2017 TAX SEASON

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Welcome back for the 2017 tax season. This will be the final year of filing before all the new changes starting on January 1, 2018. To e-file the IRS now requires your driver's license or state ID number, date of issuance and expiration date. The 2018 tax law changes will not affect your 2017 tax returns.

Please start gathering your 2017 data that is needed to prepare your tax return. If you have questions as you gather this information please call or email us. Responding by email will be faster than phone calls.

DATES TO REMEMBER

Tax returns need to be prepared by:

1120S Corporation:	March 15, 2018
1065 Partnership:	March 15, 2018
1120 Corporation:	April 17, 2018
1040 Personal Return:	April 17, 2018
1041 Trust:	April 17, 2018
1st Qtr. estimates 2017:	April 17, 2018

Extensions can be filed to obtain an extra six month extension. If you don't believe you can file timely you must contact us to file the extension, but, do not wait until the last week so we have proper time to get this done for you.

INSIDE

TAX PREPARATION

The IRS requires tax preparers to file each client's tax return electronically. If you verbally opt out and refuse to do this and file manually we must file a form to explain why. Because all returns will be e-filed by us we will require payment for tax return services at the time we e-file.

CHANGES FOR 2018

1. *Business mileage rate for 2018 is 54.50 cents per mile, 14 cents for charity mileage, and 18 cents for medical/moving mileage.*
2. *Tight rules on charity. You need receipts on everything you donate.*
3. *Gift allowance is $15,000.00 for 2018.*
4. *No more personal exemption deduction.*
5. *Alimony not deductible.*
6. *Mortgage interest limited to $750,000.00 of new mortgage debt.*
7. *Standard deduction basically doubled.*
8. *Real estate taxes and income taxes capped at $10,000.00 as itemized expense.*
9. *Medical offset is now 7.5% of your adjusted gross income for all persons..*
10. *If you would like us to e-mail a summary of the 2018 changes let us know.*
11. *Child tax credit increased to $2,000.00 from $1,000.00.*
12. *Many of the misc. business deductions on Schedule A will be disallowed.*
13. *Roth re-characterization denied.*

*****Possible adjustment to these new changes*****

FEES

We will continue to collect all tax return fees when returns are picked up or before filing electronically. We are trying to avoid spending an extraordinary amount of time sending out invoices and repeat invoices. When picking up your return, please be prepared to pay by *cash, check, or credit card*. If you wish the tax return mailed or FedEx to you the staff will call for your credit card information prior to sending. **TAX RETURNS READY TO FILE WILL BE HELD UNTIL PAYMENT IS RECEIVED.**

DROP-OFFS

Dropping off your tax return, mailing or emailing us the information is the most efficient method of getting your taxes done and is used by the vast majority of tax clients. Missing data can delay the preparation of your taxes by one to several weeks. Provide us a list of any missing data you know of when dropping off. Naturally we'll call you with any questions regarding missing data or unclear information. We stress obtaining missing information quickly so you are not forced to file extensions.

THE STAFF WILL CALL YOU WHEN THE TAX RETURN IS COMPLETED. We attempt to do them in the order they are given to us. Naturally, incomplete information will delay the completion of your tax return.

TAX ORGANIZER & NEWSLETTER

Please email us if you would like to receive a tax organizer. The tax organizer is a detailed statement providing you with data from the 2016 tax return, and a column to list information for this year. This is a great side by side method of making sure all information has been obtained. There is plenty of room to supply additional or new information as well as an array of questions to help you determine yearly changes i.e. moving, new kids, retirement, purchase or sales of rental property. This tool helps you identify missing info and gather data.

APPOINTMENTS

We are open for your convenience 6 days a week during tax season.

Monday - Friday	11-7
Saturday	12-5

The last appointment can be booked at 7:00 M-F, and at 5:00 on Saturday. **WE ARE CLOSED ON SUNDAY. TELEPHONES ARE NOT ANSWERED ON SUNDAYS.**

Appointments should be made as **EARLY** as possible. We have found that the last month of tax season books up very quickly. The staff will determine the appropriate time needed to complete your tax return. If you have had some major changes during the year let us know so we may schedule additional time. Some of these changes may include sale or purchase of a rental building, receiving W-2's from several states, opening a self-employed business, or selling a multitude of stocks and mutual funds. We will not have time to do your bookkeeping and prepare your tax return the same day. You do need to provide totals of your categorized expenses at your appointment.

Please **LET US KNOW** when scheduling an appointment **IF YOU PLAN TO HAVE US PREPARE MORE THAN ONE TAX RETURN**. A lot of clients bring information to complete tax returns for their children or parents and naturally we want to do these tax returns, but we need to schedule extra time to prepare multiple tax returns.

AFFORDABLE CARE ACT

You need to verify that you and everyone on your tax return were covered by health insurance in 2017.

We need to know which months each member of the household was covered and your cost of insurance coverage in 2017. Please provide form 1095-A, B, and C.

Failure to have complete yearly coverage opens you to penalties of $695.00/adult or 2.5% of your income, whichever is greater.

The new tax eliminated the penalty tax on Obamacare so this will probably be the last year we have to worry about this – Yeah!

PLEASE BRING THE FOLLOWING TO ENABLE US TO PREPARE YOU 2017 INCOME TAXES MORE EFFICIENTLY

- Driver's license or state ID – new IRS requirement

- Your W-2's from employers and your 1099's from banks, savings, loans, and brokers.

- All unreimbursed payments to doctors, hospitals, dental, eyeglasses, hearing aids, and batteries; hardware such as wheelchairs, crutches, health insurance premiums, and transportation costs to and from doctors.

- A record of any refunds that you received from the Illinois Department of Revenue on your State Income Taxes.

- A list and amounts of your donations along with charitable slips, church letters or charitable receipts recording any charitable transaction.

- **The total amount that you paid during 2017 and 2018 on your ESTIMATED TAXES FOR THE YEAR 2017. Do not include 2016 payments paid in 2017.** You MUST let us know if you paid your estimates when you drop off your 2017 information. *The estimates we prepare for you are the best guess at what you may owe for the next tax year. They are not meant to be perfect. You must still file an income tax return even though you have paid estimates. If your income or expenses radically change during 2018, after you filed the 2017 tax return, then contact us as changes may be needed in your estimated payments.*

- 1098 Statement for mortgage interest

- Need your real estate pin number.

- If your sell a rental property during 2018 let us know immediately after the closing so we can help you prepare Federal and State tax estimates.

- If you sold your home or condo we will need the cost of any major additions, as well as the closing statements of the original purchase and the sale. This will allow us to report the sale as needed.

- IF YOU SELL **STOCK**, WE MUST ALWAYS HAVE THE **DATE OF PURCHASE** AND **COST OF THE STOCK** TO COMPLETE THE TAX RETURN. Please obtain this information from your records or broker prior to our meeting. If you close out a mutual fund, that can also be considered a sale. You will need the cost basis and date of purchase. **DO NOT ASSUME THE COST BASIS IS ON YOUR YEAR-END STATEMENT**. Please review the forms before bringing in your tax return. *Please note that any time spent tracking down information not provided will mean an additional fee to your tax return.*

- If your employer provides **DEPENDENT CARE BENEFITS** or **EDUCATIONAL ASSISTANCE**, please let us know so we don't miss this income and the associated expenses.

- If you move out of state we would still be able to complete your tax return since our tax program allows us to prepare all states.

- School receipts (K-12) to obtain Illinois school credit for children. Please provide grade and name of school for each child.

- If anyone attended college in 2017, provide the year end statement showing tuition and expenses – Form 1098-T, along with documentation showing payments to the school and supplies.

- If you contributed to a 529 College Plan or Illinois Bright Star Program please provide us the amounts of contribution.

- If you receive Social Security, bring the 1099 they sent you for the year 2017.

- W-2G/Lottery Winnings

- 1099-R Pension/IRA Distributions

- IRA contributions/Year End Statements

- Interest Statements & Dividend Statements

- Unemployment Income

- Documentation for Alimony paid/received

If you are emailing us your documents please merge all your PDF's into one attachment.

EARNED INCOME CREDIT

For us to finish your tax return that has an earned income credit we'll need proof of residency of your children ie. school, medical records, or landlord letter.

FILING METHODS

We strongly suggest you use **direct deposit** to obtain your refund. You will e-file or mail your normal tax return but we will need your **checking or savings account number** and your **bank routing number**.

When we file your tax return **electronically** where you don't need to mail a paper tax return, your refund can be electronically deposited into your checking or saving account or you can electronically have your account debited to pay taxes. There is no additional charge for this service. Refunds are received within two weeks.

TO CHECK YOUR REFUND

IRS
1-800-829-1040
www.irs.gov
Click on Refund

Illinois
1-800-732-8866
www.revenue.state.il.us.

Also, the IRS has 150 tax topics that can be accessed by calling 1-800-829-4477. These topics can give you information on many types of your deductions.

To pay your taxes by credit card or debit card go to this link to see the list of e-pay providers http://www.irs.gov/efile

Wendy, Happy, Cynthia, Karen, and I look forward to seeing and helping you again this season.

MOVIE TICKETS/GIFT CARDS

We are always appreciative of your confidence in referring clients to us during the year for personal & business tax returns. The staff and I want to thank you for the lunches, dinners, pizzas, cookies, cokes, candies, and wines. They naturally love these gifts and they definitely provide a great spirit boost during a long 7-day a week non-stop tax season. I deeply appreciate your kindness towards the staff.

We will continue to thank you by sending two AMC/Loews Movie passes, or Starbucks gift card for each new referral that has us complete their tax return for 2017. Please call us to let us know of your referrals so we can add them to our tracking list. If you referred clients to us in 2017 and did not receive gifts please call so we can review our lists and get you your gift card.

STAFF

Wendy, Happy, Cynthia, and Karen will be here for another tax season and desire to provide you the most prompt and courteous assistance. Happy and Cynthia's children will make limited appearances during tax season, as they have school and nanny sessions.

As always they keep improving their tax and filing knowledge of personal, business, payroll, and sales tax requirements. You may be comfortable to ask your questions through the staff for more immediate responses. Also, THEY SET UP ALL APPOINTMENTS and will provide you information on your completed tax returns. If you call they will let you know when your return will be worked on. They will always call you when the return is completed and ready for pick up. Myself, Wendy and Happy have completed the requirements by the IRS to be listed as registered tax preparers.

Wendy is going on her 22nd year with me and I have total confidence in her skills. Her years of tax experience have honed her abilities and knowledge. She will prepare tax returns for you and can help with business tax returns, sales tax and payroll. You can also schedule an appointment with her.

Happy is back for her 12th year. Happy is Wendy's sister. We hope you again enjoy her service oriented style. She is an integral part of our system and can help you with any of your questions. Happy has been preparing tax returns for many years.

Cynthia is back for her 8th tax season and has been totally trained by Wendy and Happy. Tax questions can be answered by her with confidence. She is at the front desk to greet and help you.

Karen is a senior at DePaul. She is great in organizing our systems and gathering tax data from our clients.. She does provide bookkeeping services for clients outside the office. You can contact her directly.

Contact Information

Stairway entrance: **561** W. Diversey Pkwy Suite 204
Elevator entrance: **541** W. Diversey Pkwy Suite 204
Phone: 773-248-6600
Fax: 773-248-1138
E-mail: wallydunn@msn.com

Movie Passes

Refer-A-Friend

We'll mail you two Loew's movie passes for every new client that you refer and who *completes their 2017 tax return with us.*

Friend's Name: ____________________

Your Name: ____________________

Your Address ____________________

City, State, ZIP ____________________

Wallace E. Dunn

✂ **(Cut Here)**

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