



# Barber Tax Service

Personal Tax Returns ■ Business Tax Returns ■ Small Business Accounting

Dear Client,

We wish you and your family a happy and prosperous 2018. We would like to thank all of our clients for their continued support and loyalty. We appreciate your business and enjoy working with and assisting you with your tax returns. We love referrals so if you have friends or neighbors who need assistance with their tax returns let them know about us and we would be happy to serve them. The last page of this letter will explain how to receive a \$20 discount for each referral. Brad, Tina, and Ben Clifford, will serve the Salt Lake area clients. Brad continues to cutback the number of clients he personally meets with as he moves toward retirement. All clients will continue to receive the same personal service from other members of our professional tax team.

*The IRS requires that all returns be filed electronically.* This service is free of charge. Electronic filing allows refunds to be received in as little as 5 to 10 days and reduces dramatically any potential problems with refund delays. To create more certainty for the timing of your refund, please provide us with an email address on the Tax Data Sheet so we can email you the IRS refund confirmation once we've received it.

The new tax law changes effective for 2017 are available on the back side for you to look over. The IRS will begin accepting tax returns electronically on January 29th. *When you have all your tax documents ready you can either scan and email them and send through our secure file transfer on our website, drop them off, or set up an appointment and we can prepare your return and have it ready to file as soon as possible.* As a reminder, you can go over any of the information in this letter and get another copy of the tax data sheet, if needed, on our website at [www.barbertaxservice.com](http://www.barbertaxservice.com).

Please utilize the enclosed Data Sheet as we believe it will help you prepare for your appointment and ensure that your return is prepared accurately.

We look forward to seeing you and assisting you with your tax returns again this year.

Sincerely,

**Barber Tax Service Team**

*Tina Hess*

*Ben Clifford*

*Brad Barber*

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Saturday – By Appointment

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## **Tax Law Changes for the 2017 Tax Year**

*There are many tax changes for tax year 2017.*

*This is a summary of the most important of those provisions.*

*Your tax preparer will discuss with you the other relevant changes.*





- Each taxpayer and their dependents must have maintained ‘minimum essential coverage’ for healthcare under The Affordable Care Act. Please bring form 1095-A, 1095-B or 1095-C to your tax appointment.
- Tax refunds may be direct deposited into your bank account.
- The personal exemption amount remains \$4,050 and the standard deduction has increased to \$12,700 for joint returns, head of households increased to \$9,350, and \$6,350 for single returns.
- IRA and ROTH deductions remain \$5,500 and \$6,500 for those over age 50.
- The standard mileage rate for business travel drops to 53.5 cents. Medical mileage is 17 cents. The charitable rate remains at 14 cent per mile.
- The deduction for Mortgage Insurance premiums has again been extended through 2016. This would apply only to new mortgages taken out after Dec 31, 2016. Mortgage Insurance Premiums Tax Deduction Act of 2017 would make this a permanent deduction but is still to be determined.
- Student loan interest is still deductible up to a maximum of \$2,500.
- The American Opportunity Credit has been made permanent for the first 4 years of college, up to \$2,500 per student. Lifetime learning credit per return is \$2,000.
- Alternative Minimum Tax (AMT). Congress has again acted to block the growth of the alternative minimum tax for 2016. This will put off an economic hardship for married filing joint taxpayers earning more than \$84,500 and \$54,300 for single filers.
- All Contribution of cash must be substantiated with dated receipts, cancelled checks, or credit card statements to prove the deduction. Contributions of clothing and household items are limited to items documented in good or better condition.

- The Kiddie Tax is still in effect for children under age 19. If you have dependent children under 19 years old with interest and dividend income not in an education account, of over \$2,100, please bring that information.
- Capital Gains are not taxed again this year if your taxable income is less than \$75,900 MFJ, \$37,950 Single.
- In 2016 for single taxpayers earning over \$200,000 and couples earning over \$250,000, there was an additional 3.8% tax applied to investment income (interest, dividends, capital gains, and S-corp profits). The purpose of this new law was to help fund Medicare and is set to stay the same for 2017, but has not been finalized.

*If you have retired or are planning for retirement in the coming year, please let your tax preparer know. There may be unique circumstances that we can help you address.*

## BARBER TAX SERVICE REFERRAL PROGRAM

We are expanding our tax preparation team and capabilities and would love to have more clients just like YOU. Please tell your friends, family and neighbors about the great service you receive and we will thank you with \$20 off your next tax related service when they become a new client.

<div style="text-align: center;">  <b>Barber Tax Service</b>            REFERRAL PROGRAM         </div> <p>New Client's Name _____</p> <p>Your Name _____</p>	<div style="text-align: center;">  <b>Barber Tax Service</b>            REFERRAL PROGRAM         </div> <p>New Client's Name _____</p> <p>Your Name _____</p>
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