



# Liberty Financial Consulting, Inc.

*A leader in small business accounting, Quickbooks support, and tax preparation*

## US Political History

1. *1st presidential election women voted.*
2. *Senator who lead committee hearings on subversion in the US government during 1950s.*
3. *Supreme Court case decision which lead to the end of segregation of US schools.*
4. *Professional wrestler turned MN Governor in 1990s.*
5. *POW of 7 years during Vietnam War who eventually became an United States senator.*
6. *Died in a airplane crash while campaigning in northern MN in 2002.*
7. *Ronald Reagan nearly defeated this president for the Republican presidential nomination in 1976.*
8. *Served in the US House for many years after being President.*
9. *Early 20th century president debilitated by a severe stroke in Final years of his presidency.*
10. *President who was assassinated at Pan-American Expo in Buffalo, NY 1901.*
11. *1840 presidential campaign slogan.*
12. *Senator, then later president, Who was backed by the Pendigrass political machine in Missouri.*
13. *Massachusetts governor, later president, who put down the Boston Police strike in 1919.*

## Winter 2024

With the close of 2024, LFC has decided once again to put out its newsletter before tax season gets underway.

2024 had been an interesting year for the business. There had been the usual addition of new clients, but also saw some long term clients who made changes due to selling their businesses, down-sizing, or other reasons.

The business has an interesting dynamic due to the number of things it is involved in. With services ranging from general bookkeeping, payroll, soft-

ware set up, tax preparation, the business sees a wide variety of clients with vastly different needs. This makes the business always fresh and interesting.

In 2024, another service was added: Social Security consulting. As the population has aged as well as the business's clientele, there appeared a need to assist with Social Security decision making for clients. This seemed a logic extension of services to offer due to the tax preparation services already offered to clients.

As we move into 2025, the

company is looking forward to continually working with its clients providing high quality services. The company shares the same cautious optimism many others have about the future. It is hoped that a more business-friendly environment will transpire as the changes in Washington, due to November's election, take hold.

Happy New Year!

LFC

## Economy 2025

2024 will go down as a very consequential year: a presidential election, an economy still affected by high inflation, and interest rates remain high compared to a few short years ago.

With the election resulting in a change toward a more business-friendly administration, it will be interesting to see what will transpire in 2025. Here are some questions for the new year:

1. Will there be reduced government spending to get a handle on inflation?
2. Will tariffs be imposed

on foreign producers to give American companies an advantage over foreign competition?

3. Will the 2017 Tax law be renewed before year-end?
4. Will we once again have an energy policy that encourages the development of oil and gas and be energy independent?

Government policy has economic consequences for the individual families and businesses as well as the country at large. And each election winner brings a set of policies that will steer the economy in one direction or the other.

It does appear that there is a

cautious optimism for the up-coming year and beyond as a new administration is set to be in place later this month. Two things that are vitally important to businesses, as well as individuals, are certainty and consistency in government economic policy. Certainty in economic policy allows one to assess risk more effectively when making financial decisions. Consistency brings predictability and makes it easier to plan ahead.

We will see in the weeks ahead what effect the election has on the economy or if Washington continues its same tax and spend ways of the past.

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**Trivia  
 Answers**

1. Election of 1920
2. Joe McCarthy
3. Brown vs Board of Education
4. Jesse Ventura
5. John McCain
6. Paul Wellstone
7. Gerald Ford
8. John Quincy Adams
9. Woodrow Wilson
10. William McKinley
11. Tippecanoe and Tyler too.
12. Harry Truman
13. Calvin Coolidge

**IRS  
 Fun  
 Facts  
 (Tax Year 2019)**

1. Total Individual returns filed: 158,000,000
2. Returns filed with Income of \$10 Million or more: 24,000
3. Returns filed with Income of \$25,000 or less: 49,000,000
4. Partnership & S Corp (small business) returns filed: 9 Million
5. Corp returns of companies with assets of \$20 Billion or more: 472

**Up-coming 2024 tax season**

The 2024 tax season will be starting up in a matter of weeks and LFC is ready to beign the work. Below are a few tips to consider when working LFC for tax preparation:

1. Stay organized—use the tools in place to assist with tax preparation. Use the organizer on the LFC website as your guide. Once all documents received, transfer data via drop-box or Intuit Transfer server to LFC.
2. If needed, schedule a time to meet with LFC to discuss current tax

return, particularly if major changes happened during the year.

3. Beware of deadlines throughout the tax season. Some important ones include:
  - A. Business returns due 3/15/25
  - B. Individual returns due 4/15/25
  - C. Receipt of most tax documents to taxpayers—1/31/25 (W2s and 1099s)
  - D. IRA deadline—4/15/25
  - E. Extension deadline—businesses 9/15/25
  - F. Extension deadline—individuals 10/15/25

If one has to file a corpo-

rate or partnership return, here are some other items to consider:

1. Reconcile all bank and credit card statements.
2. Provide list of fixed assets for items purchased in 2024
3. Provide payroll records and 1099s for contractors paid in 2024.
4. Include loan information from banks or other finance companies on loan payments and interest paid.
5. Provide data on retirement plan provide to employees.

If you have any questions regarding 2024 tax preparation, contact the LFC office.

**2025 Tax Information**

One of the most important things to note about 2025 is that it will be the final year of the Tax Cuts and Jobs Act of 2017 if it is not extended or renewed by 12/31/25. This law produced significant tax savings for all tax filers. Significant features of the tax will expired by year's end if the law is not renewed or made permanent, of which include:

- \$2000 tax credit per child
- Increased standard deduction
- Corporate tax rate reduced to a flat 21%

- 20% deduction for qualified small businesses.
- Reduced and expanded tax brackets

Over the past 20+ years, major tax legislation has included a sunset provision. This feature has been used to garner support for a bill that it might not otherwise pass and to score the bill's financial impact favorably within in a current federal budget.

The 2001 and 2003 tax bills had a sunset provision to end in 2010. But the law was renewed in 2010 for 2 years, Then, made permanent in 2012.

The 2017 tax law could play out the same way as the 2001/2003 law did. However, it would behoove Congress to act on the law early in the year. It is best to provide certainty to business owners and families so they can properly accommodate their financial lives within a predictable tax code.

Renewing the 2017 tax law should be a top priority for the new federal legislative session. It has provided much relief for business owners and families. And, it renewal would ensure much needed predictability to the general economy overall.