

Important Tax Considerations

2018

If the IRS is trying to reach you, their first contact is usually through the mail.

The IRS does not use email, text messages, or any social media to discuss your personal tax issues involving bills or refunds. Be aware, there has been a surge of aggressive and threatening phone calls by criminals impersonating IRS agents. These callers may demand money or may say you have a refund due and try to trick you into sharing private information. These con artists can sound convincing when they call. They may know a lot about you. Don't be taken in and don't engage these people over the phone. Likewise, do not respond to any authentic-looking emails purported to be from the IRS. To do so could expose you to identity theft.

Some of the impacts of the new legislation on the 2018 tax reporting:

- Substantial changes in itemized deductions:
 - mortgage interest
 - state and local taxes
 - miscellaneous deductions
 - casualty losses
- Standard deduction increase
- Taxation of self-employed taxpayers, shareholders, and members of flow-thru entities

Clients with foreign bank accounts:

Your *Foreign Bank Account Report* (FBAR) filing deadline is the 1040 filing due date in April. When necessary, you may now extend this filing deadline by 6 months to Oct 15th. Contact us if you think you need to file this report.

Investment Surtax:

3.8% tax on net investment income for singles with a *modified adjusted gross income (MAGI)* over \$200,000 and for couples who file jointly over \$250,000.