



2017 TAX SEASON

E-File Tax Services of Nevada, INC

January 2018

# WE HAVE MOVED!

Our New address is:  
3300 E Flamingo RD  
Suite 11  
Las Vegas, NV 89121

In the Renaissance III Center  
2 Doors left of Ichabod's Restaurant  
Our cross streets are Flamingo & Pecos  
Just West of our old office.

Come check us out!!!

Our phone number will remain the same

**(702)696-9549**

*Jessie, Tamara, Debbie, Saundra & Brent*



## 2018 CLIENT NEWSLETTER

E-FILE TAX SERVICES OF NEVADA, INC  
Updates on the 2017 Tax Filing Season

WINTER NEWSLETTER  
January 2018

### What to Expect for Tax Year 2017

The Internal Revenue Service began a new private collection program of certain overdue federal tax debts. They have selected four private contractors/companies to implement it. The new program, authorized under a federal law enacted by Congress, enables these selected contractors to collect on the behalf of the US government. **Private collection agencies will not ask for payment on prepaid debit, iTunes, or gift cards.** Taxpayers will be informed about electronic payment options on [www.irs.gov/payments](http://www.irs.gov/payments). Or they will ask that checks be payable to the U.S. Treasury and sent directly to the IRS, not the private collection agency.

#### **Airbnb—is it a rental or a hotel?**

As a way to earn a living or extra money, taxpayers are renting out their entire home, a portion of their home, or just a single room. Airbnb, HomeAway, VRBO are several of the growing online mechanisms used to do this. However, beware of the federal income tax reporting consequences.

With the IRS scrutinizing rental passive income more closely than ever, several things to look for:

1. Taxpayer can rent out all or a portion of their home tax-free if the **rental period is less than 14 days** and the home is used personally for more than 14 days or more than 10% of the total days rented at FMV to others. **Taxpayer does NOT have to report any rental activity on tax return.**
2. If taxpayer rents out entire home, a portion of their home, or a room for **7 days or more and does not include any amenities** such as breakfast, lunch, dinner, snacks, toiletries (body lotion, shampoo, hair dryers, toothbrush, toothpaste, etc.), workout facility, ironing board & iron, chocolates on the pillows—then they can show the **Airbnb rental on their schedule E and claim it as passive income.**
3. If the taxpayer rents out entire home, a portion of the home or a room on a continuous basis of **less than 7 days at a time and include all the amenities**, then the **Airbnb will be considered a trade or a business—a Hotel!** And that income will be reported on the schedule C subject to Self-Employment taxes (Social Security and Medicare).

**Tax law will stay the same for 2017 with a few exceptions:**

**For Individuals, extenders expiring after 2016 include:**

1. Higher education tuition and fees deduction
2. Code Sec 25C nonbusiness energy property credit
3. Mortgage debt forgiveness exclusion
4. Mortgage insurance premium deduction

(Walters Kluwer Tax Law Updates & Projected Impact)

#### **Health Coverage for 2017**

The Individual mandate's fine without health coverage will continue to be the same as 2016. Make sure to bring in your 1095-As, 1095-Bs and 1095-Cs.

**Electronic Filing** will begin January 29th of this year. We can prepare taxes immediately but tax returns will not be filed till January 29th.

**EIC and Additional Child tax Credit** can be processed and filed on the January 29th but refunds will be held until the end of February. If you want to ensure that you do get yours at that time, please do not wait till the end of February as it will only delay your refund. 1st in—1st out!

#### **New Services available this year**

We are now offering prepaid business consultation service. Previously, consultations were billed at \$100 per hour. For an annual cost of \$150, you can have unlimited phone and in-person meetings at no additional costs. Take advantage of our expertise to help you with your business questions.

**Now Available on line—to check how much you owe the IRS go to:**

[www.irs.gov/payments/finding-out-how-much-you-owe.com](http://www.irs.gov/payments/finding-out-how-much-you-owe.com)

#### **2018 New Laws**

Due to the lengthy amount of changes for 2018, we will have a separate print out on what to expect. Please pick up the 2018 tax updates when you come in to do your taxes for 2017. For those living outside of Las Vegas/Henderson area— please feel free to request a copy of the printout. We will also have it available on our website:

[www.efilenevada.com](http://www.efilenevada.com).



3300 E. Flamingo Rd #11  
Las Vegas, NV 89121

Phone: 702-696-9549  
Fax: 702-699-8131

**BASED IN NEVADA  
PREPARING TAXES NATIONWIDE**



**QUICK TIPS FOR BUSINESSES**

- Call us for your Payroll and bookkeeping needs.
- For 2018, Corporations, LLCs will no longer be allowed to take Meals & Entertainment as an expense
- For 2018 the amount of the net profit from sole proprietors, LLCs, S-Corporations will be reduced by 20%.
- Corporate officers of an S-Corporation performing services for their corporation must be paid reasonable W2 salary through payroll. Salary should be based on what others in the same field are paid.
- 1099s and W2s are due by January 31st.
- C-Corporations are now due April 17th .

**Tax Season Quick Reference Guide:**

|  | <u>2017</u> | <u>2018</u>  |
|--|-------------|--------------|
| <u>Personal Exemptions :</u>                         | \$4,050     | 0            |
| <u>Standard Deduction for 2017:</u>                  |             |              |
| MFJ, QW  | \$12,700    | \$24,000     |
| Head Of Household                                    | \$ 9,350    | \$18,000     |
| Single/MFS   | \$ 6,350    | \$12,000     |
| <u>Foreign Earned Income Exclusion:</u>              | \$102,100   | \$104,100    |
| <u>Gift &amp; Estate Tax for 2017:</u>               |             |              |
| Applicable Exclusion Individual                      | \$5,490,000 | \$5,600,000  |
| Applicable Exclusion Married                         | \$5,490,000 | \$11,200,000 |
| Annual Exclusion for Gifts                           | \$ 14,000   | \$15,000     |
| <u>Standard Mileage Rate for 2017:</u>               |             |              |
| Business—per mile                                    | \$0.535     | \$0.545      |
| Medical/Moving                                       | \$0.17      | \$0.18       |
| Charitable   | \$0.14      | \$0.14       |
| <u>Student Loan Deduction:</u>                       | \$2,500     | \$2500       |
| <u>Child Tax Credit Phase-Out for 2017:</u>          |             |              |
| MFJ phases out at \$110,000                          |             |              |
| S, HH, QW phases out at \$75,000                     |             |              |
| MFS phases out at \$55,000                           |             |              |
| <u>Maximum EIC for 2017:</u>                         |             |              |
| Taxpayers with one child                             | \$3,400     |              |
| Taxpayers with two Children                          | \$5,616     |              |
| Taxpayers With three or More                         | \$6,318 .   |              |
| Taxpayers with No Children                           | \$ 510      |              |
| <u>Credit Limitations for 2017</u>                   |             |              |
| Child Tax Credit<br>(Must Now have Social Security#) | \$1000      | \$2000       |
| American Opportunity Credit                          | \$2,500     | \$2,500      |
| Lifetime Learning Credit                             | \$2,000     | \$2,000      |

**S-CORPORATIONS & LLC RETURNS & EXTENSIONS ARE DUE ON OR BEFORE MARCH 15th  
INDIVIDUAL & C-CORPORATION RETURNS & EXTENSIONS ARE DUE ON OR BY APRIL 17th**

You must call in to request an extension and a deposit will be taken for the extension at that time. \$50 deposit is required for individuals and \$100 deposit for Corporations. All deposits are applied to the cost of the return.