



FISHER CONSULTING SERVICES 2018 Tax Guide

Tax News for 2018

No, this isn't a typo! We are filing 2018 taxes in 2019...I get a lot of comments on this, sorry for the confusion.

The filing season begins on January 28th this year, and refunds involving credits, such as Earned Income Credit and the Child Tax Credit, will be delayed again until mid-February. Everyone else who expects a refund without one of these credits can expect their refunds between 7-10 days of filing if you do a direct deposit.

Identity theft still poses major issues. By now I think we all have received a call from someone posing as an IRS agent saying they were on their way to arrest us if we didn't cough up some \$. PLEASE...just hang up when you get these calls. They are a scam. The IRS will not call you. The IRS will not email you.

For 2018, all taxpayers will use Form 1040. Forms 1040A and 1040EZ have been eliminated. The 1040 has been revamped and is supplemented by new Schedules 1 through 6.

A few deductions have gone away (for the time being). Moving expenses (unless you are in the military) and unreimbursed employee expenses have been eliminated. The amount of \$ you pay for your tax preparation is also not deductible. There are also limits to the amount of taxes you can deduct (\$10,000).

The penalty for not having health insurance is still here to haunt those who have to provide their own. Obama-care is still the devil.

Standard Deductions are as follows:

<u>Filing Status</u>	<u>Deduction</u>
Single	\$12,000
Head of Household	18,000
Married/Joint	24,000
Married/Separate	12,000

**If you are 65 and above or blind, this will be higher!

You can no longer claim personal exemptions for yourself, your spouse, or your dependents.

Tax Brackets for 2018 are:

10% - Single; income up to \$9,525
Head of household up to \$13,600
Married filing jointly up to \$19,050
12%-Single; income up to \$38,700
Head of household up to \$51,800
Married Filing Jointly up to \$77,700
22%-Single:income up to \$82,500
Head of household up to \$82,500
Married Filing Jointly up to \$165,000
24%-Single; income up to \$157,500
Head of household up to \$157,500
Married Filing Jointly up to \$315,000
32%-Single; income up to \$200,000
Head of household up to \$200,000
Married Filing Jointly up to \$400,000

- 35%-Single; income up to \$500,000
- Head of Household up to \$500,000
- Married Filing Jointly up to \$600,000

For 2018, the child tax credit has been doubled. It is now up to \$2,000 per qualifying child under age 17. This credit is refundable, within limits. The income limits on eligibility have been increased!

There is also a new nonrefundable credit up to \$500 for a qualifying dependent who is not a qualifying child.

Qualified Business Income Deduction:

If you are a sole proprietor or have an interest in a partnership, limited liability company, or S corporation, you may be eligible for a deduction of up to 20% of qualified business income

****Due to the Tax Cuts and Jobs Act**, federal tax withholding went down in 2018, giving you more money in your paychecks. Some taxpayers may receive a smaller refund or even owe an unexpected tax bill when you file your 2018 tax return this year.

To schedule your in-home appointment at your convenience, call 480-242-8641, or email me at cindy85296@gmail.com.

THIS CHECKLIST MAY BE USED TO SAVE YOU TIME AND REMIND YOU WHICH TAX FORMS YOU'VE RECEIVED DURING THE YEAR AND MAY BE USED DURING YOUR TAX PREPARATION:

EMPLOYMENT & INCOME DATA:

- _____ W-2 forms
- _____ Unemployment compensation: Form 1099-G
- _____ Miscellaneous income including rent: Form 1099-MISC
- _____ Partnership, S Corporation, & trust income: Schedule K-1
- _____ Pensions and annuities: Forms 1099-R
- _____ Social Security/RR1 benefits: Form RRB-1099
- _____ Alimony received
- _____ Jury duty pay
- _____ Gambling and lottery winning
- _____ Prizes and awards
- _____ Scholarships and fellowships
- _____ State and local income tax refunds: Form 1099-G (new clients only)

HOMEOWNER DATA:

- _____ Mortgage interest: Form 1098
- _____ Sale of your home or other real estate: Form 1099-S
- _____ Second mortgage interest paid
- _____ Real estate taxes paid

FINANCIAL ASSETS:

- _____ Interest income statements: Form 1099-INT & 1099-OID
- _____ Dividend income statements: Form 1099-DIV
- _____ Proceeds from broker transactions: Form 1099-B
- _____ Retirement plan distribution: Form 1099-R

FINANCIAL LIABILITIES:

- _____ Student loan interest paid
- _____ Early withdrawal penalties on CDs and other time deposits

AUTOMOBILES:

- _____ Personal property tax information
- _____ Starting/ending mileage if used in business
- _____ Gas, parking, repair, insurance expenses if used in business

EXPENSES:

- _____ Medical Insurance coverage for 2018, medical mileage
- _____ Gifts to charity, charitable mileage
- _____ Unreimbursed expenses related to volunteer work
- _____ Investment expenses
- _____ Job-hunting expenses, mileage
- _____ Child care expenses
- _____ Medical Savings Accounts
- _____ Adoption expenses
- _____ Alimony paid

SELF-EMPLOYMENT DATA:

- _____ Business income: Form 1099-MISC and/or own records
- _____ Partnership SE income: Schedule K-1
- _____ Business-related expenses: Receipts for Unreimbursed expenses; mileage for vehicle
- _____ Employment taxes & other business taxes

MISCELLANEOUS TAX DOCUMENTS:

- _____ Federal, state, & local estimated income tax paid for last year
- _____ IRA, Keough and other retirement plan contributions
- _____ Records to document medical expenses, including print-outs from drugstore or pharmacy
- _____ Records to document casualty or theft losses
- _____ Records for any other expenditures that may be deductible
- _____ Records for any other revenue or sales of property that may be taxable or recordable

IF YOU HAVE ANY QUESTIONS REGARDING WHAT IS DEDUCTIBLE OR WHAT IS REPORTABLE INCOME, PLEASE CALL ME!

*****LAST MINUTE REMINDERS*****

Here is a list of items that most people forget:

1. Vehicle registration
2. Print-out of medical expenses from your pharmacy/doctor/dentist, etc.
3. 1099's from casino winnings!!!
4. Interest paid on home-equity lines of credit
5. Mileage for medical miles driven (to & from the doctor's office-your home) as well as charitable service miles
6. Interest earned from savings/investments
7. School tax credit forms/addresses

*****NEW CLIENTS SHOULD HAVE THE FOLLOWING READY FOR REVIEW:**

1. Photo identification/driver's license, etc.
Valid Social Security cards for the taxpayer, spouse and dependents
2. Birth dates for primary, secondary and dependents on the tax return
3. Wage and earning statement(s) Form W-2, W-2G, 1099-R, from all employers
4. Interest and dividend statements from banks (Forms 1099)
5. A copy of last year's federal and state returns, if available
6. Bank routing numbers and account numbers for direct deposit

7. Other relevant information about income and expenses
8. Total paid for day care
9. Day care provider's identifying number, address, and phone number

FEE SCHEDULE FOR NEW CLIENTS ONLY!:

1040 (no schedules).....	\$75.00
1040 (w/Schedules but not itemizing).....	\$120.00
1040 (w/Schedules including itemizing).....	\$200.00
1040 (w/Schedules for self-employment, and rentals).....	\$300.00
(\$50/ea additional Schedule C income)	
1065 (Partnership returns).....	\$400.00
1120/1120S (Business returns).....	\$400.00
Separate State Return.....	\$75.00
Amended Returns.....	\$50.00/up

**** These fees apply to new clients only. **Payment is expected at the time of service, and you can now pay by cash, check, debit, or credit card. If you are emailing/ mailing your information to me, payment must be made before the return is submitted to the IRS.******

**** Discounts are available to those who fax/e-mail/or drop off their information to me and there isn't any in-home visit.**

EARN-A-RETURN is still and will always remain in effect. Each referral will earn you \$20.00 along with a personal "thanks".