

Virginia NATP

HAPPY NEW YEAR!



From the 2026 President:

Dear Members,

As we embark on the new year of 2026, I would like to take a moment to reflect on the challenges and opportunities that lie ahead for our organization and the profession as a whole. The 2025 tax season will be one of the most complex and dynamic seasons we have witnessed in recent years. Ongoing tax law modifications, coupled with rapid technological advancements, continue to transform our work processes and the way we serve our clients.

Technology and tax changes remain paramount concerns for our membership, and we are committed to addressing the issues that are most relevant to you. As we plan our upcoming conference, we are actively soliciting your input on the topics and subjects that would be of interest to you. Your feedback enables us to deliver timely and pertinent education that supports your professional growth.

In addition, we are pleased to announce that we will be returning to the Northern Virginia region for the first time in four years. This strategic decision reflects our dedication to enhancing our service to our membership and providing greater access to high-quality programming and networking opportunities.

SAVE THE DATE

2026 VA Chapter
Annual Conference

November 5 & 6,
2026

Hilton Garden Inn
Woodbridge, VA



VA Legislation

Page 3 - A Summary
of changes in
Virginia legislation.



Impact of SALT Deduction

Page 4 - A review
key elements of the
change.



Quickbooks Solution

Page 3 - Deposit
payment line error.

-continued on page 2

Locating your Continuing Education Credits (CE)

New to earning CE or just don't know where to look and see if you are fulfilling the minimum requirement? You can access your current and prior CE history at irs.gov. Go to the TaxPros section and sign into the PTIN system. Once you are logged in, click on the square for Continuing Education Credits. The year can be toggled via a drop-down menu in the right corner.

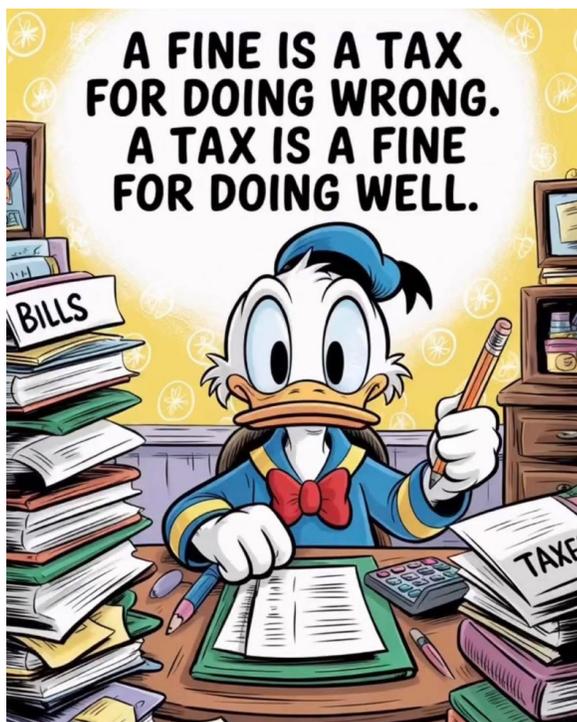
IRS offered CE

Throughout the year, the IRS offers webinars on several topics for varying amounts of continuing education credit. Search the irs.gov website for "Webinars for tax practitioners" to see the upcoming events.

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We extend our sincere gratitude for your continued engagement and support. We eagerly anticipate an informative year ahead and look forward to connecting with many of you in person at the conference.

Sincerely,
Chris Smith



"It always seems impossible until it's done"
– Nelson Mandela

Virginia's 2025 Legislative Summary

For the full legislative summary visit - <https://www.tax.virginia.gov/sites/default/files/inline-files/2025-legislative-summary.pdf>

Virginia's 2025 General Assembly enacted several income tax changes preparers should be aware of heading into the upcoming filing seasons. Key updates include a temporary pause on Virginia's rolling conformity to the Internal Revenue Code for federal changes enacted between January 1, 2025 and January 1, 2027 unless specifically adopted by the General Assembly. The standard deduction increases to \$8,750 (single) and \$17,500 (married filing jointly) for tax years 2025-2026. The refundable Virginia Earned Income Tax Credit (EITC) increases from 15% of the federal credit to 20% for the same period. The estimated tax payment threshold increases from \$150 to \$1,000 beginning in 2026, reducing estimated payment requirements for many taxpayers. Additionally, the Pass-Through Entity Tax (PTET) election is extended through tax year 2026, and several credits and deductions have expired or are scheduled to sunset. Preparers should review these changes closely for planning and compliance impacts on 2025 and 2026 returns.

-Justin Smith

Quickbooks Solution

Error- "You must delete the payment from the deposit before you can make changes."

This error occurs when you have already included a payment in a deposit, but you need to go back and change a name or make another adjustment. Most users will delete the entire deposit and then re-add the deposit once the change to the payment is made.

Here is an easier option.

Go to the deposit and make a new line for the payment. Assign the account as 'Ask My Accountant' or any Uncategorized account. You only need to put the account and the amount on that new line. Then use the Delete Line command under the Edit menu to delete the original payment line in the deposit. Use the Save button at the top of the screen and not Save and Close so that you can correct the deposit quickly after the change to the payment is made. Make your change to the payment and Save and Close it. Go back to the deposit and click on the Payments button to select the payment that was removed. Once it is re-added, you can use the Delete Line command again to remove the 'Ask My Accountant' line that you added. Click Save and Close to complete the solution.

-Heidi Sutton

Impact of SALT Deduction

Are you ready for the impact of the increased SALT Deduction in 2025? While it provides a clear tax savings opportunity for many taxpayers, the increased SALT deduction helps increase the possibility of more returns with itemized deductions and elevates the role of the tax preparer from compliance to advisor. We must examine if, and how we will proactively educate clients on the changes, refine our planning processes, and potentially invest in staff training that will help to deliver value under the new SALT landscape.

Some key elements of how the \$40,000 SALT Deduction may benefit taxpayers

The increase of the State and Local Tax (SALT) deduction limitation to \$40,000 for tax year 2025 provides meaningful relief for taxpayers, particularly those in high-tax jurisdictions.

Key taxpayer benefits include:

- ▶ Increased Itemized Deductions - Taxpayers with significant state income taxes and property taxes may now deduct a larger portion of these expenses, potentially reducing federal taxable income.
- ▶ Renewed Value of Itemizing - Many taxpayers who previously defaulted to the standard deduction due to the \$10,000 SALT cap may find that itemizing once again produces a better tax outcome.
- ▶ Higher Benefit for Homeowners and Professionals - Homeowners, business owners, and professionals in high-tax states (e.g. CA, NY, NJ, IL) are more likely to benefit due to higher property and state income tax burdens.

- ▶ Improved Tax Planning Opportunities - The expanded cap creates opportunities for strategic timing of state tax payments, estimated payments, and property tax payments within allowable rules.

What the potential additional work and consideration for tax preparers may look like.

While beneficial to taxpayers, the increased SALT deduction adds complexity and workload for tax professionals.

Key impacts on tax preparers include:

- ▶ Expanded Itemization Analysis - Preparers must perform more frequent and detailed comparisons between the standard deduction and itemized deductions to ensure optimal outcomes.
- ▶ Enhanced Client Data Gathering - More detailed documentation will be required for state income taxes paid, property taxes, and other eligible SALT components, increasing preparation time.
- ▶ Income Threshold and Phase-Down Monitoring - Higher-income taxpayers may be subject to SALT limitation phase-downs, requiring careful modified adjusted gross income (MAGI) calculations and scenario modeling.
- ▶ Increased Planning and Advisory Time - Clients will expect guidance on payment timing, withholding strategies, and estimated tax planning to fully leverage the expanded deduction.
- ▶ Software, Training, and Review Updates - Tax software must be correctly configured for the higher cap, and staff must be trained to apply the new rules accurately and consistently.

-Keith Tucker

2026 Board of Directors

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Are you interested in serving on the Board of Directors?

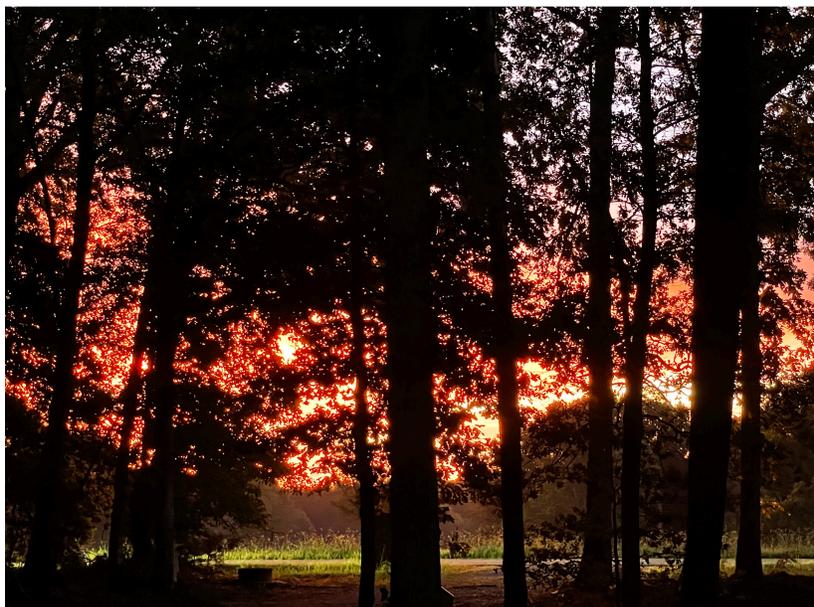
Positions open every year and are voted on by the membership at the annual conference in November. The nomination form is available on the chapter website on the Board of Directors page.

Have an idea for a class or a speaker at the 2026 VA Chapter Annual Conference?

Send all suggestions to vanatptax@gmail.com

Your Virginia photos in the Newsletter

We'd love to post your photo in the next newsletter. To have your photo considered, please email the photo and the city in Virginia where it is taken to vanatptax@gmail.com. No compensation is offered for printed submissions.



Fredericksburg, Virginia