**TAX NEWS & TIPS**

**Editor’s Notes**

**MID YEAR ISSUE 2019**

**Tax Reform – The Good, The Bad & The Ugly!**

Many of the individual provisions of the new legislation are segregated into good, bad & ugly categories.

***The Good:***

• Standard Deduction Doubled

• Child Tax Credit Expanded

• New Credit for Non-Child Dependents

• Estate Tax Exemption Increased

• Corporate Tax Rates Reduced

• Taxpayers Affected by AMT Reduced

***The Bad:***

• Personal Exemptions Eliminated

• SALT Cap

• Mortgage Interest Deduction Limited

• Alimony Changes

• Moving Expense Eliminated

• Casualty Loss Limitation

***The Ugly:***

• Federal Tax Withholding W4

• Review

• Calculate

• Adjust

**Keep Me Posted!**

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

**Myth vs Truth.**

• 529 Plans only for college? ***No!***

• Unreimbursed employee travel expenses can be deducted on the federal return? ***No!***

• Low Income 1st time homebuyer MCC Program & limited interest deduction? ***Maybe, in some cases.***

• Reduced charitable contribution incentives? ***No.***

• IRS will call taxpayers to demand payment? ***No.***



**Tips For You… *Now!***

• Another Charitable Tax Strategy

*Qualified Charitable Deduction with Required Minimum Distribution*

• Adjustments to Income

• Self-Employed Health Insurance

• Health Savings Accounts

• Retirement Plan Contributions

• IRA Contributions

• Self-Employment Taxes

• Alimony

• Penalty on Early Savings Withdrawal

• Student Loan Interest

• Moving Expenses for Military

• 1040SR

• Max Wages subject to Social Security Tax.

*Increased to $132,900 in 2019 from $128,700. Annual limit on working and collecting social security (ages 62 – 65) $17,640…46,920 if 66 or older.*

**Did I Forget?**

• Amended Return Deadlines

• Extension Filed?

*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:**

Fall 2019 Issue

Subscriptions & Masthead Change Deadline: July 23

Newsletter Ship Date: August 21