

# TAX UPDATES, SUMMER 2018

## Cressey Rice Tax Service, LLC

Cressey Rice, Enrolled Agent & Brandy Hooper, Office Manager

### **2018 TAX PLANNING FREE FOR CLIENTS!**

Have we planned ahead for your 2018 taxes?

Planning ahead is extremely important for the following:

- Changes in income
- You normally itemize your tax deductions
- 2-earners in your family
- Work multiple, seasonal or part-time jobs
- Receive fringe benefits and/or moving expenses from work
- Dependents over 16yrs old
- Retirement, Marriage, Divorce (Alimony)

### **TAX OFFICE NEWS:**

#### **New Check-Out Policy:**

When your tax return is ready for review, we send you a copy along with the invoice and schedule a phone call with Cressey to review/finalize the return, and plan ahead for the coming year. This gives the return the attention it deserves and puts you in the know for your future tax liability.

#### **Intuit Proconnect Link:**

We utilized Intuit Proconnect Link for the 2017 taxes season and found it extremely helpful. Thank you to everyone who participated! This is a secure online space for all of our communication and file-sharing, where we can both see the questions and information already submitted/answered regarding your return. We still have all of our other options for tax preparation: in-person, PO Box, fax line, and the Safe Send portal. However, the Intuit Proconnect Link provides a common working space for the preparation of your return.

#### **New Clients:**

Please feel free to give out our information, referrals are our favorite way to serve more clients! If there are people just in need of 2018 tax planning, we will provide that for them free of charge if they are planning to utilize our service come tax time. This is an uneasy time and it's good to have as little surprise as possible when it comes to the taxes!

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## BIGGEST 2018 TAX CHANGES:

1. Federal income tax with-holding has decreased – they are w/holding less tax from your paychecks to cover the 2018 tax bill.
2. Standard deduction amounts almost doubled, and no more exemption amounts for each person on the return.
3. It's much harder to itemize deductions due to the Schedule A changes.
4. Fringe benefits are now all taxable to employees.
5. Moving expenses no longer allowed as a deduction.
6. Child tax credit has doubled, still only for children 16 or younger.
7. Schedule A for Itemizing:
  - a. Medical over 7.5% of AGI for 2018
  - b. Only \$10K of property tax plus income/sales/personal tax allowed
  - c. Home equity loan interest paid **NO LONGER ALLOWED.**
  - d. Interest paid on loan for home up to \$750K of indebtedness allowed.
  - e. **WORK EXPENSES NO LONGER ALLOWED!**
  - f. Casualty and theft deduction only allowed for federal disaster areas

**!WARNING!**

**!TAX SCAMS!**

The IRS/States will only contact you via a letter in the mail. We are here to help with any Tax issues, so please contact us first!

The IRS/States will NEVER email or call – do not open emails or give any info over the phone.

