

**Sun City Summerlin  
Computer Club**

**Seminar**

**Annual  
Tax Software Review**

**Tax Year 2024**

**Tom Burt**

**January 30, 2025**

# Where to Find the Handout

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**Sun City Summerlin Computer Club Website, Seminar Handouts:**

<https://www.scsccl.club/smnr>

<https://www.scsccl.club/smnr/TaxSoftwareReview-2024.pdf>

# Seminar Agenda

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- Seminar Introduction
- Review of Turbo Tax Versions & Features
- Review of H&R Block Versions & Features
- Sample Couple - Financials
- Step by Step Demo Completing a Return
- Tax Reference Links
- 2024 Tax Law Recap and Rates
- 2025 Tax Rates
- Q and A

# Seminar Introduction (1)

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- This is a seminar about Tax Software Programs.
- This is *NOT* a seminar about income taxes.
  - Please don't rely on me for tax advice.
  - Please don't rely on me to correctly interpret the tax laws for your tax situation.
- We'll look at Turbo Tax and H&R Block Features
- Then we'll dig into H&R Block Deluxe in more depth
- Our approach will be to use a model senior couple and fill in their tax forms with H&R Block Deluxe.

# Seminar Introduction (2)

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- **Benefits of Tax Software Programs:**
  - Easy step-by-step interview.
  - Also support direct “Forms” entry.
  - Imports prior year’s tax return data.
  - Can automatically get much financial data.
  - Can import from Quicken.
  - Instantly recalculates when you make a change.
  - Programs know and follow the latest tax rules.
  - Powerful error checking and audit review.
  - Facilitates electronic filing via an encrypted connection between your PC and the IRS.
  - Also does State income taxes (if needed).
  - Your tax filing is completely private.

# Turbo Tax Versions

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- <https://turbotax.intuit.com>
- Turbo Tax Free (1040 A / 1040 EZ) - *online*
- Turbo Tax Basic (Simple returns)
- Turbo Tax Deluxe (For homeowners)
- Turbo Tax Premier (stocks, rentals...)
- Turbo Tax Home & Business (Business, ...)
- Most versions now available on the web in “free trial” mode.
- All versions available online or as downloads

# Turbo Tax Key Features

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- Step by step interview
  - Personal Information
  - Income
  - Expenses (deductions)
  - Credits & other considerations.
- Forms mode (direct entry)
- Tax summary window
- Program and Tax Help
- Deduction Finder (Deluxe & above)
- Print return (for records, for filing)
- Electronic filing
- State tax return (Efile is extra cost)

# H&R Block Versions

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- <https://www.HRBlock.com>
- H&R Block Free (Simple returns) *Online*
- H&R Block Basic (Basic returns)
- H&R Block Deluxe (Stocks, rentals, business ...)
- H&R Block Premium (More help on business)
- H&R Block Premium & Business (Corporate returns)
- Versions available online or as downloads (DVD \$10 extra)
- Also offering “Online Assist” Service.



# H&R Block Basic Features

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- Step by step interview
  - Personal Information
  - Income
  - Expenses (deductions)
  - Credits & other considerations.
- Forms mode (direct entry)
- Tax summary report window
- Program and Tax Help
- Print return (for records, for filing)
- Electronic filing
- State tax return (may have extra cost)

# John and Mary Smith Taxable Income

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Item	John (74)	Mary (72)	Joint
Wages / Self Employment	5,465	2,811	
Social Security	19,648	18,088	
Interest (B of A CD)			241
US Treasuries – 10,000 @ 3.5%			350
Dividends (Schwab)			6,728
Stock Sales (Schwab)	Sold 200 JNJ @145.20 09-20-24 (bot 98.63 7-7-15) Sold 600 DVN @32.07 12-30-24 (bot 67.60 varl)		
IRA RMD Distributions	3,948	2,484	
IRA to Roth Conversions	7,500	5,000	
Rental Income Property			See Below

# John and Mary Smith Deductions

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Item	John (74)	Mary (72)	Joint
Qualified Business Income 20%		468	
Charitable Contributions			0
Qualified Charitable Donations	3000	1500	
Health Ins. (Med Part B)	1,979	1,979	
Health Ins. (Humana)	0	0	
Health Care	4,235	2,565	
Property Tax			3,275
Long Term Care Ins	2,425	2,425	
Car License Fees (2)	320	267	

# John and Mary Smith Rental Income Property

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Item (1850 sq. ft detached home)	Amount
Original Basis (purchase price in March, 2005)	\$245,000
Major Improvements (Kitchen, bath, AC - financed)	\$45,000
Adjusted Basis	\$290,000
Rent Received (@\$2925 / month - \$1.58 / sq ft)	\$35,100
Mortgage Interest (3.5% on \$241,000)	\$8,435
Real Estate Taxes	\$3,150
Maintenance / Repairs	\$1,500
Management Fees (10%)	\$3,510
Depreciation MACRS-GDS life 27.5 years, 3.636%	\$10,544
HOA Dues + SubAssociation Dues	\$4,600

# H&R Block Step by Step for the Smiths

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- Import prior year's return
- Personal *Interview*
- Income Entry *Interview*
- Expense Entry *Interview* (good to do even if using std. deduction)
- Estimated Tax Payments Made (1040 ES)
- Revisit Income and Expense Topics Lists
  - *To ensure nothing missed – esp. medical expense items.*
- Final Review – correct any issues
- Audit checks
- Print Return for records (paper & PDF)
- E-File
- E-Pay (IRS EFTPS.gov website)

# IRS Free-File Program

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- For taxpayers whose AGI is \$79,000 or below
  - Find at: [www.irs.gov/freefile](https://www.irs.gov/freefile)
  - Fill in some questions and then get directed to a tax software vendor's free tax filing product.
- Alternative for those whose AGI > \$79,000:
  - Free fillable online tax forms that you can fill in, print and submit. (Does basic math).
- Also consider free **AARP Tax Assistance**.  
*Check the LINK Magazine for details.*  
*(Available in 2024 at Sun City Summerlin, but slots filling fast.)*

# IRS Electronic Payments

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- EFTPS: [www.eftps.gov](http://www.eftps.gov)
- Pay tax bills on-line
  - Get a password - call: 1-800-982-3526
  - Or you can enroll online.
  - Once account set up, you can pay all taxes owed online.
  - Links to your checking account.
  - IRS will mail you a PIN.
- Each EFTPS payment gets an e-mail receipt.
- May have to call and reactivate if not used for 6 months or more.

# Tax Reference Links

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- **Tax Law Changes for 2024**
  - <https://www.hrblock.com/tax-center/filing/tax-law-changes/>
- **Federal Budget Analysis – 2023**
  - <https://www.cbpp.org/research/policy-basics-where-do-our-federal-tax-dollars-go>
- **IRS Tax Statistics – Through 2023**
  - <https://www.irs.gov/statistics/soi-tax-stats-irs-data-book>
- **Taxpayer Profiles**
  - <https://taxfoundation.org/data/all/federal/latest-federal-income-tax-data-2025/>
- **Sunset of the Tax Cuts and Jobs Act on 12/31/2025 (unlikely with Trump's reelection)**
  - <https://www.thetaxadviser.com/issues/2023/dec/tax-planning-for-the-tcjas-sunset.html>



# 2024 Tax Brackets

- 2024 Tax Brackets for Single Filers, Married Couples Filing Jointly, and Heads of Households  
*Source: Internal Revenue Service*
  - <https://taxfoundation.org/data/all/federal/2024-tax-brackets/>
- For 2024, so far there are few material changes in rates / deductions:
  - Tax brackets, standard deduction and various credits adjusted for inflation:
  - Note the marriage penalty beginning at 35%

Rate	For Single Filers	Married Filing Jointly	Head of Household
10%	\$0 to \$11,600	\$0 to \$23,200	\$0 to \$16,550
12%	\$11,601 to \$47,150	\$23,201 to \$94,300	\$16,551 to \$63,100
22%	\$47,151 to \$100,525	\$94,301 to \$201,050	\$63,101 to \$100,500
24%	\$100,526 to \$191,950	\$201,051 to \$383,900	\$100,501 to \$191,950
32%	\$191,951 to \$243,725	\$383,901 to \$487,450	\$191,951 to \$243,700
35%	\$243,726 to \$609,350	\$487,451 to \$731,200	\$243,701 to \$609,350
37%	\$609,351 or more	\$731,201 or more	\$609,351 or more
SD	\$14,600	\$29,200	\$21,900
65+	\$1,950	\$1,550	\$1,950
Blind	\$1,950	\$1,550	\$1,950

# 2025 Tax Brackets

- 2025 Tax Brackets for Single Filers, Married Couples Filing Jointly, and Heads of Households  
*Source: Internal Revenue Service*
  - <https://taxfoundation.org/data/all/federal/2025-tax-brackets/>
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  - Tax brackets, standard deduction and various credits adjusted for inflation:
  - Note the marriage penalty beginning at 35%

Rate	For Single Filers	Married Filing Jointly	Head of Household
10%	\$0 to \$11,925	\$0 to \$23,850	\$0 to \$17,000
12%	\$11,926 to \$48,475	\$23,851 to \$96,950	\$17,001 to \$64,850
22%	\$48,476 to \$103,350	\$96,951 to \$206,700	\$64,851 to \$103,350
24%	\$103,351 to \$197,300	\$206,701 to \$394,600	\$103,351 to \$197,300
32%	\$197,301 to \$250,525	\$394,601 to \$501,050	\$197,301 to \$250,500
35%	\$250,526 to \$626,350	\$501,051 to \$751,600	\$250,501 to \$626,350
37%	\$626,351 or more	\$751,601 or more	\$626,351 or more
SD	\$15,000	\$30,000	\$22,500
65+	\$2,000	\$1,600	\$2,000
Blind	\$2,000	\$1,600	\$2,000

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## **Questions and Discussion**