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SEPTEMBER 2025

NEW PARTNERS

MADISON LAIRD AND MARY HANNAH WILLIAMS

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We are pleased to announce that Madison Laird and Mary Hannah Williams have been admitted as partners in the Firm.

Madison joined the Firm in August 2014 after graduating with a bachelor's degree from Louisiana Tech University in Ruston. She and her husband, Drew, attend Broadmoor Baptist Church, are avid CrossFit athletes, and have three children, Stratton (7), Conrad (4), and Sutton (1).

Mary Hannah joined the Firm in 2020 with three years of experience in public accounting. She graduated from Louisiana State University in Baton Rouge in 2016 with a Bachelor's Degree in Accounting and also holds a Master's Degree in Accounting. Mary Hannah and her husband, Nathan, enjoy traveling, outdoor activities, and spending time with their friends and family.

MAINTAINING PERSONAL DOCUMENTS AND OTHER ITEMS

Whether it is your will, information about financial accounts, insurance policies, other critical documents, jewelry, etc., safeguarding these items is important for the protection of your assets while you are living and for the proper handling of them after your disability or death. An additional discussion of personal record keeping follows this article, but here are some general suggestions to help ensure that your important documents and other items are safe and accessible when needed.

Create Digital Copies – Make digital copies of all your important documents. Store these copies securely on a cloud service, flash drive, or other external storage. This will provide a backup in case the physical documents are lost or damaged. Use strong passwords for financial and other

sensitive records. A digital password manager is recommended.

Use a Safe Deposit Box – Although safe deposit boxes are becoming less common and available, consider renting a safe deposit box at a local bank. This is a good option for storing original documents such as wills, property deeds, and other irreplaceable items.

Use a Home Safe - A fireproof and waterproof home safe can be a good way to store important documents. Choose a safe with a combination lock or digital keypad. Keep the safe in a discreet location in your home, and consider a safe that is either bolted to the floor or heavy enough (e.g., 300 lbs. or more) to discourage attempts to move it.

(Continued on reverse)

Organize and Label - Organize your documents in clearly labeled folders or binders.

Regularly Update Your Documents – Regularly review and update your documents when appropriate.

Inform Trusted Individuals – Be sure

that at least one trusted family member or friend knows where your important documents are kept and how to access them with the keys, passwords, or access codes.

By taking these steps, you can help make certain that your important documents are protected and available to you or others when needed.

DIGITAL VS. PAPER

Should you store your personal records such as bank statements, tax returns, major purchase invoices, warranties, legal documents, etc. on paper or electronic format? “Both” might be the answer for many of us.

Digital Records: Pros and Cons – Digital recordkeeping is convenient, searchable, space-saving, and often can be backed up automatically. Digital files can be accessed remotely and easily shared with others when necessary.

Electronic storage devices, however, like flash drives and hard drives, can degrade or fail over time. Hard drives (spinning disks) are prone to mechanical failure over time and have a typical lifespan of 3 to 7 years. Solid-state drives (no moving parts), such as flash drives, are more durable but also have a limited life (5 to 10 years under normal usage), a finite number of write/erase cycles, and can fail or lose data if left unpowered for as few as 1 to 2 years. Preservation guidelines from the U.S. National Archives and Records Administration and the Library of Congress recommend migrating electronic data every few years to new storage media to prevent degradation and data loss. This process involves not only copying data to newer devices, but also addressing potential changes in file formats and storage technologies due to obsolescence.

Even cloud services carry some risk such as account hacks, data loss, or changes in service availability.

Paper Records: Pros and Cons – Paper is reliable and tangible, requiring no technology to access. Original documents like birth certificates and deeds are often still needed in paper form. But paper records can fade, get lost, or be destroyed in disasters. They also require physical space and manual organization.

A Hybrid Approach – The best approach might be to combine the strengths of both formats:

- Keep routine records digitally, using cloud storage or an encrypted external drive.
- Retain important original documents on paper, stored in a fireproof/waterproof safe.
- Keep digital backup files in multiple locations. For example, keep one copy on a password-protected flash drive at home in a safe location, a second flash drive at your office, and a third copy on a cloud service.
- Use strong passwords and two-factor authentication for digital security.
- Review and refresh both digital and paper records regularly.

Digital tools make recordkeeping easy and efficient, but paper still has its place for some key documents. A thoughtful, blended system can give you the security and convenience you need when retrieving those documents as required.

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Tax & Business Alert

SEPTEMBER 2025

BEFORE A WEATHER EMERGENCY CLOSES YOUR BUSINESS, MAKE A PLAN

It's hurricane season — just one of several weather emergencies companies may face, depending on location. Tornadoes, floods and wildfires also pose serious threats. According to the Federal Emergency Management Agency (FEMA), about 25% of businesses never reopen after a major disaster. And many that do reopen struggle to recover.



To lower the risk of closure and improve your chances of a strong recovery, establish a comprehensive emergency plan before disaster strikes. FEMA recommends

the following multi-step approach to help safeguard your business.

SET GOALS AND ASSIGN RESPONSIBILITY

Start by carefully defining the goals of your disaster plan and identifying who'll create, manage and execute it. Your priorities will likely include:

- Protecting employees and customers,
- Minimizing damage to assets, and
- Resuming operations as quickly as possible.

For legal and financial risk management, consider adding an attorney and an insurance professional to your team.

CRAFT YOUR PLAN

Begin by identifying and prioritizing the risks your business may face. These will likely include physical injuries to employees or customers. Also important to consider are business interruption, revenue loss and damage to property, equipment, inventory or vital records.

Your plan should address:

Employee roles. Assign responsibilities to staff with relevant skills for different weather emergencies.

Evacuation procedures. Develop clear evacuation routes and protocols.

Safety equipment. Define needs for items such as first aid kits, fire extinguishers and sprinkler systems.

Data protection. Secure vital records and documents by means such as remote backups and physical copies.

Communication strategy. Establish how you'll keep employees and customers updated as to status and recovery timeline.

Inventory and supplier list. Keep a current list of critical equipment and replacement suppliers.

Operational continuity. Create contingency plans to run essential functions remotely with a minimal team.

HR and payroll policies. Set guidelines for compensating nonexempt employees who can't work during downtime.

MONITORING AND TWEAKING

With a solid plan in place, relax, but not too much. Review and update your plan at least annually to reflect changes in staff, operations or layout.

Incorporate feedback from various sources, such as test results, employee input and new risks you've discovered or lessons learned. Adapting and refining your plan regularly will maintain its effectiveness and help keep your assets, especially your human assets, safe over time.

Keep your plan thorough but manageable to ensure it's practical, updatable and easy to follow.

PUT THE PLAN TO WORK

To implement your plan, inform employees of their roles, assign responsibilities and provide any necessary training. Ensure that all essential emergency equipment is readily available and that your insurance coverage is sufficient to meet your needs.

Identify possible infrastructure gaps and address them promptly to ensure safety. An example would be inadequate emergency exits.

DO RUN THROUGHGS

Regular practice strengthens preparedness. Conduct drills to ensure safe evacuation procedures are clear

and compelling. Verify that safety equipment, data backups, and other safeguards function as intended.

Be proactive. Don't wait for a real emergency to discover weaknesses.

ASSURANCE

Your business may never be directly impacted by a severe weather event. But having a solid emergency preparedness plan can still offer tangible benefits, such as lowering certain business insurance costs. More importantly, it brings peace of mind that allows you to stay focused on running and growing your business, rather than worrying about the possibilities. Contact your professional advisors for guidance tailored to your situation. ■

THE QBI DEDUCTION: GOOD NEWS FOR ELIGIBLE BUSINESS OWNERS

If you're a small business owner or you're self-employed, there's good news on the tax front. The Section 199A qualified business income (QBI) deduction — a powerful tax-saving opportunity since 2018 — was initially set to expire in 2025. But thanks to the recent enactment of the One, Big, Beautiful Bill Act (OBBBA), it's not only here to stay, it's also improved.

WHAT EXACTLY IS THE QBI DEDUCTION?

This tax break allows eligible business owners to deduct up to 20% of their QBI from their taxable income. It applies to owners of *pass-through entities* — including S corporations, partnerships and LLCs — as well as sole proprietors.

QBI typically includes net business income but excludes investment capital gains and losses, dividends, interest income, owner wages, and guaranteed payments to partners or LLC members. Best of all, you don't need to itemize deductions to claim this one.

HOW INCOME AFFECTS QBI ELIGIBILITY

While the full 20% deduction is available to many, it's subject to certain limits that phase in based on taxable

income and other factors. Your tax advisor can help with this.

If your business is a specified service trade or business (SSTB), your deduction reduces gradually as your income increases beyond the threshold. If your income exceeds the top of the income range — \$247,300 (\$494,600 if you're filing jointly) for 2025 — you lose the deduction entirely.



SSTBs include professions like law, medicine, accounting, financial planning, and consulting — but not engineering or architecture.

Non-SSTBs face other limitations. If their income exceeds the top of the range, their deduction can't exceed the greater of their share of:

- 50% of the amount of W-2 wages paid to employees by the qualified business during the tax year, or
- The sum of 25% of W-2 wages plus 2.5% of the cost (not reduced by depreciation taken) of qualified property.

If their income falls within the range, these limits apply only partially.

BETTER NEWS FOR 2026 AND BEYOND

Here's what business owners can look forward to:

- The top of the income range for the additional limits increases from \$50,000 above the threshold to \$75,000 above the threshold (from \$100,000 to \$150,000 for joint filers).
- A new minimum QBI deduction of \$400 is introduced for taxpayers earning at least \$1,000 in QBI, provided they materially participate in the business.

If the rules and thresholds seem daunting, lean on us.

BOTTOM LINE

The QBI deduction can significantly reduce your tax bill. With the deduction now made permanent and set to improve in 2026, it's worth revisiting your tax strategy — and consulting with a qualified advisor — to ensure you're making the most of this valuable opportunity. ■

3 FAMILY-FRIENDLY TAX BENEFITS IN THE ONE, BIG, BEAUTIFUL BILL ACT

The One, Big, Beautiful Bill Act (OBBBA) brings a wide range of tax changes, with several key updates designed to support families. Among the many provisions, here are three with the potential to lower your tax bill.

1. BOOSTED CHILD TAX CREDIT — WITH A NEW RULE

Beginning in 2025, the Child Tax Credit (CTC) increases to \$2,200 per qualifying child under age 17 (up from \$2,000). It will be adjusted annually for inflation starting in 2026. The refundable portion — the part you can receive even if you owe no tax — is locked in at \$1,700 for 2025 and will also adjust for inflation moving forward.

The income thresholds for the phaseout of the CTC remain unchanged and permanent at:

- \$200,000 for single and head of household taxpayers
- \$400,000 for married couples filing jointly

Beginning in 2025, you must include valid Social Security numbers (SSNs) for both the child and the taxpayer claiming the credit. For joint filers, at least one spouse must have an SSN to qualify.

2. THE \$500 CREDIT FOR OTHER DEPENDENTS LIVES ON

Previously set to expire after 2025, the \$500 Credit for Other Dependents (COD) is now permanent. The nonrefundable COD applies to dependents who don't qualify for the child tax credit, such as college-aged

children or elderly parents. The dependent must be a U.S. citizen, national or resident alien and must have a valid Social Security number or Individual Taxpayer Identification number.

Income-based phaseouts mirror those of the CTC.

3. ADOPTION CREDIT GETS A REFUNDABLE BENEFIT

For 2025, the maximum credit is \$17,280 per adoption. But the credit phases out at higher income levels:

- Begins phasing out at \$259,190.
- Fully phases out at \$299,190.



Under the OBBBA up to \$5,000 of the credit is now refundable, offering more immediate financial help to adoptive parents. The nonrefundable portion can be carried forward; the refundable portion cannot.

Your tax advisor can offer more information about the tax side of adoption.

QUESTIONS?

These are just three highlights from the OBBBA's roughly 870 pages of tax updates. Some families stand to benefit, but as always, consult a tax advisor to make the most of what's available to you. ■

SENIORS MAY BE ELIGIBLE FOR A NEW DEDUCTION

Older Americans weren't forgotten in the One, Big, Beautiful Bill Act. For 2025 through 2028, individuals age 65 and older may be able to claim a new senior deduction of up to \$6,000, subject to income-based phaseouts. This deduction is available whether or not the taxpayer itemizes.

If both spouses of a married couple filing jointly are age 65 or older, each spouse is potentially eligible for a separate deduction of up to \$6,000 for a combined total of up to \$12,000.

The senior deduction begins to phase out when modified adjusted gross income (MAGI) exceeds:

- \$75,000 for unmarried individuals, or
- \$150,000 for married couples filing jointly.

Does this new deduction replace the existing extra standard deduction for those age 65 and up? The answer is no. For the 2025 tax year, single qualifying seniors can take the additional \$2,000 standard deduction. Married couples who file

jointly can take an extra standard deduction of \$1,600 per qualifying spouse.



This means that, for 2025, a single individual who's 65 or older could potentially deduct \$23,750 (\$15,750 standard deduction plus the \$2,000 additional

standard deduction for seniors, plus the new \$6,000 senior deduction). And a married couple filing jointly where both spouses are fully eligible for these write-offs could potentially deduct \$46,700 (\$31,500 standard deduction plus two \$1,600 additional standard deductions plus two \$6,000 senior deductions).

Contact us with questions. ■