenses and other expenses that

can be listed on your Schedule A or Schedule C. Receipts can be physical receipts or bank and credit card statements that show payments for these items. Once gathered, organize them by type, so they are easy to find when you begin filing. Some items to be mindful of include:

- Gas/meals for business write offs
- Deductible medical expenses for which you have not already received some sort of tax deduction:
 - Out of pocket medical/dental costs for services and prescriptions, including Medicare premiums and health insurance deductibles, copayments and coinsurance
 - Certain specialist expenses
 - Certain supplements
 - Expenses for glasses, contacts, hearing aids, etc.
 - Long term care insurance premiums
 - Nursing home/facility/in-home care expenses, if eligible
 - Certain home improvements for a person with a disability
- Taxes paid, including estimated state, local and all property taxes
- Interest paid
- Gifts to charity – see below

To-Do #3: Acquire Records of All Charitable Contributions

Throughout the year, you may have made donations to a tax-exempt organization. These donations can provide you with a charitable contribution write-off. Traditionally, this could only be done if you choose to itemize your deductions.

Organizations, from churches to fundraisers, can provide a record of your tax-deductible contributions.

Take count of charitable donations given outright throughout the year, by way of Qualified Charitable Distribution (directly from an IRA), or given to a Donor Advised Fund. Most custodians 1099-R documents do not summarize IRA distributions given directly to charities. This is one area where we often find mistakes. Make sure you give yourself credit for charitable giving in this manner. If you donated highly appreciated investments to a Donor Advised Fund, remember to let your tax preparer know about this gift.

To-Do #4: Create a List of All Personal Information

If you are working with a new tax preparer, you may want to jot down your Social Security numbers and those of any dependents you wish to claim. This way it is easy to access and you can be sure it's accurate. Also, make a list of addresses for any properties you own as well as the dates on which they were bought or sold.

To-Do #5: Get a Copy of Last Year's Tax Return

If you are using the same preparer as the previous year, they should have a copy of your tax return. If not, provide a copy of the prior year's return with your other tax items. Being able to reference your previous return can help you see what you filed last year, so you don't overlook something this year. Look at last year's return and the various schedules filed like Schedule B and D, which list out interest and capital gains – ensure you have a 1099 from each source listed on your prior year's return and if you don't, determine why – did you close an account? Maybe you haven't received the tax document yet? Schedule C is for reporting self-employment income. Schedule E income supplemental income possibly from royalties, or rents.

To-Do #6: Special Circumstances

Take note of other special items that occur throughout the year, such as:

- Did you get married or divorced? Did a spouse pass away during the prior year?
- Did you save into a Traditional IRA or Roth IRA for 2024? Was it tax deductible or not?
- Did you convert monies from a Traditional IRA to a Roth IRA?
- Did you change jobs? Complete retirement plan rollovers?
- Did you make estimated tax payments throughout the year?
- Did you make long term care insurance premium payments?
- Did you sell or buy property?
- Did you donate to a 529 Plan?
- Energy saving home upgrades which could allow you some sort of tax credit

- Keep track of contributions you made to 529 plans – you may be able to take a state tax deduction.
- Keep track of tuition paid for education – you may qualify for education credits.

To-Do #7: Determine How You Will Spend Your Refund

If you expect to get a refund this year, you might want to take some time to consider what you plan to do with your return once you receive it. You have the option to apply your payment towards your tax bill next year if you believe you will owe. This can be a good idea for those who pay estimated taxes throughout the year as it can often put a chunk towards your first installment.

Alternatively, you can choose to send the money directly to a checking or savings account, or contribute it to an IRA, health savings account or education account.

Don't let tax preparation leave you feeling overwhelmed. Enjoy less stress and a smoother process by preparing everything you need for filing this tax season.