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Dear Client,

Each year I sit down at the beginning of a new tax season marveling how fast time is moving and the incredible loyalty so many of you have shown. It's remarkable how many names on my mailing list have remained the same for all 23 years of my preparing taxes (not including my years of child labor working under my dad). I hope you all know how deeply I appreciate that support. I always want these letters to highlight tax news, but also greater financial tips and topics in this era of unreliable TikTok reels and clickbait. I've seen many questions and financial decisions based on these dubious sources of information. Please remember, I am here all year to answer questions and help you determine if something is a good idea or even legal.

On the tax front, there was a significant expansion of the tax credits for electric vehicles and energy efficient home improvements. Now is a great time to explore both and let the tax savings subsidize the cost. Don't forget to include the cost of installing a charging station in your home!

An important change for LLC owners is the introduction of the Beneficial Ownership Interest (BOI) requirement. This is NOT something I can do for you. All LLC owners must register with FinCen (<https://www.fincen.gov/boi>) to comply with new requirements. Existing LLCs have until January 1, 2025 and newly formed LLCs will need to register within 90 days or face substantial penalties. Even an inactive LLC to register unless you have formally dissolved the entity. There are no fees associated with the registration.

Every year I tweak the organizer clarifying areas of confusion and updating the rules. You'll see this year I have updated the fee structure to comply with CT rules regarding credit card convenience fees. In addition, I am increasing the April surcharge. I have always offered graduated pricing making February cheaper as an incentive, but I am simply overwhelmed in April and I'm hoping the financial incentive will push everyone to send me their info earlier. You still only need to be postmarked or uploaded (not filed) by the last day of the month to qualify for the reduce fee.

The chaos of life with small children continues to fill this home with love and laughter (and some wrestling). In a year when the news was full of so much sadness it is a relief to have their smiles brighten our days. I wrote the back of this letter with them in mind outlining how to build a financial map and what it gift that can be to the ones you love. If you have any questions about this or financial planning in general, call me. I have many resources to help and CFPs that we can bring into the conversation to work through big decisions.

I hope 2024 bring peace, prosperity, and health to you and those you love.

All the best,

Shannon

What is a Financial Map?

Over the years I have worked with many clients handling estate matters for a loved one. Often it's an elderly parent with a plan in place, but unexpected losses are also a part of life. While a signed will is critical, the best gift you can leave your loved ones is a comprehensive financial map. It's one thing to know how to split mom's assets- but finding those assets can be a nightmare. It took my mom almost two years to find the many small accounts my depression era born grandfather had opened at various banks. Did you know every state holds billions in "unclaimed funds" that went forgotten probably because heirs didn't know the funds exist? So many of us are uncomfortable facing our mortality and thinking about these issues, but **putting together a document that makes settling your estate easier is an act of love and legacy.**

So what should be in this map? The most common items are:

- 1) A copy of your Last Will and Testament, Living Will, Healthcare Proxy, and/or Advanced Directives
- 2) A copy of any Trusts instruments (it is common for your will to set up a trust upon your death)
- 3) Name and contact info for all professionals that can guide your heirs- the lawyer who prepared your will, your accountant, your financial advisor(s), insurance agent(s), etc
- 4) Financial Power of Attorney – this is not helpful once you are deceased, but can be critically important if you are incapacitated
- 5) List of assets including bank names, account types and numbers, and beneficiaries
 - a. If you have a Traditional IRA with after tax contributions(aka "basis") be sure to include this amount or your heirs will pay double tax. I have never once worked with someone who knew if their inherited IRA had basis
- 6) Identity related documents:
 - a. Social Security card
 - b. Birth, marriage, and death certificates
 - c. Prenuptial agreements
 - d. Photo Id- this can be a copy of a passport, drivers license or id card
- 7) Real estate deeds and mortgage documents
- 8) Digital access- user names and passwords for any account or asset held online
 - a. Don't forget about crypto accounts, online gambling platforms, etc
- 9) Funeral instructions
 - a. This might include prepaid arrangements and/or deeds to plots or crypts

One of my last memories of my father is watching him working on his Quickbooks only a week or two before he died. He had so little time left, but he wanted to make it easier for me to do his taxes after he was gone. Everything I needed was waiting for me. Like cleaning out your basement or emptying your garage, you can make it easier on your loved ones to deal with the practical elements of death. They will forever remember that gesture just as I remember my dad's final act of love.