



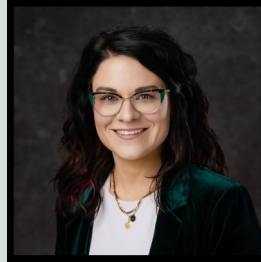
Anderson, Nill & Associates, Inc.

November 2025



Jennifer Anderson • President/CEO

Jennifer is starting her 14th year at Anderson, Nill & Associates. She holds a Bachelor's Degree in Accounting and is a licensed Enrolled Agent with the IRS. Her main focus is income taxes and consulting. Jennifer enjoys puzzles, podcasts and audiobooks. She looks forward to meeting grandbaby #3 in January!



Courtney Gourneau • Chief Operating Officer

Courtney returned to our team this year in August to fulfill a managerial role, as well as to serve clients in their bookkeeping and tax needs. She is a licensed Enrolled Agent with the IRS. Courtney enjoys reading, puzzles, coffee at all hours, and being with her two kids, Lennox and Emeree.



Roxanne Oakley • Bookkeeping Div Mgr

Roxanne has been a constant face here since 1996. She manages bookkeeping and tax preparation for individuals and businesses. She is a licensed Enrolled Agent with the IRS. Roxanne enjoys spending time with her family, spoiling her grandkids, and following her passion for family history and genealogy.



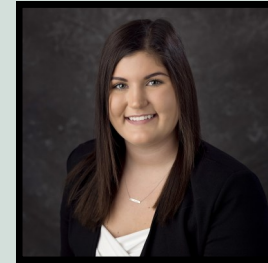
Aaron Spangenberg • Bookkeeping Div Mgr

Aaron became a member of our team in June 2019. He manages bookkeeping and tax preparation for individuals and businesses. Aaron is a licensed Enrolled Agent with the IRS. He enjoys hunting, fishing, camping, photography, and spending time with his family.



JJ Linn • Account Manager

JJ joined our team in August 2022. He holds a Bachelor's Degree in Accounting and is a CPA. JJ is looking forward to building his bookkeeping and tax client base. JJ enjoys being a father of three girls and a husband of one – Jill. He also enjoys hunting, fishing, boating, and sports.



Sydney Nieman • Account Manager

Sydney became a member of our team in August 2021 and has been busy establishing her own bookkeeping client base. She is excited to keep developing her bookkeeping skills and plans to soon dive into the tax world as well. Sydney enjoys fishing, time with friends and family, and new adventures.



Hannah Anderson • Bookkeeper

Hannah joined our team in August 2021. She has enjoyed growing and learning in new areas of bookkeeping. She spends all of her time with her girls, Zarya and Winry, who definitely keep her on her toes, but loves the new adventures they take her on.



Arielle Isernhagen • Office Manager

Arielle joined our team in June 2022 as the office manager and data entry clerk. She is excited to continue expanding her knowledge of bookkeeping. She enjoys the outdoors, photography, spending time with family and friends, and cheering for the Green Bay Packers.



Carrie Harer • Executive Assistant

Carrie became part of our team in January 2019. Her work is largely behind the scenes as she carries out a variety of duties to complete special projects. Carrie enjoys gardening, crafting, time at the river with family, and embarking on adventures with her two boys.

New Tax Law Provisions (OBBBA – H.R.1)

Senior Deduction

Deduction, per person (age 65 or older), is \$6,000, effective 2025 through 2028. Deduction phases out when MAGI exceeds \$75,000 (\$150,000 MFJ).

Itemized Deductions — State and Local Taxes

The state and local taxes (SALT) limit increased to \$40,000 (\$20,000 MFS) with income restrictions, but not less than \$10,000 (\$5,000 MFS).

Child Tax Credit

Effective for 2025, the Child Tax Credit increased to \$2,200 per qualifying child under the age of 17.

- **Social Security Number (SSN) required.** The SSN of both taxpayer (or spouse if filing jointly) and qualifying child must be included on the return to claim the credit. All SSNs must be issued before the due date of the return.

Adoption Credit

Beginning in 2025, up to \$5,000 of the Adoption Credit is a refundable credit.

Energy Credits Terminated—2025

No credit for property placed in service after Dec. 31, 2025 for the following:

- **Energy Efficient Home Improvement Credit** (e.g., heat pumps, central A/C, water heaters, furnaces, windows, doors)
- **Residential Clean Energy Credit** (e.g., solar electric, fuel cell, small wind energy, geothermal heat pump, biomass fuel)

Qualified Tuition Plan (QTP)/529 Plan

Effective for distributions made after July 4, 2025, qualified elementary or secondary school distributions

now include more expenses—ask your tax preparer for details.

- **Credentialing expenses included.** Effective for distributions made after July 4, 2025, certain required postsecondary credentialing expenses are treated as qualified higher education expenses.

New Deductions—2025

- **Qualified tips deduction.** A federal income tax deduction of up to \$25,000 is allowed for qualified tips received during the year. The deduction phases out when modified AGI exceeds \$150,000 (\$300,000 MFJ). Qualified tips are cash tips (including credit card transactions) received in an occupation which customarily and regularly received tips.
- **Overtime pay deduction.** A federal income tax deduction of up to \$12,500 (\$25,000 MFJ) is allowed for qualified overtime compensation received during the year. The deduction phases out when modified AGI exceeds \$150,000 (\$300,000 MFJ). Qualified overtime compensation is compensation paid in excess of the regular rate at which the individual is employed. Employers must separately account for amount of qualified overtime compensation paid to employee.
- **Vehicle loan interest deduction.** A federal income tax deduction of up to \$10,000 is allowed for qualified passenger vehicle loan interest paid or accrued on a loan incurred after 2024 for the purchase of, and that is secured by a first lien on, an applicable vehicle used for personal use. The deduction phases out when modified AGI exceeds \$100,000 (\$200,000 MFJ).

Source: *TheTaxBook*

401(k) and IRA Limits Increase for 2026

- The contribution limit for employees who participate in 401(k), 403(b), most 457 plans, and the federal government's Thrift Savings Plan will increase to \$24,500, up from \$23,500. The catch-up contribution limit for employees aged 50 and over increases to \$8,000, up from \$7,500. A higher catch-up contribution limit of \$11,250 applies for employees aged 60, 61, 62 and 63.
- The amount an employee contributes from their salary to a SIMPLE IRA will increase to \$17,000, up from \$16,500. The catch-up contribution limit for employees aged 50 increases to \$4,000, up from \$3,500. A higher catch-up contribution limit of \$5,250 applies for employees aged 60, 61, 62 and 63.
- The limit on annual contributions to an IRA will increase to \$7,500, up from \$7,000. The IRA catch-up contribution limit for individuals aged 50 and over is subject to an annual cost-of-living adjustment and increases to \$1,100.

Did you know...

- The state minimum wage will increase from \$11.50/hour to \$11.85/hour for hours worked starting on Jan. 1, 2026. The hourly minimum wage for tipped employees will be \$5.925/hour, half the minimum wage for non-tipped employees. Wages and tips combined must equal at least the minimum wage.
- Estates of decedents who die during 2026 have a basic exclusion amount of \$15,000,000, up from a total of \$13,990,000 for estates of decedents who died in 2025.
- The annual exclusion for gifts remains at \$19,000 for calendar year 2026.
- Partners and shareholders are strongly advised to keep annual form K1's indefinitely due to IRS regulations requiring basis computations.
- 100% Bonus Depreciation has been reinstated permanently.
- If turning 65 in 2026, don't forget to register for Medicare at www.ssa.gov.
- Use your IRA distribution to contribute directly to charity and avoid paying taxes on your distribution—certain qualifications must be met.
- By employing family members you maybe able to reduce income taxes and contribute to retirement. Some conditions apply—ask for more information.

If you want to schedule an appointment with your tax preparer for year end tax planning, please call our office at 605-224-0311.

Office Celebrations

The Anderson Nill team loves to celebrate work anniversaries, birthdays, and holidays!

Follow us on Facebook: www.facebook.com/andersonnillandassoc.



Anderson, Nill & Associates, Inc. operates under Internal Revenue Service Circular 230.



Anderson, Nill & Associates, Inc.

1517 North Harrison Avenue

Pierre SD 57501

Phone 605-224-0311 Fax 605-224-0438

www.andersonnill.com

Thankful & Grateful

We are grateful for your partnership in 2025
and wish you a joyful holiday season.

from all of us at



**Anderson, Nill
& Associates, Inc.**

