

GEORGE, GOLDSTEIN COMPANY

2018 TAX FILING INFORMATION:

ESTIMATED TAXES (Personal Taxes to IRS and State)

In the year 2018, to avoid late payment and filing penalty you must pay Estimated Taxes in this year in 2018 OR ATLEAST BY January 15, 2019. (If you owed money with your 2017 tax filings, it is possible that you owe money in 2018 also) Please call 215-745-2404 or contact by email if you need estimated tax coupons.

General

1. If you have a business, the due date for filing 2018 Forms W2, and 1099 Reports with respective agencies shall be January 31, 2019.
2. Individual tax e-filing will start on January 29, 2019 and end on April 17, 2019.
3. "C" Corp. form 1120 filing dead line is on April 15, 2019
4. "S" "Corp Form 1120S and Partnership form 1065 tax filing deadlines for 2018 is on March 15, 2019.
5. Educational credits will not be allowed without payer form 1098T and payment receipts (Credit card receipts or check copies)
6. Affordable Care Act (Obama care): If have medical insurance via Obama Care, you will receive a form called 1095A. Please make sure you bring that along to prepare 2018 Taxes.
7. Student loan interest deduction maximum \$2500.00 (Phase-out restrictions exist.
8. Foreign Bank Accounts and other Assets: FBAR filing and FACTA reporting is done along with the tax return filings. (deadline- April 17, 2019) Additional fees are needed for these extra services
9. All corporate source documents (Bank statements and cancelled checks, credit card statement, Cash payment receipts, payroll reports, etc must be received by January 31, 2019 for a timely preparation of accurate tax returns. You can email us all documents.

OFFICE LOCATION AND HOURS:

Philadelphia Office: 1922 Cottman Ave, Philadelphia, PA 19111. Monday to Saturday 09:30AM to 8:00 PM, and two Sundays, Jan 27, 2019, April 14, 2019 from 2:00 PM to 6:00 P.M.

Maryland visit: Will be visiting Maryland clients on Sunday February 10, 2019

Malvern Office: Executive Office Link, 5 Great Valley Parkway, Suite 210, Malvern, PA-19355 On Sundays: starting on February 17th Sunday to April 7th Sunday (No business taxes will be prepared at this location). You can of course drop off source documents at this location. We encourage everyone to drop off the documents a week prior to your coming to the appointment. Everyone will receive electronic copy within a reasonable time)

Contact Numbers: 215-745-2404

Fax Number: 215-742-4142

Email Address: Georgegoldsteincpa@gmail.com **Web Address:** WWW.Phillytaxes.com

FOR INHOUSE TAX PREPARATION: APPOINTMENT IS NEEDED. YOU CAN EMAIL YOUR INFORMATION BEFORE YOU COME IN. YOU DO NOT NEED AN APPOINTMENT TO DROP OFF DOCUMENTS TO EITHER LOCATIONS.

THANK YOU FOR YOUR PATRONAGE! HAVE A HAPPY AND PROSPEROUS NEW YEAR!

George Mathew, CPA & Associates

10 New Tax Breaks..... And 10 That Went Away

In Dec 2017, lawmakers passed the Tax Cuts and Job Act (the "Act"), a sweeping tax reform law that impacts you.

<u>10 New Tax Breaks</u>	<u>10 Tax Breaks That Went Away</u>
<u>1.Doubled standard deduction (2018-2025).</u> In 2018, the standard deduction is \$12,000 for single taxpayers,\$18,000 for taxpayers filing as heads of household, and\$24,000 for married couples filing jointly.	<u>1.Personal and dependency exemptions suspended (2018-2025).</u> The Act suspended personal and dependency exemptions. However, the increased standard deduction, enhanced child tax credit, and overall tax rate changes may offset or minimize the impact of this suspension on many taxpayers.
<u>2.New brackets and lower rates (2018-2025).</u> Top individual tax rates dropped from 39.6 percent to 37 percent, with seven brackets that vary by income: 10, 12, 22, 24, 32, 35, and 37 percent.	<u>2.State and local tax deduction capped (2018-2025).</u> The deduction for individual state and local income taxes, state and local property taxes and sales taxes is capped at\$10,000. Experts indicate the cap will have the greatest negative impact on high-income earners in high-tax states, like California and New York.
<u>3.Child tax credit increased (2018-2025).</u> The child tax . credit increased from \$1,000 to \$2,000 per qualifying child, subject to a maximum refundable amount and increased income phase-outs	<u>3.Modified mortgage interest deduction (2018-2025).</u> The mortgage interest deduction will be available to fewer taxpayers if total applicable debt is less than \$750,000, down from the previous limit of \$1 million. Older debt may be "grandfathered."
<u>4.Higher limits on charitable deductions (2018-2025).</u> The deduction limit for cash donations to qualifying charities increased from 50 to 60 percent of adjusted gross income (AGI). The increased limit may mean more tax savings for charitably inclined, high income earners.	<u>4.Restricted interest deduction for HELOCs (2018-2025).</u> Under the Act, taxpayers may not deduct interest on a home equity line of credit (HELOC) unless the funds are used for certain limited purposes and qualify as "acquisition indebtedness," subject to limitations.
<u>5.Annual gifting expanded.</u> The IRS increased the annual gift tax exclusion from \$14,000/year to \$15,000/year per beneficiary, giving the opportunity to pass even more wealth free of estate and gift taxes through yearly gifts.	<u>5.Certain alimony payments no longer deductible.</u> For divorce or separation agreements entered into (and in some cases, modified) after December 31, 2018, taxpayers are no longer able to deduct alimony payments. This provision is permanent.
<u>6.Reduced estate tax exposure (2018-2025).</u> The lifetime exemption amount for estate and gift tax purposes has been substantially increased to \$11.18 million per person (or \$22.36 million for married couples who timely elect portability, which is the ability to carry-over the unused exclusion amount of a deceased spouse) in 2018. If you previously exhausted your lifetime exclusion amounts through gifting, you may have a second chance to make additional, tax-free gifts for a limited time.	<u>6.Repeal of sporting event ticket deduction.</u> Under prior law, taxpayers who made a charitable contribution to a college or university in exchange for the opportunity to purchase tickets at certain sporting events could still deduct 80 percent of the donated value. The Act eliminates this deduction.
<u>7.Individual AMT (Alternative Minimum Tax) modified (2018-2025).</u> The Act temporarily increased the exemption amounts and phase-out thresholds for the individual AMT. Generally, this means fewer taxpayers will be subject to the individual AMT.	<u>7.Pease limitation suspended (2018-2025).</u> This previously reduced certain itemized deductions - such as the state and local tax deduction and the home mortgage interest deduction - for individual taxpayers with income levels above certain thresholds.
<u>8.20 percent deduction on qualified business income (2018-2025).</u> Sole proprietors and owners of businesses taxed as pass-through entities - including partnerships, S corporations, and most LLCs - may see tax savings if they qualify for the deduction .	<u>8.Roth conversions cannot be undone.</u> Under previous law, taxpayers could reverse or "unwind" a Roth conversion within a certain period of time, an attractive option after a significant market decline. The Act eliminates this possibility.
<u>9.Corporate flat tax rate.</u> C corporations and personal service corporations now have a flat 21 percent tax rate, one of the few permanent provisions in the Act.	<u>9.Deduction for tax preparation fees eliminated (2018-2025).</u> A number of miscellaneous itemized deductions - including the deduction for tax preparation fees - have been suspended.
<u>10.Corporate AMT (Alternative Minimum Tax) permanently eliminated.</u> This tax previously impacted certain C corporations.	<u>10."Kiddie" tax calculation modified.</u> The "kiddie" tax applicable to the net unearned income of young children is no longer calculated with reference to the parents' tax rates, but with reference to the tax rates for trusts and estates.