

# WIDE ANGLE

## The Ventura Pranas Quarterly Newsletter

January 2025

### CONTENTS

1. Announcements	1
2. IRS California Wildfires Financial Relief	3
3. US Tax Updates 2025/2026	5
4. Updates to the BOI	9
5. Updates to the Union Budget 2024	10
6. Bird's Eye View: Prabha's Interview and the Podcast	11
7. Trichy 2nd Office Inauguration	12
8. Obituary and Fundraising for Sangeetha Murugappan	13
9. Prabha's Office Locations & Appointments	13

### ANNOUNCEMENTS

2024 has passed us and now we've leapt into a young and energetic 2025! We would like to take a moment to wish all of you in all parts of the world a happy and prosperous new year. A lot has happened in terms of growth for us at Ventura Pranas, and we hope that the year 2025 will be even better.

First, we have a few announcements for you before we dive deeper into tax updates.

#### Our Thoughts to LA

Any event that impacts Los Angeles deeply resonates with us, as we have a team and an office there; it's a place we hold very close to our heart. Watching the disaster unfold and seeing the images of the wildfires is truly heart-wrenching.

During this challenging time, our thoughts are with our friends, family, and clients in the LA area. We're praying for their safety and hoping their homes remain unharmed.

If you are affected by the LA wildfires, you may find Section 2 on page 3 helpful for financial relief.

## Trichy Office Opening

As we properly settle into the new year, we're proud to announce that we have just held our official inauguration of our second office in Trichy on 9th January.

With family members, management team, team leads and the entire Trichy crew in the audience, this milestone was definitely one to be celebrated. We were also honored to have our Chief Guest, Mrs Visalakshi Kannan whose grandfather founded Madurai Thiagarajar College, be with us for this new chapter in our journey.

Trichy is a key component of our carefully crafted growth plans and this second office - in two years! - will help us double our team size. It is a testament to our continued growth, commitment to excellence and the talented team we have built over the years.

Our great project management team took the entire process from start to finish with little to no intervention from our director. It's a true representation of what empowered teams can really accomplish.

Thank you to our clients and team members for your unwavering support. We could not be here today without you!

If you would like to see more about our celebration, please take a look at the pictures on page 12.

## Our New Client Portal

We're excited to announce the launch of our new client portal! Designed with you in mind, this portal provides a more streamlined and user-friendly experience to access documents and related information. We're confident this new portal will make working with us even more seamless.

### What's New?

- Secure and Reliable: Your data's safety is our top priority.
- Multi-factor Authentication enabled

### How to Get Started

- Visit <https://portal.venturapranas.com/login>.
- Log in with your credentials which have been sent to you separately.
- Once you login, the portal will ask to reset the password.
- Explore the features and let us know your feedback!

### Regarding the Old Portal:

- The old portal will be redirected to the new portal link with immediate effect.
- Ventura Pranas staff can access the old portal, download the data, and upload it to the new portal (if necessary). If this is what you want, you may let us know. Otherwise, all your data will be saved with us from the old portal. The old portal will not be accessible by staff effective 15th Feb 2025.

This is the first iteration of the new portal, and we will constantly be striving to improve to make your experience better. As you use the portal, we would appreciate any feedback you can give us while we work on bringing you Version 2.

If you have any questions, feedback or need assistance regarding the client portal, please do not hesitate to contact us at [ajayendrakumar@venturapranas.com](mailto:ajayendrakumar@venturapranas.com).

## Webinars

We have been approached by a lot of wealth firms to do presentations for their clients and to their own wealth advisors who may work with clients with US nexus. If you're interested in attending any of these webinars and would like to be invited, please let us know so we can include you in the distribution list. Send us an email at [contact@venturapranas.com](mailto:contact@venturapranas.com).

# IRS CALIFORNIA WILDFIRES FINANCIAL RELIEF

The IRS and California announced tax relief for people affected by the fires in Los Angeles. Currently, individuals, households and businesses in Los Angeles County are eligible.

## Federal: [IRS](#)

The tax relief postpones various tax filing and payment deadlines that occurred from Jan. 7, 2025, through Oct. 15, 2025 (postponement period).

**As a result, affected individuals and businesses will have until Oct. 15, 2025, to file returns and pay any taxes that were originally due during this period.**

This means, for example, that the Oct. 15, 2025, deadline will now apply to:

- **Individual income tax returns** and payments normally due on April 15, 2025.
- **2024 contributions to IRAs and health savings accounts** for eligible taxpayers.
- **2024 quarterly estimated income tax payments** normally due on Jan. 15, 2025, and estimated tax payments normally due on April 15, June 16 and Sept. 15, 2025.
- **Quarterly payroll and excise tax returns** normally due on Jan. 31, April 30 and July 31, 2025.
- **Calendar-year partnership and S corporation returns** normally due on March 17, 2025.
- **Calendar-year corporation and fiduciary returns** and payments normally due on April 15, 2025.
- **Calendar-year tax-exempt organization returns** normally due on May 15, 2025.
- **Penalties for failing to make Payroll and excise tax deposits due on or after Jan. 7, 2025, and before Jan. 22, 2025, will be abated if the deposits are made by Jan. 22, 2025.**

The IRS automatically provides filing and penalty relief to any taxpayer with an IRS address of record located in the disaster area. If you do not have an IRS address of record (e.g. if you moved to the disaster area after filing your returns), and receive a penalty notice, call the number on the notice to have the penalty abated.



# IRS California Wildfire Tax Relief



## State: [California](#)

Taxpayers in Los Angeles County will be granted a postponement to October 15, 2025, to file California tax returns on 2024 income and make any tax payments that would have been due January 7, 2025, through October 15, 2025.

This aligns with the federal extension recently granted to California's wildfire victims.

The postponement announced today includes the following:

- Individuals whose tax returns and payments are normally due on April 15, 2025.
- Quarterly estimated tax payments normally due on January 15, April 15, June 15, and September 15, 2025.
- Business entities whose corporate or pass-through entity tax returns are normally due on March 15 and April 15, 2025.
- Pass-through entity (PTE) elective tax payments normally due on March 15 and June 15, 2025.
- Tax-exempt organization returns normally due on May 15, 2025.

Note: Los Angeles County consists of 88 cities. Click the link [here](#) to see the full list.

## Additional Financial Relief (IRS)

Additional relief may be available to affected taxpayers who participate in a retirement plan or individual retirement arrangement (IRA).

### Qualified Disaster Distribution (Section 331 of the SECURE 2.0 Act)

A taxpayer may be eligible to take a special disaster distribution that would not be subject to the additional 10% early distribution tax and allows the taxpayer to spread the income over three years. This distribution allows eligible taxpayers to take penalty free withdrawal of up to \$22,000 per disaster.

### Hardship Distribution Certification (Section 312 of the SECURE 2.0 Act)

Taxpayers may also be eligible to make a hardship withdrawal, though limited to the amount necessary. However, hardship distributions may be subject to income tax and an additional 10% early withdrawal penalty.



# US TAX UPDATES FOR 2025/2026

## 2025 TCJA Expiring or Changing Provisions

The TCJA was enacted in 2017 and since many of these changes were temporary, they are set to expire at the end of 2025. January 1, 2026 heralds a lot of changes as we will revert to pre-TCJA for many sections. We have outlined the list of changes below which will all impact your 2026 filings.

Code Section	Description	Primary Content	Relevant Change	Effective Date
§1(j)	Decrease in marginal tax rates.	507 T.M., II.A.1	Rates increase to pre-TCJA rates.	1 Jan 2026
§24(h)	Increase in child tax credit.	513 T.M., III.C.	Decrease in child tax credit and threshold limitations to pre-TCJA amounts.	1 Jan 2026
§24(h)(4)	Credit for other dependents.	513 T.M., III.C.	No credit available for other dependents.	1 Jan 2026
§25B(d)(1)(D)	ABLE account contributions eligible for saver's tax credit.	367 T.M., IX.D.	Pre-TCJA rules reinstated.	1 Jan 2026
§45S	Employer credit for paid family and medical leave.	514 T.M., IV.I.	No credit available.	Extended through 2025
§55	Changes to Individual AMT exemption and phaseout.	587 T.M.	Individual AMT exemption and phaseout reinstated to pre-TCJA rules.	1 Jan 2026
§59A(b)(2)(A)	BEAT Rate.	6125 T.M., IV.A.	BEAT rate increases from 10% to 12.5%. <sup>tvv</sup>	1 Jan 2026
§59A(b)(2)(B)	Increase to BEAT tax base.	6125 T.M., IV.C.	Certain credits are no longer treated as BEAT-favored tax credits.	1 Jan 2026
§63(c)(7)	Increase in standard deduction.	507 T.M., II.A.1.	Standard deduction decreases to pre-TCJA amount.	1 Jan 2026
§67(g)	Suspension of itemized deduction for miscellaneous expenses.	503 T.M., V.C.	Itemized deduction for miscellaneous expenses restored.	1 Jan 2026
§68(f)	Suspension of overall limitation on itemized deductions.	503 T.M., V.C.6.j.	Overall limitation on itemized deductions reinstated.	1 Jan 2026

## 2025 TCJA Expiring or Changing Provisions (cont.)

Code Section	Description	Primary Content	Relevant Change	Effective Date
§132(f)	Suspension of exclusion for reimbursement of bicycle commuting.	394 T.M., II.B.	Qualified bicycle commuting reimbursements excluded from income.	1 Jan 2026
§132(g)(2)	Suspension of exclusion for moving expense reimbursement.	394 T.M., II.B.	Qualified moving expense deduction allowed.	1 Jan 2026
§151(d)(5)	Suspension of personal exemptions.	513 T.M., III.B. v	Deduction for personal exemptions reinstated.	1 Jan 2026
§163(h)(3)(F)	Additional limitations on mortgage interest deductions.	594 T.M., II.D.	Limitations revert to pre-TCJA amounts.	1 Jan 2026
§164(b)(6)	Limitation on deductibility of state and local taxes.	525 T.M. II.	Deductions for state and local taxes restored to pre-TCJA amounts.	1 Jan 2026
§165(d)	Deduction for wagering losses.	527 T.M., VII.	Itemized deductions for losses from gambling allowed but only to the extent of gambling winnings.	1 Jan 2026
§165(h)(5)	Limitation on personal casualty and theft loss deduction.	527 T.M., V.H.	Itemized deductions for personal casualty and theft losses reinstated to pre-TCJA rules.	1 Jan 2026
§168(k)	100% bonus depreciation.	532 T.M., III.A.	Bonus depreciation decreases to 0% (after phase-downs).	Last phase-down ends in 2027
§170(b)(1)(G)	Increase in percentage limitation on cash contributions to public charities.	863 T.M, VIII.A. 521 T.M, VIII.A.	Limitation decreases to pre-TCJA amounts.	1 Jan 2026
§199A	Qualified business income deduction.	537 T.M.	No qualified business income deduction.	1 Jan 2026
§217(k)	Suspension of deduction for moving expenses.	594 T.M., III.B.	Deduction for moving expenses reinstated.	1 Jan 2026
§250(a)(3)(A)	§250 Deduction for FDII.	6360 T.M., III.A.	Deduction percentage reduced from 37.5% to 21.875%.	1 Jan 2026

## 2025 TCJA Expiring or Changing Provisions (cont.)

Code Section	Description	Primary Content	Relevant Change	Effective Date
§250(a)(3)(B)	§250 Deduction for GILTI.	6215 T.M., IV.A.	Deduction percentage reduced from 50% to 37.5%.	1 Jan 2026
§263A(d)(2)(C)(ii)	Citrus plants lost by casualty.	577 T.M., II.C.	Pre-TCJA rules reinstated.	Expiring 22 Dec 2027
§274	Deductibility of meals provided on premises at the convenience of the employer.	519 T.M., III.C.	No deduction allowed for meals provided on premises at the convenience of the employer.	1 Jan 2026
§461(l)	Limitation on excess business losses for non-corporate taxpayers	539 T.M., III.A.	Pre-TCJA rules reinstated.	Expiring 31 Dec 2028
§529(c)(3)(C)(i)(iii)	§529 to ABLE rollover.	518 T.M., III.D.	Pre-TCJA rules reinstated.	1 Jan 2026
§529A(b)(2)(B)	Modified ABLE Contribution Limits.	513 T.M., III.J.	ABLE contribution limits reinstated to pre-TCJA amounts.	1 Jan 2026
§1400Z-1 and §1400Z-2	Election of special rules for capital gains invested in opportunity zones.	598 T.M.	Pre-TCJA rules generally reinstated.	Expiring 31 Dec 2026
§2010(c)(3)(C)	Increase in estate and gift tax exemption.	844 T.M., II.	Estate and gift tax exemption amounts reinstated to pre-TCJA amounts.	1 Jan 2026
Pub. L. No. 115-97, §11026	Treatment of certain individuals performing services in the Sinai Peninsula of Egypt.	501 T.M., III.G.	Tax benefits for the Armed Forces reinstated to pre-TCJA rules.	1 Jan 2026

Source: Bloomberg Tax

## 2025 Federal Income Tax Brackets and Rates

In 2025, federal income tax limits for all tax brackets and filers will be adjusted for inflation, as depicted in the following table.

Tax Rate	For Single Filers	For Married Individuals Filing Joint Returns	For Heads of Households
10%	\$0 to \$11,925	\$0 to \$23,850	\$0 to \$17,000
12%	\$11,925 to \$48,475	\$23,850 to \$96,950	\$17,000 to \$64,850
22%	\$48,475 to \$103,350	\$96,950 to \$206,700	\$64,850 to \$103,350
24%	\$103,350 to \$197,300	\$206,700 to \$394,600	\$103,350 to \$197,300
32%	\$197,300 to \$250,525	\$394,600 to \$501,050	\$197,300 to \$250,500
35%	\$250,525 to	\$501,050 to \$751,600	\$250,500 to \$626,350
37%	\$626,350 or more	\$751,600 or more	\$626,350 or more

Source: Internal Revenue Service, "Revenue Procedure 2024-40." via [taxfoundation.org](https://taxfoundation.org)



# UPDATES ON THE BOI (US)

In our last issue, we answered some Q&As about Beneficial Ownership Information (BOI), its requirements and its deadline for reporting, which was 1 January 2025. Some of our clients had held off filing hoping that the requirement would be waived pending a judgment.

Here's a timeline of events for what you need to know about latest news on this matter:

**3 December 2024:** In the case of Texas Top Cop Shop, Inc., et al. v. Garland, et al., No. 4:24-cv-00478 (E.D. Tex.), the U.S. District Court for the Eastern District of Texas, Sherman Division, issued an order granting a nationwide preliminary injunction.

**23 December 2024:** A panel of the U.S. Court of Appeals for the Fifth Circuit granted a stay of the district court's preliminary injunction entered in Texas Top Cop Shop, Inc., pending the outcome of Treasury's ongoing appeal of the district court's order. The Treasury issued an alert and extended reporting deadlines to the public.

**31 December 2024:** The Department of Justice, on behalf of Treasury, sought a stay of the injunction pending the ongoing appeal from the Supreme Court of the United States.

**5 December 2024:** The Department of Justice, on behalf of the Department of the Treasury, filed a Notice of Appeal on December 5, 2024 and separately sought a stay of the injunction pending that appeal with the district court and the U.S. Court of Appeals for the Fifth Circuit.

**26 December 2024:** However, a different panel of the U.S. Court of Appeals for the Fifth Circuit issued an order vacating the Court's December 23, 2024 order granting a stay of the preliminary injunction.

## THE CURRENT STATUS

As of December 26, 2024, the injunction issued by the district court in Texas Top Cop Shop, Inc. is once again in effect. As a result, reporting companies are not currently required to file BOI with FinCEN and are not subject to liability if they fail to do so while the order remains in effect. However, they may continue to voluntarily submit BOI reports.

# UPDATES TO THE UNION BUDGET 2024 (INDIA)

23rd July 2024 saw our Finance Minister roll out new reforms in the Union Budget. Here are some budget highlights related to dispute resolution and issues related to TDS and TCS.

## Dispute Resolution - Vivad se Vishwas Scheme 2024

It is proposed to introduce a Direct Tax Vivad se Vishwas Scheme, 2024 to provide a mechanism for settlement of disputed issues and reduce litigation. This is applicable to all tax litigation pending as on 22 July 2024. In cases of appeal filed by revenue, the amount payable shall be 50% of the tabulated amount.

Sr. No.	Particulars	Amounts payable on or before 31 Dec 2024	Amount payable on or after 1 Jan 2025
<b>Quantum Appeal</b>			
1	Appeal filed after 31 January 2020	100% of disputed tax	110% of disputed tax
2	Appeal filed on or before 31 January 2020	110% of disputed tax	120% of disputed tax
<b>Disputed Interest, Penalty or Fee</b>			
1	Appeal filed after 31 January 2020	25% of disputed fee	30% of disputed fee
2	Appeal filed on or before 31 January 2020	30% of disputed fee	35% of disputed fee

## Withholding Rates - TDS & TCS Rationalised

Sr. No.	Nature of Payment	Existing Rate	Amended Rate	Date of Enforcement
1	Payment in respect of life insurance policy	5%	2%	10 Jan 2024
2	Commission, etc. on sale of lottery tickets	5%	2%	10 Jan 2024
3	Payment of commission or brokerage	5%	2%	10 Jan 2024
4	Payment of rent by certain individuals or HUF	5%	2%	10 Jan 2024
5	Payment for work, by way of committion (not being insurance commission, brokerage, fee for professional services, by certain individuals or Hindu undivided family	5%	2%	10 Jan 2024
6	Payment of certain sums by e-commerce operator to e-commerce participant	1%	0.1%	10 Jan 2024
7	Salary, remuneration, interest, bonus or commission to partners by the partnership firm - aggregate amount more than 20,000	Nil	10%	4 Jan 2024
8	Sale of luxury goods (value exceeding INR 10 lakhs)	Nil	1%	1 Jan 2024
9	Payments made for repurchase of units by Mutual Funds or UTI	20%	Nil	10 Jan 2024

## TDS - Miscellaneous Provisions

- Tax paid outside India, by way of deduction, in respect of which credit is allowed in India shall be deemed to be income received for the purpose of computing income of a person
- Uniform time limit in case of default for both resident and non-resident payees:
  - Six years from the end of the financial year in which tax was collectible; or
  - Two years from the end of the financial year in which the correction statement is delivered, whichever is later
- With respect to TDS on sale of immovable property (other than agricultural land), it has been clarified that in case of more than one transferor or transferee, the consideration shall be the aggregate of amount paid or payable
- No prosecution will be initiated if the TDS /TCS is deposited within the due date of filing quarterly returns

## Corporate Gifting

- Gift of capital assets is not treated as a “transfer” for the purpose of computing capital gains
- Judicial precedents in the past upheld corporate gifting as exempt from capital gains
- Budget 2024 amends the specific provision to provide gifts by individuals and HUFs as exempt from capital gains

## BIRD’S EYE VIEW: PRABHA’S INTERVIEW & PODCAST

Lighthouse Canton, an international magazine, interviewed our director, Prabha on their podcast about her experiences and insightful advice for fellow entrepreneurs.

To listen to the entire interview, please click the link [here](#).

EP 07 THE LIGHTHOUSE CANTON INSIGHTS PODCAST

**Beyond InHERitance:** LIGHHOUSE CANTON  
A Global Citizen's Guide to International Business Strategy & Wealth Management

WITH PRABHA SRINIVASAN, Founder & Director, Ventura Pranas  
AND RATNA SHARMA, Executive Director, Wealth Management,  
Market Head - West India, Lighthouse Canton

BEYOND inHERitance

Listen on

The image shows a podcast cover for 'Beyond InHERitance' by Lighthouse Canton. It features two women, Prabha Srinivasan and Ratna Sharma, with a gold audio waveform graphic behind them. A 'Listen on' button with podcast and Spotify icons is in the bottom right.

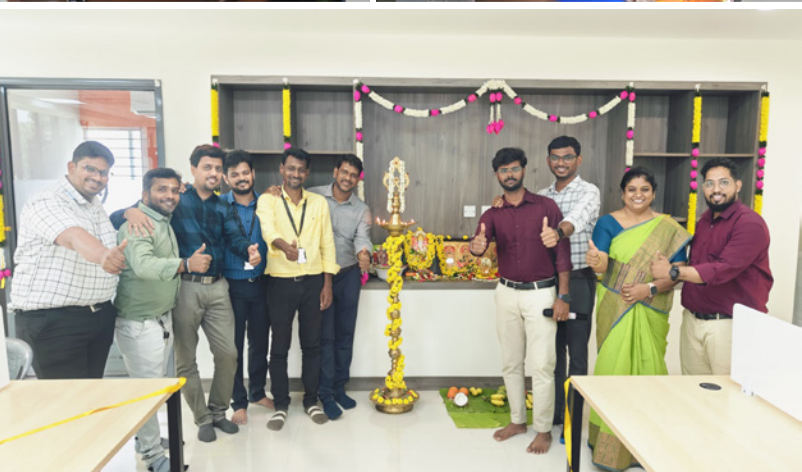
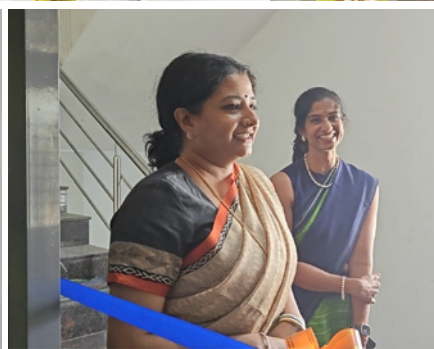
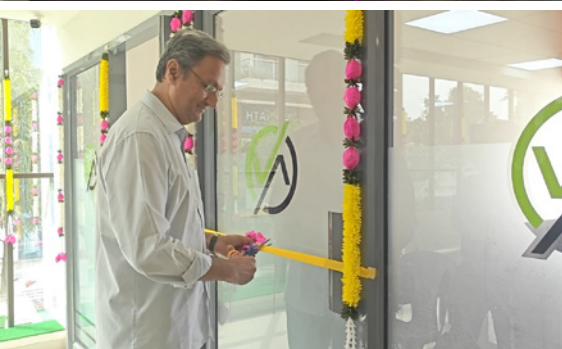
A blurb from Lighthouse Canton:

*In this episode, we dive into the incredible journey of Prabha Srinivasan, a global entrepreneur and trailblazer in the world of finance. Starting her career as a chartered accountant in India, Prabha’s journey took her across the world, from the U.S. to India, and ultimately led her to found Ventura Pranas, a firm that combines international expertise with local insights.*

*Tune in for a conversation filled with insightful advice, career lessons, and practical tips on building a successful, global business — and how women in finance and taxation can make their mark in an evolving landscape.*



# TRICHY 2ND OFFICE INAUGURATION





# OBITUARY AND FUNDRAISING FOR SANGEETHA MURUGAPPAN

It is with deep sadness that we inform you of the passing of our dearest Sangeetha Murugappan on 7th Dec 2024. She fought a short but very hard battle with cancer that lasted no more than 60 days from diagnosis to her end. She had been a dedicated member of our team. Sangeetha was a valued colleague and professional who made significant contributions to our firm and to the clients she served.

We are putting together a fund for her daughters' education. They are 15 & 17 years old, and she was widowed a few years ago. Her mother is taking care of the children now. If you are interested in contributing towards their education, please email to [balagappan@venturapranas.com](mailto:balagappan@venturapranas.com). Once we receive your response, we will share the account details. All the funds will be contributed to the daughters' further education expenses.



## PRABHA'S OFFICE LOCATIONS & APPOINTMENTS



Our director, Prabha Srinivasan will be available for appointments in New York, San Francisco and Los Angeles.

### **New York:**

February 14-February 28

### **Bay Area / Palo Alto:**

February 2-March 7

### **Los Angeles:**

March 9-March 18

For appointments outside of these windows, Prabha will be available at our Chennai office.

To book an appointment, email us at [ea@venturapranas.com](mailto:ea@venturapranas.com), along with details of what you would like to discuss and your time zone, so we can schedule the call or appointment for an appropriate time. Or you can email Prabha directly at [psrinivasan@venturapranas.com](mailto:psrinivasan@venturapranas.com).

## CONTACT US

Visit us at [www.venturapranas.com](http://www.venturapranas.com) to learn more.

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