

- ▶ Start Early, Grow Smart: Key Steps to Secure Your Financial Future
- ▶ Client Advisory Services: Questions to Ask Your CPA This Tax Season
- ▶ The Truth Behind Common Tax Myths
- ▶ Start the New Year on the Right Payroll Foot
- ▶ Alloy Happenings & Spotlight
- ▶ Something 2 Consider

Key Tax Planning Topics to Consider

Tax laws shift every year, and what saved you money last season might cost you this one. Stay proactive with your tax plan to make sure you're taking advantage of every opportunity.

- 1. Watch income phaseouts.** Many tax breaks, such as the Child Tax Credit and education benefits fade out gradually as income rises. Consider adjusting retirement contributions or timing when you receive certain payments to stay in the optimal range.
- 2. Revisit itemized deductions.** With the state and local tax (SALT) cap increasing to \$40,000, you may benefit from itemizing again despite the higher standard deduction. Review charitable gifts and property taxes—you might be closer than you think.
- 3. Time capital gains carefully.** Hold appreciated assets for at least one year and a day to qualify for lower long-term capital gains rates. Consider loss harvesting or staggered sales to reduce taxable gains.
- 4. Maximize business deductions.** If you're self-employed or a small-business owner, review your eligibility for the 20% Qualified Business Income deduction. Manage how and when income is reported to help preserve this valuable break.
- 5. Balance your retirement mix.** Tax-deferred accounts like 401(k)s and IRAs still face taxes later. Depending on your expected retirement income, adding Roth contributions or converting during lower-income years can create more flexible tax options in the future.

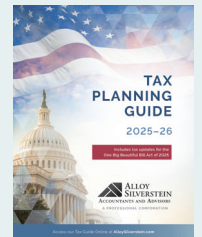
Contact your advisor today to discuss which strategies fit your goals.

OBBBA: Stay Informed

The new tax law is disrupting typical year-end tax planning this year. Here are some ways you can be alert and proactive:

Tax Planning Guide:

Visit the Publications section of our online Resource Center to access this year's Guide to stay ahead of tax planning opportunities.



Webinar Recordings: Our tax experts have presented three OBBBA webinars so far including a general breakdown, key incentives for business owners, and advising employers on the new tip and overtime changes.

IRS FAQs: IRS.gov has published clarifications and transition guidance on key areas such as car loan interest, Form 1099-K, and the new tip and overtime deductions. More guidance is expected.

Turn to Alloy Silverstein: Visit our Tax Reform Resource Center for webinar recordings and the latest OBBBA updates at [AlloySilverstein.com/tax-reform](https://www.AlloySilverstein.com/tax-reform).

Start Early, Grow Smart: Key Steps to Secure Your Financial Future

Building a strong financial future starts with saving early and investing wisely. Even small contributions made over time can grow significantly with the right strategies and accounts to support your goals.

- **Leverage Individual Retirement Accounts (IRAs).** Traditional IRAs allow tax-deferred growth while Roth IRAs provide tax-free withdrawals in retirement. Understanding contribution limits, withdrawals, and Roth strategies can help you maximize savings and support estate planning goals.
- **Be intentional with account titling and beneficiaries.** How your accounts are titled (individually, jointly, or in a trust) impacts control, taxes, and inheritance. Adding Transfer on Death (TOD) or Payable Death (POD) designations can ensure a smooth transition.
- **Give smart to support future goals.** Strategic gifting can support loved ones while reducing your taxable estate. With higher gift tax limits in 2025, contributions to 529 education plans can grow tax-free and be used for qualified education expenses.
- **Make informed Social Security decisions.** Knowing when to start collecting benefits, how spousal and survivor benefits work, and the tax impact of your benefits can play a major role in long-term planning.

When in doubt, ask a financial professional to guide your next steps.

Client Advisory Services: Questions to Ask Your CPA This Tax Season

With the new One Big Beautiful Bill Act (OBBA) reshaping deductions, reporting rules, and tax incentives, business owners face a more complex tax season than ever. **Our Client Advisory Services (CAS)** offers year-round guidance that combines cloud-based accounting technology with expert advisory support. Here are key questions to ask your CPA now:



1. How does this new tax law affect my business?

With new opportunities like 100% bonus depreciation and immediate expensing for domestic R&D, timing is everything.

WITH CAS: Cloud platforms give you real-time financial dashboards, helping you and your advisor model scenarios and decide whether it makes sense to accelerate investments, delay purchases, or restructure spending.



2. Are we audit-ready? More deductions typically mean more documentation.

WITH CAS: Automated expense categorization and digital recordkeeping build an audit trail inside your accounting platform. That means less time chasing receipts and more time focusing on growth.



3. Can we streamline our accounting processes?

If tax season feels chaotic, the issue isn't the return — it's the workflow.

WITH CAS: Cloud-based automation reduces manual tasks, eliminates paper, and keeps your books current year-round.



4. How do I turn tax planning into strategy?

Your CPA shouldn't just look backward at what happened.

WITH CAS: You get proactive planning including insight into cash flow, spending, and growth opportunities before year-end.

Client Advisory Services help you plan for what's next. Ask us about adding CAS for strategic financial guidance all year long.

The Truth Behind Common Tax Myths

Tax myths spread quickly and can lead to costly mistakes or missed opportunities. Here's what's fact and what's fiction.

Myth: Moving into a higher tax bracket means you'll take home less money.

Reality: The U.S. tax system is progressive. Only the income above the bracket threshold is taxed at the higher rate, not your entire salary.

Best practice: Know your marginal tax rate (the rate applied to your next dollar of income). It helps you understand the real impact of raises, bonuses, and investment income.

Myth: A tax refund means you did everything right.

Reality: A refund means you loaned the government your money—without interest.

Best practice: Review last year's tax return and adjust your paycheck withholdings for current-year changes (like new deductions or tax-free income). Keeping more of your paycheck throughout the year improves cash flow.

Myth: If you're self-employed, you can deduct everything.

Reality: Only expenses that are ordinary and necessary for your business qualify.

Best practice: Use a dedicated business bank account and avoid mixing business and personal spending. Commingling funds can lead the IRS to deny deductions.

Myth: If you didn't receive a Form 1099, you don't have to report the income.

Reality: All income is taxable, whether you receive a 1099 or not.

Best practice: Track all sources of income throughout the year and compare them to prior years' 1099s to make sure nothing gets missed.

Have questions about your tax situation? We're here to guide you with year-round planning and support.

Start the New Year on the Right Payroll Foot

Before closing out the year, take a few minutes to make sure your payroll is accurate, compliant, and ready for a smooth start to 2026. Here's a quick checklist to guide you:

✔ Verify employee information

Confirm employee names, addresses, Social Security numbers, and W-4s. Review any 1099 contractor information and classifications to avoid reporting errors.

✔ Process final pay runs and bonuses

Include all 2025 earnings—holiday pay, bonuses, commissions—on your final payroll. Double-check your final federal and state tax deposits before year-end.

✔ Review benefits and deductions

Update benefit elections, retirement plan contributions, and FSA/HSA carryovers. Make sure fringe benefits like group-term life insurance or personal use of a company car are properly reported.

✔ Prepare year-end forms

Get ready for W-2s, 1099s, and ACA forms (if applicable). Confirm you're meeting all federal, state, and local deadlines.

✔ Watch for new 2025-26 requirements

Verify any wage and tax rates for 2026. Download our Payroll Tax Alert for a summary of this information. In addition, under the new OBBBA tax law, employers must now track and report:

- Tips — total qualified tips received by employees.
- Overtime premiums — the extra "half-time" pay portion for overtime hours.

Accurate tracking ensures compliance and helps employees maximize new temporary deductions. View our webinar recording to learn more at AlloySilverstein.com/recordings.

✔ Get a quote from Abacus Payroll

Was payroll easy, accurate, and responsive this year? If not, year-end is the perfect time to switch to a service that truly supports your business.

Contact us today at AbacusPay.com.



Alloy Happenings

Ren Cicalese, CPA, PFS, CGMA, Adrienne Dell'Olio

- Presented to business students and Alloy Silverstein scholarship recipients at Rutgers-Camden School of Business, October 7.

Ren Cicalese III, CPA, MST

- Presented on the new OBBBA tax law to the Greater Hammonton Chamber of Commerce, September 11.
- Co-Presented "Branding for CFOs: The Impact of Goodwill on Enterprise Value," October 29.

The following Alloy Silverstein team members represented the firm at Career Fairs hosted by Rutgers-Camden, Rowan University, and Stockton University:

Ren Cicalese, CPA, PFS, CGMA, **Julie Strohleim, CPA**
Kim Sheehan, CPA/PFS, **Nicole Pelaschier**
Chris Cicalese, CPA, MSTFP **Kelly Raso, CPA**
Adrienne Dell'Olio **Anh Nguyen, CPA**



Welcome

- **Tamari Kapanadze**, payroll specialist with Abacus Payroll, Inc.
- **Cierra Realer**, support staff team member.

Congratulations

- **Rose Stokley** on her marriage to Justin Muldoon, October 25.



Alloy Spotlight

Mark J. Fisher, Senior Financial Professional

Mark brings over 20 years of experience in financial planning services to Alloy Silverstein Financial Services, Inc, specializing in retirement income strategies, investment planning, and client-centric financial guidance.

He shares, "I'm excited to partner with a firm that shares my client-first philosophy. Joining Alloy Silverstein allows me to continue providing my clients with the same personal attention they're accustomed to, now supported by the additional resources and depth of a tax-smart, full-service financial and accounting team."

Before joining Alloy Silverstein Financial Services, Mark was the founder and principal of Fisher Financial Management, where he worked as an independent advisor for over two decades. He has developed a reputation for delivering tax-smart solutions that are tailored to each client's unique goals, with a focus on transparency, open communication, and long-term success.

By combining his deep knowledge of retirement planning with a personalized approach, Mark equips individuals and families with strategies that not only grow and protect wealth, but also maximize long-term tax efficiency, giving clients greater peace of mind on both their immediate needs and future aspirations.

A Mount Holly, NJ native and military brat, Mark spent a good portion of his youth living abroad in Germany, where his mother worked for the US Government. He currently resides in South Jersey and enjoys traveling, golfing, and playing non-competitive softball during the spring and fall seasons.

Join our growing Alloy team!

Now hiring for full-time positions.

Visit AlloySilverstein.com/careers to apply today!



Something 2 Consider

Changes for High Income Earners & Retirement Plans

By Ronald V. Donato, Jr., CFP®, MBA

Important changes are coming to how you contribute to your 401(k). The SECURE Act 2.0, originally scheduled to be in effect starting in 2026, states that if you make \$145,000 or more in wages from your employer the *previous year*, any catch-up contributions you make **must** be made on a Roth (after-tax) basis. As of publication, these expected 2026 changes have now been delayed until after 12/31/2026. However, the plan sponsor is required during 2026 to use a “reasonable, good faith interpretation” of the rule and therefore begin to put into place the systems in their plan to meet the Roth requirement.

This change could impact your retirement tax planning, as well as impact the taxation of your income in retirement. Here are some things to consider.

Under the 2025 rule, if you’re age 50 or older, you can contribute extra to your 401(k). In 2025 the Annual Limit for a participant’s contributions to their 401k is \$23,500. The ‘extra’ that someone over 50 may contribute is \$7,500 (this is called the “catch-up” provision). So, someone 50 or over can contribute up to \$31,000 to their 401k in 2025. A special rule for those aged 60 to 63 allows your catch-up to be a maximum of \$11,250 in 2025.

However, starting in 2026, if you earned \$145,000 or more in FICA wages from your employer the previous year, **you must make all catch-up contributions as Roth instead of pre-tax.**

This has several implications:

- **No more pre-tax catch-ups:** You’ll pay taxes on catch-up contributions now, but withdrawals will be tax-free in retirement (if qualified).



- **Your plan must offer Roth:** If your employer’s plan doesn’t include a Roth option, you won’t be able to make catch-up contributions at all.
- **Threshold is indexed:** The \$145,000 income threshold will adjust in future years for inflation in \$5,000 increments.

So, if you will earn \$145,000 or more in 2025 AND are 50 or older in 2026, this may affect you. However, if you’re self-employed or don’t receive FICA wages (e.g., partners or sole proprietors), you can still choose pre-tax or Roth catch-ups.

Next steps to consider in 2026:

- **Check if your employer offers Roth contributions:** If not, they’ll need to amend the plan for you to keep making catch-ups in 2026.
- **Review your tax planning strategy:** Since Roth contributions are made with after-tax dollars, this change could affect your tax situation, especially if you’ve relied on pre-tax deferrals.
- **Plan for higher contributions at age 60–63:** If you’re in this age range, you’ll be eligible for a larger catch-up limit, which must also be Roth if you’re a high earner.

In summary, the new Roth-only catch-up rule is a significant shift for high earners, and one that requires advance planning. If you’re 50 or older and earning \$145,000 or more, now is the time to confirm your employer’s plan offers a Roth option, understand how this change impacts your tax strategy, and adjust your savings approach accordingly.

If you are a plan sponsor, consider adding a Roth option to your plan. Contact us if you have any questions, or if your current provider has not mentioned this to you.



Holiday Office Hours

Please note that our offices will be closed on the following dates: Wednesday, December 24, Thursday, December 25, Thursday, January 1

Happy holidays! We are grateful for your trust, loyalty, and the opportunity to serve you.

Tax Season Office Hours

Effective February 1 through April 15, we will have extended office hours and our CPAs will be available to you by email, phone, and virtual meetings.

Winter Tax Deadlines

January 15, 2026

- Due date for 4th installment of 2025 individual estimated tax. Consult with your CPA if any payments should be made before 12/31.

February 2, 2026

- Due date for employers to provide W-2 statements to employees and file Forms W-2 with the SSA.
- Due date for payers to provide Form 1099-NEC to recipients and to IRS.
- Employers must file 2025 federal unemployment tax returns and pay any tax due.

March 2, 2026

- Payers must file most 1099 Forms (-MISC, -DIV, -K, etc.), 1095-B, and 1095-C with the IRS (April 1 if filing electronically).
- Farmers and fishermen who did not make 2025 estimated tax payments must file 2025 tax returns and pay taxes in full to avoid a penalty.
- Due date for employers to furnish Form 1095-B and 1095-C to employees.



What the IRS is Up to

IRS Releases 2026 Inflation Adjustments

The IRS has released inflation-adjusted figures for tax year 2026, reflecting amendments from the One Big Beautiful Bill Act (OBBBA). The standard deduction rises to \$32,200 for married couples filing jointly, \$16,100 for single taxpayers, and \$24,150 for heads of household. Tax brackets increase as well, including the 37% top rate now starting at \$640,600 for singles. See IRS.gov for full inflation and OBBBA rate changes.

Standard Deduction	Single or Married Filing Separately	Married Filing Jointly	Head of Household
2025 Tax Year	\$15,750	\$31,500	\$23,626
2026 Tax Year	\$16,100	\$32,200	\$24,150

Selling a Home over \$1M? What To Know About NJ's 'Mansion Tax' Changes

New Jersey's FY 2026 budget raises rates for the supplemental Real Estate Transfer Fee ("mansion tax") and Controlling Interest Transfer Tax (CITT). Transfers over \$1M now carry graduated rates from 1%–3.5%, effective for deeds recorded on or after July 10, 2025. In addition, responsibility for payment shifts from buyer to seller. Homebuyers, sellers, and corporations should review closing costs, contracts, and NJ filings to ensure compliance.

This newsletter is issued quarterly to provide you with an informative summary of current business, financial and tax planning news and opportunities. Do not apply this general information to your specific situation without additional details. Be aware that the tax laws contain varying effective dates and numerous limitations and exceptions that cannot be summarized easily. For details and guidance in applying the tax rules to your individual circumstances, please contact us.