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2018 Personal Tax Checklist

The 2019 tax filing season begins January 28th, 2019. The IRS reminds taxpayers that, by law, the IRS cannot issue refunds claiming the Earned Income Tax Credit (EITC) and the Additional Child Tax Credit (ACTC) before mid-February. The IRS expects the earliest EITC/ACTC related refunds to be available in taxpayer bank accounts or on debit cards starting on Feb. 27, 2018, if they chose direct deposit and there are no other issues with the tax return.

Most people will need:

Personal information

You will need the following information for you, your spouse, and any dependents:

- Full Legal Names
- Social Security Numbers or Tax ID Number
- Dates of Birth
- Legal Addresses

You:

Your Spouse:

Dependent # 1:

Dependent #2:

WE MUST HAVE A COPY OF ALL DRIVER'S LICENSES OF PERSONS ON TAX RETURNS TO EFILE YOUR RETURN. THE GOVERNMENT REQUIRES THIS INFORMATION FOR IDENTITY THEFT PURPOSES. IT IS FOR YOUR PROTECTION AS WELL AS OURS.

Information about your income

- W-2 forms for you and your spouse (and children if applicable)
- 1099-MISC forms for you and your spouse (for any independent contractor work)

- Self employed persons will need records of all expenses – check registers, credit card statements, and receipts) as well as business-use asset information (cost, date placed in-service, etc.) for depreciation
- Record of estimated tax payments made and the dates they were made.**

- 1099-G forms for unemployment income, or state or local tax refunds
- SSA-1099 for Social Security benefits received
- 1099-R, Form 8606 for payments/distributions from IRAs or retirement plans
- 1099-INT, -DIV, -B, or K-1s for investment or interest income
- 1099-S forms for income from sale of a property
- Miscellaneous income: jury duty, gambling winnings, Medical Savings Account, scholarships, hobby income and expenses, prizes, awards, trusts, royalty income, etc.
- Copies of last year's tax return for you and your spouse (helpful, but not required)
- Bank account number and routing number, if depositing your refund directly into your account – needs to match tax return**
- Alimony received
- Business or farming income - profit/loss statement, capital equipment information (a business tax checklist can be provided)
- Rental property income and expenses: profit/loss statement, suspended loss information (a business tax checklist can be provided) including asset information (cost, date placed in service, etc) for depreciation and purchase and sales documentation if applicable
- Prior year installment sale information - Forms 6252, principal and interest collected during the year, SSN and address for payer
- 1099-C forms for cancellation of debt – this is something the bank or lending institution will provide for any debt you owe that you did not pay back –

includes foreclosures and offers to credit card companies to take less than the balance owed

Adjustments to your income

The following items can help reduce the amount of your income that is taxed, which can increase your tax refund, or lower the amount you owe.

- Form 1098-E for student loan interest paid (or loan statements for student loans)

The American Opportunity Credit is the most lucrative tuition tax break, and it's also the most difficult to qualify for. Specifically, to use the credit, the person the tuition is paid for must be:

- Within their first four years of postsecondary education. In other words, if you take a fifth year to finish your bachelor's degree, the credit won't be available for the last year
- Enrolled in a degree or certificate program
- Taking classes on at least a half-time basis
- Have no felony drug convictions
 - Please provide the answers to these questions with your documentation.

	American Opportunity Credit	Lifetime Learning Credit	Tuition and Fees Deduction
How much is it worth?	100% of the first \$2,000 of qualified expenses, 25% of the next \$2,000 (\$2,500 max)	20% of the first \$10,000 of qualified expenses.	As much as \$4,000 on qualifying expenses excluded from income.
Refundable?	Up to \$1,000	No	N/A
Income limit for full benefit	\$80,000 (single), \$160,000 (joint)	\$55,000 (single), \$110,000 (joint)	\$65,000 (single), \$130,000 (joint)
Income phaseout limit for partial benefit	\$90,000 (single), \$180,000 (joint)	\$65,000 (single), \$130,000 (joint)	\$80,000 (single), \$160,000 (joint)
Restricted to undergraduate study?	Yes	No	No
How many years can you claim it?	4	Unlimited	Unlimited

- Form 1098-T for tuition paid (or receipts/canceled checks for tuition paid for post-high school)
- For teachers: Canceled checks or receipts for expenses paid for classroom supplies, etc.
- Records of IRA contributions made during the year
- Receipts for any qualifying energy-efficient home improvements (solar, windows, etc.)
- Records of Medical Savings Account (MSA) contributions (this includes HSA and Flexible Spending accounts) – must know total out-of-pocket expenses you paid as well.

- Self-employed health insurance payment records
- Records of moving expenses - many not allowed beginning 2018
- Alimony paid
- Keogh, SEP, SIMPLE, and other self-employed pension plans

- Childcare Records (including the provider's tax ID number (if applicable
- Income of other adults in your home and designation of dependency status with proof
- Form 8332 showing that the child's custodial parent is releasing their right to claim a child to you (the noncustodial parent, if applicable)

If you itemize (largest change in the Tax Cuts and Jobs Act in 2018) your deductions:

Deductions and credits

The government offers several deductions and credits to help lower the tax burden on individuals, which means more money in your pocket. You'll need the following documentation to make sure you get all the deductions and credits you deserve:

- Child care costs: provider's name, address, tax ID, and amount paid
- Education costs: Form 1098-T, education expenses
- Adoption costs: SSN of child; records of legal, medical and transportation costs and any photos or other pertinent documentation
- Forms 1098: Mortgage interest, private mortgage insurance (PMI), and points you paid (listed on your closing statement)
- Investment interest expenses
- Charitable donations: cash amounts, official charity receipts, canceled checks; value of donated property; miles driven and out-of-pocket expenses – this MUST have an address for the location of the donation. For donations totaling \$250 or more, documentation is required
- Medical and dental expense records (also include eye and ear care and miles driven to and from doctor, lab, and prescription filling).
 - For a complete list, contact our office or go to [irs.gov](https://www.irs.gov) and type in “medical deductions” in the search bar. Only the amount up and above 10% of your AGI (adjusted gross income) is deductible, unless you are over 65 years of age, then it is 7.5%

- Casualty and theft losses: amount of damage, insurance reimbursements
- Records/amounts of other miscellaneous tax deductions:
 - Union dues and/or unreimbursed employee expenses (uniforms, supplies, seminars, continuing education, publications, travel, etc.)
 - Records of home business expenses, home size/office size, home expenses (this requires a list of documentation that we can provide if this applies to your situation)
 - Rental property income/expenses: profit/loss statement, rental property suspended loss information

Taxes you have paid

(please do not assume that we know)

- State and local income taxes paid
- Real estate taxes paid
- Personal property taxes
- Vehicle license fees based on value of vehicle

Other information

- Estimated tax payments made during the year (self-employed):**
 - Please check to see if your January payment applied to 2017 or 2018 - we find this error frequently**
- Prior-year refund applied to current year and/or any amount paid with an extension to file
- Foreign bank account information: location, name of bank, account number, peak value of account during the year
- Retirement and other saving s- 5498-A showing HSA contributions, Form 5498 showing IRA contributions, and any other 5498 series forms
- Federally Declared Disaster
 - City/county you lived/worked/had property in
 - Records to support property losses (appraisal, clean up, etc)
 - Records of rebuilding/repair costs
 - Insurance reimbursements/claims to be paid (goes against claim amount)
 - FEMA assistance information
 - Check FEMA site to see if your county has been declared a federal disaster area

Health Care Law brings changes to IRS tax forms

Again this year, there are some changes to tax forms related to the Affordable Care Act (ACA). Because of extensions granted to employers and providers, individuals may not receive their 1095-Bs or 1095-Cs by the time they are ready to file their 2018 individual income tax return. While information on these forms may assist in preparing a return, the forms are not required to file. Taxpayers can prepare and file their returns using other information about their health coverage. For more information about the Affordable Care Act and filing your 2018 income tax return visit <https://www.irs.gov/affordable-care-act>.

ACA forms and updates to existing forms

Form 8965, Health Coverage Exemptions

- Complete this form to report a Marketplace-granted coverage exemption or claim an IRS-granted coverage exemption on the return
 - Use the worksheet in the Form 8965 Instructions to calculate the shared responsibility payment

Form 8962, Premium Tax Credit

- Complete this form to reconcile advance payments of the premium tax credit, and to claim this credit on the tax return.
 - If individuals purchased coverage through the Health Insurance Marketplace, they should receive Form 1095-A, Health Insurance Marketplace Statement.
 - If you have group health insurance through an employer OR have an individual policy, you will receive a 1095-B or 1095-C.
 - You cannot take the PTC if your filing status is married filing separately unless you qualify for an exception (see instructions).

Form 1040

- Line 46: Excess advance premium tax credit repayment. Attach Form 8962
- Line 61: Report health coverage and enter individual shared responsibility payment
- Line 69: If eligible, claim net premium tax credit, which is the excess of allowed premium tax credit over advance credit payments. Attach Form 8962

Form 1040A

- Line 29: Excess advance premium tax credit repayment. Attach Form 8962
- Line 38: Report health coverage and enter individual shared responsibility payment
- Line 45: If eligible, claim net premium tax credit, which is the excess of allowed premium tax credit over advance credit payments. Attach Form 8962

ACA forms and updates to existing forms (continued)

Form 1040EZ

- Line 11: Report health coverage and enter individual shared responsibility payment
- Form 1040EZ cannot be used to report advance payments or to claim the premium tax credit

The above checklist is intended to provide generalized financial information designed to educate a broad segment of the public; it does not give personalized tax, investment, legal, or other business and professional advice. There may be additional changes in taxes this year which have yet to be announced, or may not be included in this documentation. You are to review and sign your returns and check for accuracy of information.

Deadline for filing and paying taxes

The filing deadline to submit 2018 tax returns is Monday, April 15, 2019.

The April 15th deadline applies to any return or payment normally due on April 15th. It also applies to the deadline for requesting an individual return tax-filing extension and for making 2018 IRA contributions.

Do NOT assume that if you put your return in a mailbox on April 15 it will be postmarked on that date, and will be considered timely. If you do not e-file your return or extension, you must take the return into the Post Office and have it stamped to be confident it will be dated correctly and timely. We do not take any responsibility for timely filing of returns after they leave our office.