



XLP

Chronicles

COOLER HEADS PREVAIL

Every client is different and this is especially true when it comes to family law clients. As a matter of practice and in this area of law, it is particularly important that every client be heard and treated with dignity, so that their unique needs can be met during this difficult time.

To this end, Milton C. Johns and the XLP team successfully negotiated a marital separation agreement for one of our clients, which ultimately helped the client resolve the ordeal expeditiously, reduce the cost of attorneys' fees, and avoid the risks associated with trial.

More importantly, the client with Milt's counsel and XLP's support reached an advantageous agreement because she persistently and courageously faced the opposition. We are proud of her outcome!



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JILL'S "LIT" TIPS

How to Make the Most of Your Litigation Representation



If you find yourself in a dispute that may well lead to litigation, here are a few guidelines to help you get the most out of your legal representation.



- First - be timely: Most disputes do not get better with age so you should reach out for advice sooner rather than later.
- Resolution through informal negotiation or mediation can be a cost effective and efficient means to resolve a dispute without resorting to the full litigation process.
- Regardless of the timing of your consultation, collect all relevant information and provide to counsel as soon as possible.
 - This includes contracts, letters, emails, texts, photos, etc. – anything that documents facts or communications between relevant parties.
- Don't edit what you tell your attorney. You don't know what might be significant from a legal perspective.
 - Do not avoid discussing potentially negative facts with your attorney: We can work with whatever facts we have but it is difficult to do so if we are caught off-guard with unfavorable information.
- Identify your goal – what does “winning” look like to you?
 - This seems like an obvious question but “winning” can take different forms for different people depending on their circumstances.
- Attorney's fees are not awarded in Virginia as a matter of course, so the cost of litigation should be considered when weighing your options.
- Finally, be an active participant in your legal case.
 - It is likely that your attorney will require your input from time to time and it is important that you respond to such requests in a timely manner. Likewise, if you have questions of your attorney, don't be shy about asking.



LAKITA'S TAX TIME

2022 tax credits and incentives - Use them before you lose them

For Individuals: Residential Clean Energy Credit

The Alternative Fuel Vehicle Refueling Property Credit is now called the Residential Clean Energy Credit. The Alternative Fuel Refueling Property Credit expired at the end of 2021, but the Inflation Reduction Act gave it life again by extending its application through 2032. For homeowners, the credit is worth 30% of the costs of "qualified alternative fuel vehicle refueling property" installed in the home, up to \$1,000. This credit would be most beneficial for the installation of charging equipment for electric vehicles.

For Businesses: Bonus Depreciation is Phasing Out

The Tax Cuts and Job Act increased the first-year bonus depreciation to 100% for assets placed in service after September 27, 2017, through December 31, 2022. The bonus depreciation rate will be limited to 80% in 2023, 60% in 2024, 40% in 2025, and 20% in 2026. The scheduled reduction in benefit may encourage owners to accelerate asset purchases into this year.

For Individuals and Businesses: Standard Mileage Rates

Thanks to skyrocketing gas prices, the IRS took the unusual step of adjusting the standard mileage rates for 2022 in the middle of the year. The mileage rates are used to calculate tax deductions for the use of an automobile (i.e., a car, pickup truck, or van) for business purposes, medical-related travel, and moving expenses for active-duty members of the military.

From January 1 to June 30, the 2022 standard mileage rate for business driving is 58.5¢ per mile (56¢ per mile in 2021). The mileage allowance for medical travel and military moves for the same time span is 18¢ per mile (16¢ per mile in 2021). From July 1 to December 31, the 2022 mileage rate for use of an automobile for business purposes rises to 62.5¢ per mile. The standard rate for medical-related driving and military moving expenses jumps to 22¢ per mile for the second half of 2022.

Note that the standard mileage rate for the use of an automobile for charitable purposes didn't change from 2021 to any part of 2022. It stayed put at 14¢ a mile because it's fixed by law.

