

employee business expenses, and tax preparation fees.

- **Phaseout.** The phaseout of the itemized deductions based on AGI is suspended, which means itemized deductions are not limited.

Child Tax Credit

The Child Tax Credit maximum amount has doubled (from \$1,000) to \$2,000 per qualifying child under the age of 17. The credit is phased out when modified AGI exceeds \$200,000 (\$400,000 for MFJ), and is not indexed for inflation.

Additional Child Tax Credit. The portion of the Child Tax Credit that exceeds regular tax liability may be refundable up to \$1,400 (increased from \$1,000) per qualifying child, adjusted annually for inflation. The earned income threshold for figuring the refundable portion has decreased (from \$3,000) to \$2,500.

Note: In order to claim either the non-refundable or refundable portion of the Child Tax Credit, the qualifying child must have an SSN by the due date of the return.

Family Tax Credit

A new non-refundable Family Tax Credit up to \$500 is allowed for dependent who does not qualify for the Child Tax Credit and who is a qualifying relative that is a U.S. citizen, national, or resident of the United States. Thus, a dependent over age 16 that no longer qualifies for the \$2,000 Child Tax Credit may qualify for a \$500 Family Credit, assuming the other dependency rules are met.

Alternative Minimum Tax (AMT)

The 2018 AMT exemption and phaseouts have increased significantly.

AMT Exemption Amount	Phaseout Ranges
Single or HOH	\$70,300 to \$500,000 to \$781,200
MFJ or QW	\$109,400 to \$1,000,000 to \$1,437,600
MFJ	\$54,700 to \$500,000 to \$718,800

Individual Health Insurance Mandate

For 2018, the requirement to maintain health insurance coverage is still applicable. Effective for 2019, the shared responsibility payment (penalty) under the Affordable Care Act for not maintaining minimum essential health insurance coverage for you or your dependent is zero.

Contact Us

There are many events that occur during the year that can affect your tax situation. Preparation of your tax return involves summarizing transactions and events that occurred during the prior year. In most situations, treatment is firmly established at the time the transaction occurs. However, negative tax effects can be avoided by proper planning. Please contact us in advance if you have questions about the tax effects of a transaction or event, including the following:

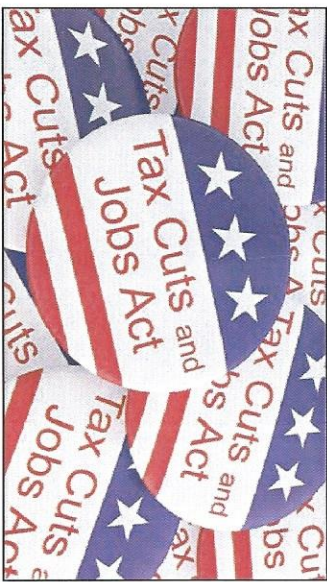
- Pension or IRA distributions.
- Significant change in income or deductions.
- Job change.
- Marriage.
- Attainment of age 59½ or 70½.
- Sale or purchase of a business.
- Sale or purchase of a residence or other real estate.
- Retirement.
- Notice from IRS or other revenue department.
- Divorce or separation.
- Self-employment.
- Charitable contributions of property in excess of \$5,000.

This brochure contains general information for taxpayers and should not be relied upon as the only source of authority. Taxpayers should seek professional tax advice for more information.

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Tax Cuts and Jobs Act

Individuals



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