

# GENESIS TAX & NOTARY SERVICES LLC

Michelle T. Brown, Owner

1525 Shellford Lane

Accokeek, MD 20607

301/283-3372

www.genesistaxsavings.com

genesistaxservicellc@gmail.com

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## WHAT'S NEW FOR 2018? A LOT!

Happy Holidays to you all! I pray your 2018 has been above and beyond your wildest expectations!

I'm sure you all have questions about how the Tax Cuts and Job Act of 2017 will affect you this filing season. There are a couple of major changes that affect everyone:

- Personal exemptions have been eliminated. One way to think of it is to think of it as having been rolled into the standard deduction. For married filing jointly and surviving spouse filers, the standard deduction is now \$24,000; for head of household filers, \$18,000; and for single and married filing separate filers the standard deduction is \$12,000. What this means is that itemizing deductions *may* be unnecessary for some of you because of the increase in the standard deduction. I won't know until we plug in your numbers.
- For people who do itemize, a huge group of expenses has been eliminated, namely the Miscellaneous Employee Expenses. You can no longer deduct previous year tax preparation fees (sorry ☹), unreimbursed employee expenses such cell phones, mileage, uniforms, union dues, tools and equipment are all GONE! **NOTE:** This does NOT affect Schedule C business filers. You can still deduct all business-related expenses.
- Curious about your tax bracket? The chart below shows the beginning levels of the 7 regular income tax brackets:

2018	10%	12%	22%	24%	32%	35%	37%
MFJ, SS	\$0	\$19,051	\$77,401	\$165,001	\$315,001	\$400,001	\$600,001
HH	\$0	\$13,601	\$51,801	\$82,501	\$157,501	\$200,001	\$500,001
S	\$0	\$9,526	\$38,701	\$82,501	\$157,501	\$200,001	\$500,001
MFS	\$0	\$9,526	\$38,701	\$82,501	\$157,501	\$200,001	\$300,001

- Beginning in 2019 the payment for failing to maintain minimum essential health coverage for individuals (the individual mandate) is \$0. **NOTE:** That's for 2019; the shared responsibility payment, if any, is still in effect for 2018.

- Parents who have 529 college savings plans can now use those funds for tuition expenses for *any* public, private or religious elementary or secondary school, as well as for college expenses. **NOTE:** To take the deduction the funds **MUST** come from a qualified education saving plan. You **CANNOT** take the deduction for tuition expenses paid directly out-of-pocket.

There are other changes in the new tax laws but these are the most prominent and affect the most clients. Each client's situation will be analyzed individually.

Another change you need to be aware of -- I've emailed as well as snail mailed the info to you -- and that is **my email address has changed to: [genesistaxservicellc@gmail.com](mailto:genesistaxservicellc@gmail.com)**.

As an annual reminder, your tax returns are *very* important documents that should be handled securely just like your Social Security card, birth certificate, passport and other important papers. You should be able to go to a designated spot -- a box on the shelf in your closet, a file cabinet, a safe, or a file on your computer -- and put your hands on your tax returns for at least the last 5 years! You should not have to come to me for your last 2 years of returns because you're trying to buy a house -- you should already have them! I have TY 2015, 2016 and 2017 returns in PDF so they can be provided for free. From 2014 back, I'll have to print and mail them, incurring a \$25 charge.

The GTS Refer-a-Friend Program is still in full effect! For each new client you recommend who gets their taxes done, you get \$10 at the end of tax season, and they get at least 10% off their tax prep bill. I had an astounding **34 NEW CLIENTS** referred to GTS this past season!! Win-Win-Win! Office hours will continue to be by appointment only. No appointments will be taken on Wednesdays or Sundays. And as always, you can email (make note of the new email address), fax, mail, or drop off your documents at any time.

Finally -- and I hate having to say this again -- I am strictly enforcing **no tax return will be submitted to the IRS and state/DC until tax preparation fees have been paid IN FULL!** No exceptions. This mostly affects drop off/scan/fax clients. When I contact you that your return is complete and inform you of your fees, unless you have opted to have your fees deducted from your refund, please be prepared to pay with any major credit/debit card, PayPal, Cash App or Zelle or come by with cash, credit card or a check. ***I will not submit any return until fees are paid.*** You'd be surprised at how easy it is for my bill to be "forgotten" once clients have received their refunds!

I look forward to seeing or hearing from you all. God Bless and enjoy the holidays!

**MICHELLE T. BROWN**