



## 2018 TAX SEASON

E-File Tax Services of Nevada, INC

January 2019

**Greetings and Happy New Year to Everyone!**

**There are many things happening in the world of taxes!!!**

First and foremost is the tax reform that became effective January 1, 2018. There are many changes that will affect your tax filing, and we have spent many hours in classes and webinars to understand the new laws.

Next, after 15 years, we have decided to expand and open a second office in Henderson in the Anthem/Seven Hill area. This will allow those of you in the south valley and southwest to come there instead of the Flamingo office. When you call for your appointment, just let us know which office you would prefer .

Thirdly, we are now offering what we believe is an exciting new service to our clients. We have teamed up with 4D Advisors which is a professional alliance group that offers integrated strategies and information regarding tax savings, financial services, insurance products and estate planning. Please watch for more information on this which will allow us to optimize your financial strategies, reduce your taxes, increase income and net worth, and most importantly protect your assets.

**(702)696-9549**

***Jessie, Jamara, Fvangelina, Saundra & Brent***



## 2018 CLIENT NEWSLETTER

E-FILE TAX SERVICES OF NEVADA, INC  
Updates on the 2018 Tax Filing Season

WINTER NEWSLETTER  
January 2019

### What to Expect for Tax Year 2018

**The Tax Cuts and Job Act (TCJA)**—signed into law on December 22, 2017 became the largest Internal Revenue Code overhaul in over 30 years. These changes became effective January 1st, 2018 and many important provisions in the new code will affect both individual and business taxpayers. Here are a few of the changes:

**1. Income tax brackets** for taxpayers have been adjusted for inflation and changed. Since there is not enough space to list the tax rate tables only a sampling of the changes are listed below:

**Single:** Taxable Income over \$38,700 but less than \$82,500 is now taxed at 22% instead of previous 25%.

**MFJ:** Taxable Income over \$77,400 but less than \$165,000 is now taxed at 22% instead of the previous 25%..

**2. Child Tax Credit** which was worth up to \$1000 per qualifying child is now \$2000 for each qualifying child and the TCJA provides a new benefit with a \$500 non-refundable credit for dependents other than qualifying children. This will allow a taxpayer to claim at least a little something for dependents in a household that doesn't meet the definition of "qualifying child". Non traditional families or non-familial caretakers will definitely benefit from this \$500 credit.

**3. Personal Exemptions** are repealed through 2025. They went from \$4050 per person in 2017 to 0 in 2018.

**4. Pass-through income deduction** should reduce the effective income tax rate for qualified businesses by 20% on their personal tax returns. More information will be posted on our website.

**5. Unreimbursed Business Expenses Deductions for Employees** will no longer be allowed.

**6. Home Mortgage Interest** was modified to reduce the limit on acquisition indebtedness to \$750,000 (from prior-law limit of \$1 million).

**7. Home Equity Loan Interest** repealed unless it is 'grandfathered' in.

**8. Casualty Losses** will be limited to the suffering losses in a federal disaster area.

**9. Theft Losses** has been completely eliminated.

**10. Property Taxes** both personal & property are deductible up to \$10,000. This will include state & sales tax as well.

**11. Medical Expenses** must exceed the threshold of 7.5% of earned income in order to be deducted. In 2019 it will go up to 10% of earned income.

**12. Moving Expenses** will no longer be deductible under any circumstance.

**13. Affordable Care Act's** individual mandate remains in effect for 2018 but has been eliminated for 2019.

**Look on our website: [www.efilenevada.com](http://www.efilenevada.com) to view the entire Income Tax Brackets as well as more detail information on the Tax Cuts and Job Act (TCJA).**

### IS THIS A SCAM?

The Federal Trade Commission works to protect consumers by stopping "unfair, deceptive or fraudulent practices" and request that you are informed of current scams! If you want to report a scam, go to the **FTC Complaint Assistant** link. It is an online resource for individuals to report scams, identity theft, bank fraud and various other complaints.

The following bullet points are what the IRS WILL NEVER DO:

- Threaten to immediately bring in local police to have you arrested for not paying
- Demand that taxes be paid without giving taxpayers the opportunity to question or appeal
- Ask for credit or debit card or I-Tune gift card or any kind of card!
- Call you about an unexpected refund.

In Case of collections, IRS collection employees may arrive unannounced to collect a tax debt. An actual IRS collections employee will never demand immediate payment to a source other than the U.S. Treasury. They will carry 2 forms of ID—a pocket commission and a HSPD-12 card. Taxpayers have the right to ask for these credentials and they must be produced. Never allow anyone in your home without first viewing their credentials.



**Tax Season Quick Reference Guide:**

**BASED IN NEVADA  
PREPARING TAXES NATIONWIDE**

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

AND NOW  
2nd Location:  
2950 Sundridge Heights #100  
Henderson, NV 89052

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

*Every year, people ask what is the interest rate that the IRS charges on unpaid balance. The answer has always been a little vague—to us and to our clients. NOW we have an actual answer from the IRS. This will pertain to 2019:*

IRS's Interest rates on taxes are increasing for the first quarter of 2019. On Overdue Taxes, the Revenue Service will charge 6%. A higher 8% rate will be applied to corporations that owe more than \$100,000 in back taxes.

On Refunds, the agency will pay 6% to individuals and 56% to corporations. For corporate refunds that exceed \$10,000, the rate on the excess will be 3.5%. There is a 45-day waiting period before IRS will start paying interest on refunds.

Kiplinger tax letter vol.93 #25

**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.**

	<u>2018</u>	<u>2019</u>
<u>Foreign Earned Income Exclusion:</u>	\$104,100	
<u>Gift &amp; Estate Tax for 2018</u>		
Applicable Exclusion Individual	\$11,180,000.	
Annual Exclusion of a noncitizen Spouse	\$152,000	
Annual Exclusion for Gifts	\$ 15,000	
<u>Standard Mileage Rate for 2018:</u>		
Business—per mile	\$0.545	\$0.58
Medical/Moving	\$0.18	\$0.20
Charitable	\$0.14	\$0.14
<u>Student Loan Deduction:</u>	\$2,500	\$2500
<u>Child Tax Credit Phase-Out for 2018:</u>		
MFJ phases out at	\$400,000	
S, HH, QW phases out at	\$200,000	
<u>Maximum EIC for 2018</u>		
Taxpayers with one child	\$3,461	
Taxpayers with two Children	\$5,716	
Taxpayers With three or More	\$6,431 .	
Taxpayers with No Children	\$ 519	
<u>Credit Limitations for 2018</u>		
Child Tax Credit (Must Now have Social Security#)	\$2000	\$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 ARE DUE ON OR BEFORE APRIL 15TH**