**TAX NEWS & TIPS**

**Editor’s Notes**

**FALL ISSUE 2017**

***Note!*** As a reminder, our FAX number is (855) 385-5736. This a ***new*** toll-free FAX number and will allow us to better manage incoming faxes, plus there are no long distance charges to you.

**Health Savings Account (HSA)**

Triple Tax Advantages – contributions deductible, invested and grow tax-free and withdrawals aren’t taxed as long as they are used for medical expenses.

**Exceptions to 10% IRA Early Withdrawal Penalty**

* Medical Expenses
* Health Insurance
* College Costs
* First Home Purchase
* Disability
* Military Service

**Tax Reform Update**

Repeal, replace, overhaul Affordable Care Act?

Temporary Tax Cuts seem more likely than complete tax law reform.

**Is it a Business or is it a Hobby?**

IRS guidelines with a list of factors.

**What do others claim?**

Chart of IRS data from 2015 returns. Compares Schedule A deductions by Adjusted Gross Income levels.

**Ask Me About…**

* Travel for Job
* Distributions from IRA
* Investments that have greatly increased in value
* Planning on starting social security before age 66
* Starting retirement distributions
* Does your employer offer a medical saving plan?

**Form 1040 – Tax Rules by Age**

A listing of major tax deductions, credits and eligibility by age.

**Social Security Beneficiaries Receive Biggest Increase in 6 Years**

Projected to receive 2.2% cost of living raise next year.

Multi-year strategy. Recharacterizations. October 15 following year deadline.



**Myth vs Truth.**

Income received as cash…is it taxable? ***Yes, it is!***

Can I deduct the cost of clothing worn to work? ***Mostly untrue!***

Can I claim a charitable deduction for clothing given to a needy neighbor? ***No.***

Married couples must file a joint tax return. ***Incorrect. Every situation is different.***

**Summer Vacations Are Ending for Most Students**

Consider making Roth IRA contributions for a child or grandchild.

**Debt Cancelled By Lender**

Beware of form 1099-C

**Tips for You… Now!**

Mileage deduction for 2017 (53.5 cents) and Electric Car Tax Credit.

**Tax Refund Options**

* Direct Deposit
* Deposit to prepaid debit card
* Buy Savings Bonds
* Check
* Apply to next year’s taxes

*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.*

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



**Rich DeLand**

*Editor*

**Upcoming Key Dates:**

Year End 2017 Issue

Subscriptions & Masthead Change Deadline: October 23

Newsletter Ship Date: November 21