**TAX NEWS & TIPS**

 **Editor’s Notes**

**Mid-Year ISSUE 2018**

If you have a topic that you would like included in a future issue of Tax News & Tips, please forward to rich@taxnewsandtips.com

**Tax Reform Has Become A Reality!**

Many of the individual provisions of the new legislation are highlighted.

* Seven Tax Brackets
* Standard Deduction Doubled
* Personal Exemptions Eliminated
* SALT Cap
* Child Tax Credit Expanded
* New Credit for Non-Child Dependents
* Taxpayers Affected by AMT Reduced
* Mortgage Interest Deduction Limited
* Student Loan Interest Deduction
* Medical Expense Threshold
* Teacher Classroom Supplies
* Electric Car Credit
* Personal Residence Sales
* Alimony Changes
* Moving Expense Eliminated
* Casualty Loss Limitation
* Estate Tax Exemption Increased
* Health Insurance Mandate Dropped
* Corporate Tax Rates Reduced
* Pass-Through Entities Deduction

**April 18 Has Come And Gone**

Extensions filed? October 17 is filing deadline, but April 18 is payment deadline.

Victim of identity theft? File Form 14039 and IRS will supply a six-digit identity protection PIN.

**Still searching for that refund?**

You may contact the IRS Web site www.irs.gov at the “Where’s my Refund?”

**Keep me posted!**

Asking clients to call with new income items or changes in household members.

**Myth vs Truth**

Penalized for no proof of health insurance? Yes!

New withholding amount don’t need review? No!

Taxable income on debt cancellation? Yes, in some cases.

Child support is tax deductible. Incorrect.

Alimony is tax deductible. Yes and No.

**Tips for you Now.**

**Max Wages subject to Social Security Tax.**

Increased to $128,700 in 2018 from $127,200. Annual limit on working and collecting social security (ages 62 – 65) $17,040…45,360 if 66 or older.

Revisit contributions to 401K, 403B, 457, Roth IRA, Simple IRA & Traditional IRA for retirement savings and possible tax reduction.

HSAs & FSA contributions reviewed.

Unfortunately, we cannot be your primary tax information source. The information in the Newsletter is for your clients. We attempt to write on a level that will give the taxpayer a general sense of the topic to promote additional conversation on the specifics with you when they discuss the preparation of their tax returns.