DOWNIE TAX SOLUTIONS

THE TAX SAVINGS BLUEPRINT

Simple Steps to Keep More Money

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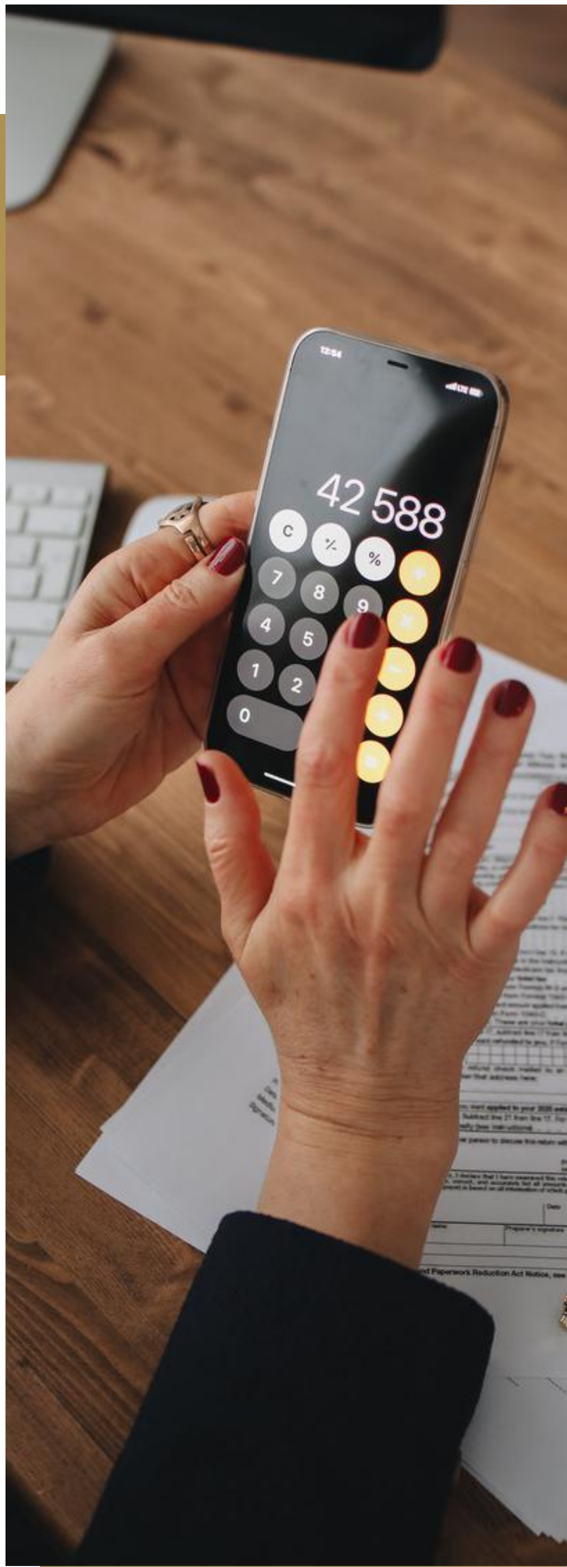
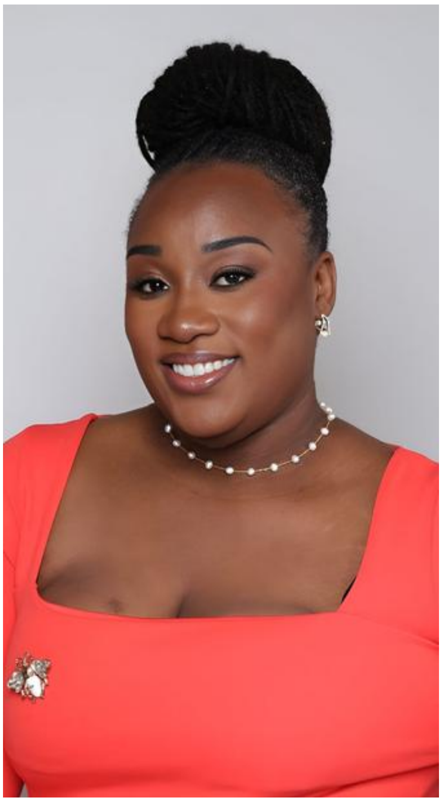


SHANEQUE DOWNIE, EA



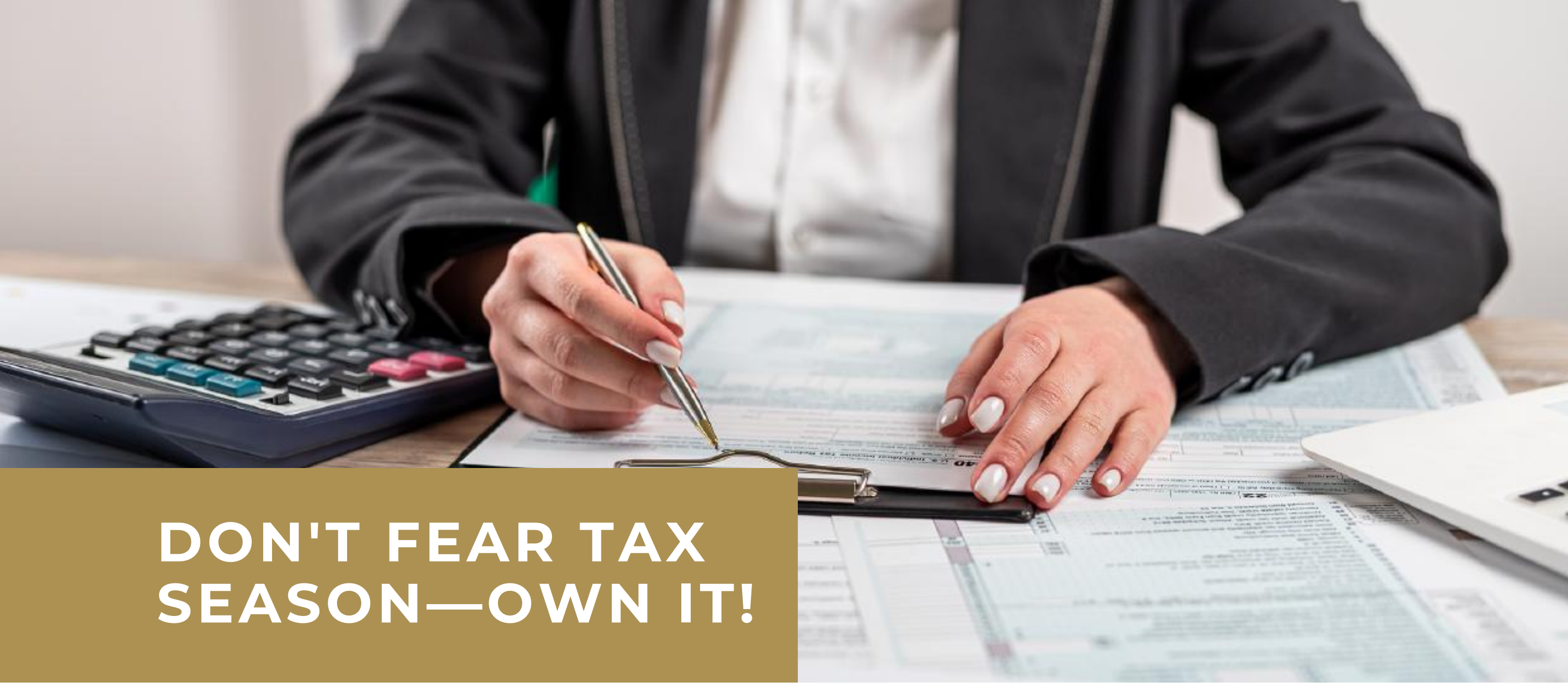
Shaneque Downie is a tax expert, accountant, and business advisor with over 15 years of experience helping individuals and small businesses navigate the complexities of tax season with confidence. As an Enrolled Agent, the highest credential awarded by the IRS, Shaneque is authorized to represent taxpayers before the IRS in all matters, bringing a deep understanding of tax law and strategies to her clients. Her expertise ensures that her clients can maximize deductions, minimize liabilities, and stay compliant with ever-changing tax regulations.

As the Founder and CEO of Downie Solutions, Shaneque has built a reputation for making taxes approachable and stress-free, offering tailored solutions that empower her clients to take control of their financial future. Whether working with small business owners, freelancers, or individuals who find taxes overwhelming, Shaneque is committed to transforming tax season into an opportunity for financial success.

Through her engaging and accessible style, Shaneque turns complex tax concepts into easy-to-understand strategies. She offers a wide range of services, from tax preparation and bookkeeping to personalized business advising. Shaneque is here to ensure you don't just survive tax season—you thrive in it, with the confidence that comes from working with a trusted expert.

Shaneque Downie

CEO, Downie Solutions



DON'T FEAR TAX SEASON—OWN IT!

Tax season can feel like a beast, but guess what? You've got this! With forms to fill out, numbers to crunch, and deadlines looming, it's no wonder taxes have a bad reputation. But this year, we're flipping the script. Instead of stressing out, let's take control of your tax situation and turn it into an opportunity to save big. Whether you're worried about owing money or just want to make sure you're getting the biggest refund possible, I'm here to guide you through every step of the process.

The truth is, there are tons of credits and deductions out there designed to help lighten your tax load—you just need to know where to find them. And no, you don't have to be a tax pro to figure it all out. With the right strategies and a little know-how, you can confidently claim every deduction and credit you're entitled to, keeping more of your hard-earned money in your pocket where it belongs. Ready to dive in?

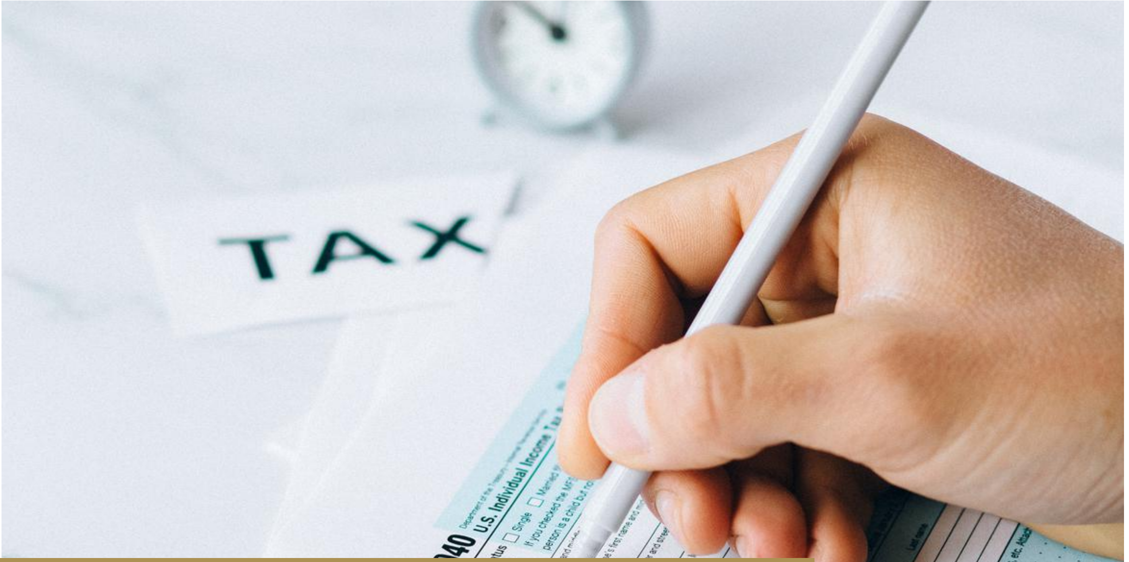
Let's get started!

1. ADJUST YOUR WITHHOLDING, BOOST YOUR PAYCHECK

When you started your job, filling out the IRS W-4 form might have felt like just another piece of paperwork, but it's a powerful tool that impacts your financial situation year-round. This form tells your employer how much tax to withhold from your paycheck, and getting it right can mean the difference between a big refund or a big tax bill at the end of the year.

If you're getting a massive refund every year, it's a sign that you might be overpaying on taxes throughout the year. While that refund can feel like a windfall, it's actually your money that you've been lending to the government interest-free. By adjusting your W-4 to withhold less, you can increase your take-home pay each paycheck. On the flip side, if you're worried about owing money when tax season rolls around, increasing your withholding can help ensure you're covered.

The best part? You can adjust your W-4 anytime during the year. It's especially important to do so after major life changes like getting married, having a baby, or starting a new job. Not sure how much to withhold? The IRS has a handy withholding calculator that can help you figure it out based on your income, deductions, and credits. It's all about finding that sweet spot—maximizing your refund or minimizing your tax bill. The choice is yours!



2. PICK THE RIGHT FILING STATUS IT'S LIKE CHOOSING THE PERFECT OUTFIT

Your filing status can have a significant impact on your tax situation. Whether you're single, married, head of household, or something else, choosing the right status is key to minimizing your tax liability and maximizing your refund.?

For married couples, filing jointly means a larger standard deduction, which can be a game-changer. For the 2024 tax year, the standard deduction for joint filers is $2—double the $14,600 deduction for those filing separately. Filing jointly can also open the door to tax credits and deductions that aren't available to those who file separately. But, if you're in a unique situation—like having significant student loan debt or concerns about your spouse's tax liabilities—filing separately might be the better option.

And let's not forget about the head of household status. If you're a single parent or supporting a dependent like an elderly parent, you could qualify for this status, which comes with a higher standard deduction of $18,000. That's a big difference compared to the $12,000 deduction for single filers, and it could mean more money in your pocket.

Choosing the right filing status is more than just checking a box—it's about optimizing your tax return. By understanding the benefits of each option, you can reduce your tax liability and potentially score a bigger refund.

3. KIDS, DEPENDENTS & TAX PERKS—CHA-CHING!

Raising kids isn't cheap, but come tax time, they can be worth their weight in gold! The federal government offers some sweet tax credits for parents and caregivers, and if you're not taking advantage of them, you're leaving money on the table.

First up is the Child Tax Credit. This credit lets you claim up to $2,000 for each dependent child under the age of 17. Unlike a deduction, which reduces your taxable income, a credit directly reduces your tax bill—meaning you get to keep more of your hard-earned money. Even better, up to $1,400 of this credit is refundable, so if your credits exceed your tax liability, you could get a refund check for the difference.

But what if your kids are older, or you're supporting other dependents? Don't worry—the IRS has you covered. You can still claim a $500 tax credit for each dependent aged 17 to 23 who's a full-time student, or for other qualifying relatives who live with you and rely on your support, like elderly parents. While these credits aren't refundable, they still help reduce your tax bill, which is a win in our book.

The bottom line? If you're supporting kids, college students, or other dependents, make sure you're taking full advantage of these credits. They can significantly reduce your tax burden and help you keep more money in your pocket.

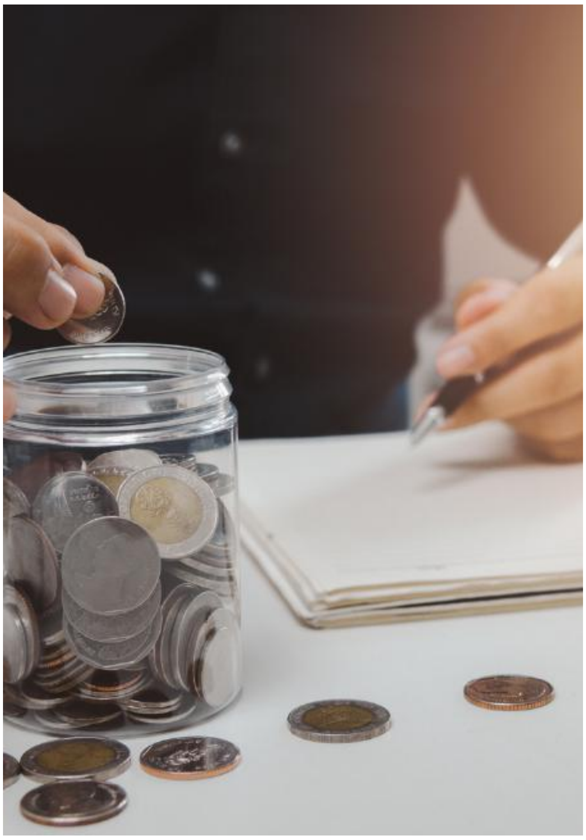
4. DEPENDENT CARE CREDIT TAX RELIEF FOR CAREGIVERS

Taking care of kids or aging parents can be costly, but the IRS offers a way to ease the financial burden. If you pay for someone to take care of your children or an elderly relative while you work or look for work, you could be eligible for the Child and Dependent Care Credit. This credit directly reduces your tax bill, just like the Child Tax Credit, making it a valuable tool for working parents and caregivers.

Here's how it works: You can claim up to $3,000 in care expenses for one qualifying individual or $6,000 for two or more. The credit is a percentage of those costs, ranging from 20% to 35%, depending on your income. For example, if you claim the maximum $6,000 in expenses and your income is $35,000 a year, you could receive a credit worth $1,440 (that's 24% of $6,000).

This credit can make a real difference in your overall tax liability, so it's worth checking if you qualify. Whether you're paying for daycare, after-school programs, or even in-home care for an elderly parent, this credit can help offset those costs and reduce your tax bill.

5. PUMP UP YOUR REFUND WITH RETIREMENT CONTRIBUTIONS



One of the best ways to maximize your tax refund is by contributing to a retirement account, like an Individual Retirement Account (IRA) or a 401(k). Not only does this help you save for the future, but it also reduces your taxable income right now. It's a double win!

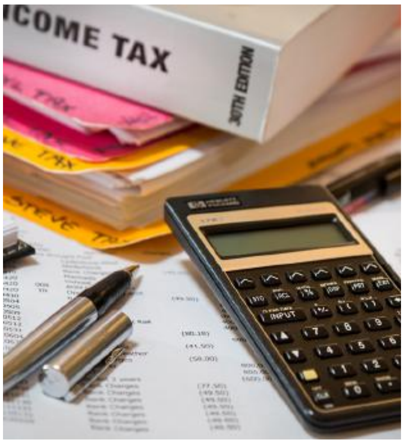
Contributions to a Traditional IRA, for example, are made with pre-tax dollars, meaning the amount you contribute is deducted from your total taxable income. The lower your taxable income, the less you owe in taxes, which can result in a larger refund. For the 2024 tax year, you can contribute up to $7,000 to an IRA ($8,000 if you're 50 or older), and this contribution can be deducted from your taxable income.

But don't forget about deadlines! Contributions to an IRA for the 2024 tax year must be made by the tax filing deadline, typically April 15th of the following year. And make sure you don't exceed the contribution limits, as excess contributions can result in penalties. If you're unsure of how much to contribute or when, a tax professional can help you maximize this strategy and boost your refund.

6. GIVE BACK & GET BACK: CHARITABLE DEDUCTIONS

If you're the generous type, here's some good news: your charitable donations can also help you at tax time. Cash donations, goods like clothing or electronics, and even mileage driven for a charity can all be deducted from your taxable income if you itemize your deductions.

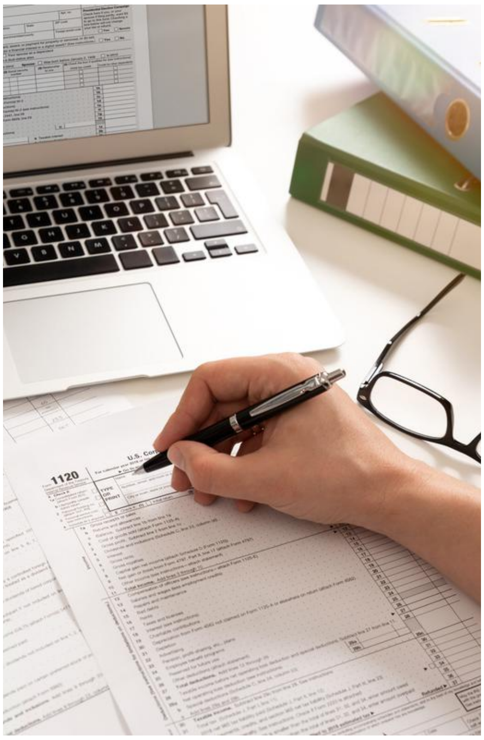
While the standard deduction has increased, meaning fewer people are itemizing, it's still worth doing if your charitable donations and other deductible expenses add up. To take advantage of these deductions, your donations must go to a qualified nonprofit organization, typically a 501(c)(3). And don't forget to keep those receipts! Legitimate nonprofits will provide you with a receipt, which you'll need if you're ever asked to prove your contributions.



Remember, there are limits to how much you can deduct—generally up to 50% of your adjusted gross income (AGI). If your donations approach or exceed this limit, or if you're unsure about any aspect of your deductions, a tax professional can help you navigate the rules and maximize your benefits.

7. OTHER DEDUCTIONS YOU MIGHT BE MISSING

In addition to charitable donations, there are several other deductions you may be able to claim to lower your taxable income and increase your refund. If you own a home, the mortgage interest deduction is a big one. You can deduct the interest you pay on your mortgage, which can significantly reduce your taxable income, especially if you have a large mortgage balance.



The State and Local Taxes (SALT) deduction allows you to deduct state and local taxes paid, including income, sales, and property taxes. However, this deduction is capped at $10,000, which means it might not be as generous as it once was, but it can still help reduce your tax burden.

If you’ve had significant medical or dental expenses that exceed a certain percentage of your adjusted gross income (AGI), you may be able to deduct the amount that exceeds that threshold. Eligible expenses include out-of-pocket costs for doctor visits, prescriptions, medical procedures, and even certain home improvements for medical care.

Other deductions to consider include the Student Loan Interest Deduction, which allows you to deduct up to $2,500 in interest paid during the year, and the Educator Expenses Deduction, which lets teachers deduct up to $250 for classroom supplies. Every deduction counts, so be sure to claim everything you’re entitled to.

8. GO GREEN, GET GREEN: ENERGY-EFFICIENT CREDITS

If you've been thinking about making eco-friendly upgrades to your home or purchasing an electric vehicle, now might be the perfect time. Not only can these green investments reduce your environmental footprint, but they can also provide significant tax benefits.

The Residential Renewable Energy Tax Credit allows you to claim up to 30% of the total cost of qualifying home renewable energy projects, like installing solar panels or a geothermal heat pump. This credit is available through 2025, so if you're considering a green upgrade, now's the time to act.

If you're in the market for a new car, consider going electric. The IRS offers a tax credit of up to $7,500 for purchasing a qualifying plug-in electric vehicle. This credit can still provide substantial savings on your taxes, making it a smart financial decision if you're considering an electric vehicle.

Keep in mind that both the renewable energy credit and the electric vehicle credit are nonrefundable, meaning they reduce your tax bill dollar-for-dollar but won't result in a refund on their own. However, when combined with other refundable credits, these green tax incentives can still significantly boost your overall refund.

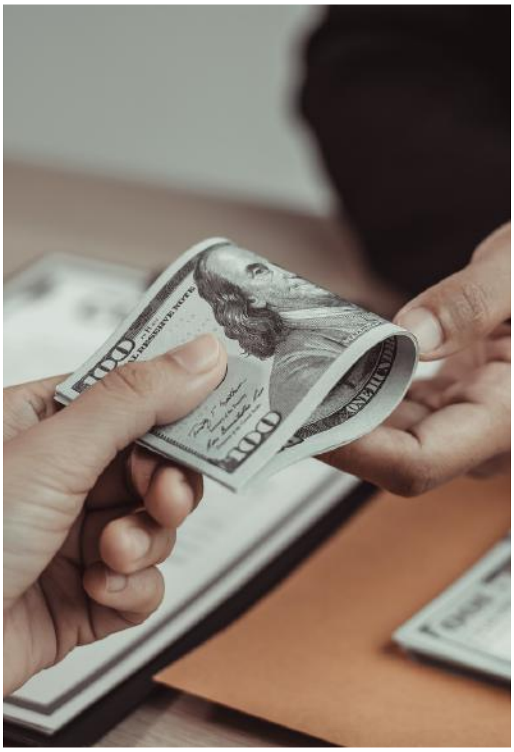
9. SIDE HUSTLE? DEDUCT THOSE EXPENSES!

If you've got a side hustle or small business, congratulations! Not only are you earning extra income, but you're also opening the door to valuable tax deductions that can reduce your taxable income and potentially increase your refund.

Home-based business owners can deduct expenses related to maintaining a home office, telephone and internet service, office supplies, and even a portion of your rent or mortgage interest. If you use a dedicated space in your home exclusively for business, you can also deduct related expenses, like utilities and maintenance.

If your business requires a vehicle, you can deduct either the actual expenses of operating the vehicle for business purposes or use the standard mileage rate set by the IRS. Similarly, costs related to business travel, meals, and even professional development can be deducted, provided they are ordinary and necessary for your business operations.

The Qualified Business Income (QBI) deduction is another powerful tool that allows eligible small business owners to deduct a portion of their business income. This can result in significant tax savings, reducing your taxable income even further. Just make sure your business is recognized as legitimate by the IRS—keep accurate records, operate with the intent to generate income, and show a profit in at least three out of five years.

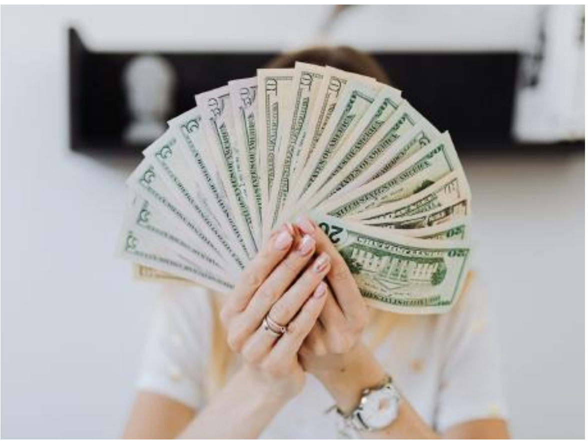


By taking advantage of these deductions and understanding the rules that apply to your situation, you can reduce your tax liability and keep more of your hard-earned income.

10. TAX PLANNING
YOUR YEAR-ROUND MONEY MOVE

Tax planning isn't just for the pros—it's something anyone can do to ensure they take full advantage of every tax-saving opportunity throughout the year. By planning ahead, you can make informed decisions that minimize your tax liability and maximize your refund.

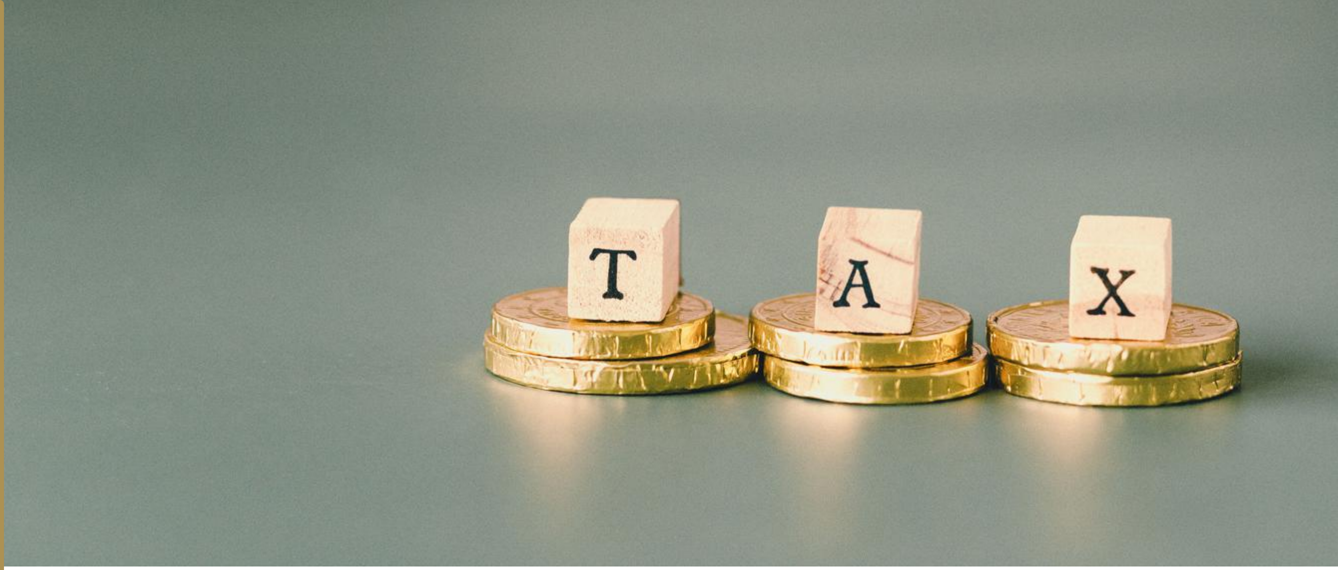
Tax planning starts early—ideally at the beginning of the year—and involves assessing your expected income, anticipated expenses, and any major financial changes on the horizon. Whether it's timing major purchases, contributing to retirement accounts, or maximizing deductions, proactive tax planning puts you in control of your financial future.



By adjusting your withholdings, estimating potential deductions, and exploring different filing statuses, you can see how different choices will impact your tax outcome. This foresight allows you to make adjustments throughout the year, rather than scrambling at the last minute.

In the end, tax planning is about making smart financial decisions that set you up for success year after year. And the best part? It doesn't have to be complicated. Proactive tax planning puts you in control of your financial future, allowing you to make adjustments throughout the year rather than scrambling at the last minute.

LET'S TURN TAX SEASON INTO SAVINGS SEASON



Don't wait until tax season to start thinking about your taxes. Begin your tax planning now to maximize your deductions, reduce your liabilities, and get the refund you deserve. Whether you're optimizing your retirement contributions, managing business expenses, or making energy-efficient investments, every step you take today can make a difference.

Ready to take control?

Reach out to Downie Solutions for expert guidance every step of the way. Start planning today and set yourself up for financial success this tax season!

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