

GRANITE POINT TAX GROUP, LLC



License OBTP#15341

Annual Newsletter, Vol. 15

Another short newsletter this year, as tax policy continues to be low on Congress' priority list. Trump's previous tax package survived all the way through Biden's term, and although many of the provisions it contains are currently slated to expire at the end of 2025, it seems likely he will push to extend them or remove their expiration entirely.

Business News – BOI on hold

The FinCEN Beneficial Ownership Information reporting requirement is, at least for now, on hold. Two federal courts have ruled that it is likely unconstitutional and the second court took it a step further and placed a nationwide injunction on it until the appeals process has played out.

Business Reminder - Nexus

As a reminder, many state and local taxing jurisdictions have changed their rules for determining which individuals and businesses are subject to their taxes (a concept known as 'nexus'). This includes Oregon, as well as Multnomah County, the City of Portland, and Portland Metro. Under the old rules, a person or business was subject to tax if they maintained a physical presence within the tax jurisdiction's boundary. Under the **new** rules, a person or business is subject to tax if they conduct substantial economic activity within the jurisdiction. This could include sales or services delivered to customers located within the jurisdiction, hiring remote workers who physically live and work within the jurisdiction, and many other factors. You will need to **tell us** if you or your business has been delivering goods or services to the greater Portland metro area, or any other major city or state.

New for 2024 and Beyond

The credit for adding solar panels or geothermal heating to your home is currently scheduled to run through 2034. The credit is equal to 30% of the cost, including installation and battery storage, for 2022 through 2032, then 26% in 2033, then 22% in 2034. Please note, however, that Trump has already been making noise about curtailing green energy incentives, so this could be on the chopping block in the next year or two.

The credit for energy-efficient improvements to your main home (no vacation or second homes) is also still on the books, at least for now. The credit is 30% of cost for most items, up to an annual limit of \$1,200. Exterior windows and skylights have a lower annual limit at \$600 combined and exterior doors are limited to \$500. Heat pumps and hot water boilers have an annual limit of \$2,000.

The electric vehicle tax credit also faces an uncertain future. The maximum credit is still \$7,500 and can still be re-sold to a third party (for example, to the dealership in return for a price reduction).

Scams, Phishing, Enforcement, etc.

Please stay vigilant! There are lots of tax-related scams out there. Many of them are fairly clumsy and obvious, but with artificial intelligence becoming widespread, they are sure to become more sophisticated and realistic.

A new scam hitting the scene is the Charitable LLC. Per the IRS “These schemes typically encourage higher-income taxpayers to create limited liability companies (LLCs), put cash or other assets into the LLCs, then donate a majority percentage of nonvoting, nonmanaging, membership units to a charity while the taxpayer maintains control of the voting units and reclaims the cash or asset(s) directly or indirectly for personal use. The promoter sometimes has control over the charity that receives the donation.” Don’t be fooled – if it seems too good to be true, it likely is.

Cell Phone Photos, Data Security, SMS Texting

We continue to avoid using text/SMS for sending or receiving information, but have recently started to explore some options. Our issue with texting is twofold; first, it is very difficult to print text messages for our files. And second, there are serious privacy and security concerns with many texting applications. We’ll keep you posted, but for now we are sticking with e-mail, fax, and good ol’ mail & delivery services.

If you would like to send sensitive documents to us by e-mail, please go to the Upload Documents page of our website and click the Encyro link for either Matt or Rachel. This will ensure documents are fully encrypted before being sent along the wire. Please consider downloading and using a scanner app to send us documents from your phone or other mobile device. Adobe Scan and Tiny Scanner are both excellent and free. These apps use your phone’s camera to create highly readable PDF documents.

Thank You

Thank you so much for making this all possible! It’s been a long journey to get where we are, and none of it would have been possible without your trust and faith, and once in a while forgiveness. Thank you!

Please note that although we make every effort to confirm the information contained in this letter is accurate, we cannot guarantee it.