HERMAN & COMPANY CPA'S, P.C.

2016 Year-End Tax Planning

Do You Want to Know the Best Ways to Save on Your 2016 Taxes?
Read Our Annual Tax Planning Guide and Find Out.

Email: paul@hermancpa.com
www.hermancpa.com
Facebook.com/hermancpa
Twitter.com/hermancpa
Youtube.com/paulhermancpa
Instagram.com/hermanandcompanycpas

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2016 Annual Year-End Tax Planning

Take advantage of tax savings opportunities!

Fall, 2016

To Our Clients and Friends,

While November and December typically bring thoughts of the holiday season great food, parties, gifts, and cozy evenings, it is also the time for you to start your year-end tax planning. Planning for your 2016 taxes is among the best gift you can give to yourself!

With the election of a new President, we can anticipate multiple changes to the current tax laws. As a firm, we will remain diligent in updating our clients as these changes come to fruition. Our goal is always to minimize your taxes, reduce your compliance burden, and the related cost incurred, while meeting your filing obligations.

As always there are planning opportunities available to you. Being aware of these opportunities is the first step in reducing your tax burden for April 15, 2017. Ignoring your taxes until next year is not in your best interest. As the saying goes, "If you fail to plan, plan to fail". We want our clients to succeed in paying the least amount of taxes possible. It is the reason why we write this letter to you. Informing you of ways to save money is our way of helping you to be proactive with your particular tax situation by taking advantage of planning techniques.

I'd like to suggest you have us (or your preparer if you are not a client of our office) prepare an estimate now of your current year's tax liability. We can then review strategies to see if there are ways to keep extra money in your pocket for the holidays and beyond. Once an estimate of your 2016 tax liability is prepared, we can speak about cash flow, health care, future college tuition, retirement, investment, estate planning, and many more tax matters. We advise you to reflect on any personal changes that might have occurred during the year and the impact these changes may have on wills, powers of attorney, and health care proxies.

We're going to provide you with lots of food for thought in this letter, so sit back, relax and consider which strategies can help you reduce your taxes.

At this point, you likely have a fairly complete picture of your 2016 income from sources such as salary, business income, retirement plan distributions, and dividends. The total of those, combined with other predictable income items, provides a good starting point for tax planning. The following highlights frequently asked questions, as well as providing you with new updates:

INDIVIDUALS:

How will the Affordable Care Act Impact your taxes?

Currently, our new President is reviewing the Affordable Care Act. Expect changes! Until then, the following are the rules in place for 2016 unless the government notifies us otherwise:

The ACA mandated each applicable individual must have "minimum essential health coverage" for themselves and their dependents or a penalty will be imposed. If you have coverage through your employer they must provide a Form 1095-C to you and to the IRS, which provides information about your plan and coverage.

If you are self-employed, private insurers and self-funded plans must provide each policyholder and the IRS with information summarizing the coverage provided on Form 1095-B.

The penalty amounts have increased for 2016 to the higher of:

a. $695 per adult, with $347 per dependent child under 18, subject to a maximum of $2,085 per family or

b. 2.5% of the amount annual household income exceeds the income tax filing threshold for the taxpayer.

Advance payments of the premium tax credit.
If you buy health insurance through the Health Insurance Marketplace, you may be eligible for advance payments of the premium tax credit to help pay for your insurance coverage. Receiving too little or too much in advance will affect your refund or balance due. Promptly report changes in your income or family size to your Marketplace. See Form 8962 and its instructions for more information.

New Forms 1099-QA and 5498-QA.

Achieving a Better Life Experience (ABLE) Act of 2014, allows individuals and families to save for the purpose of supporting individuals with disabilities to maintain health, independence, and quality of life by establishing an ABLE savings account. Form 1099-QA, Distributions from ABLE Accounts, and Form 5498-QA, ABLE Account Contribution Information, and their separate instructions will provide the necessary information for reporting distributions from and contributions to ABLE accounts.

Registration is Now Open for 2017 Advance Monthly Payments of the Health Coverage Tax Credit

Estimated tax payments versus withholding from wages:

Have you underpaid your taxes for 2016? Don't forget that taxes are due throughout the year. Check your withholding and estimated tax payments now while you have time to fix a possible problem.

TAX TIP: If you're in danger of an underpayment penalty, try to make up the shortfall through increased withholding on your salary or bonuses. A bigger estimated tax payment can still leave you exposed to penalties for previous quarters, while withholding is considered to have been paid evenly throughout the year.

You need not pay every penny of the tax you expect to owe. As long as you prepay 90% of this year's tax bill, you're off the hook for the penalty. You can also escape the penalty in most cases, by prepaying 100% of last year's tax liability. Note however if your 2015 adjusted gross income topped $150,000, you'll have to prepay 110% of last year's tax liability to avoid a penalty. Taking these steps to boost your withholding at year-end will shield you from an underpayment penalty on your 2016 return, no matter how much you actually owe when you file your return. Penalties are a needless waste of money and can amount to hundreds or thousands of dollars.

Threshold for Deducting Medical Expenses

Medical and dental expenses that exceed 10% of your adjusted gross income (AGI) are deductible. For years before 2013, that percentage was 7.5%. So not only are your health insurance premiums likely to be higher, you now cannot deduct as much of your out-of-pocket medical costs as previously.

Reduction in Personal Exemptions and Itemized Deductions for High-Income Taxpayers

There is a reduction in personal exemptions and itemized deductions for taxpayers with adjusted gross income over $259,400 (single people other than head of household and surviving spouse), $311,300 (joint returns), $285,350 (head of household) and $155,650 (married filing separately), which will increase taxes and tax rates on affected taxpayers. We need to consider whether these phase outs affect you and, if so, whether you have paid a sufficient amount of taxes through withholdings and estimated tax payments so as to avoid any underpayment or late payment penalties.

Tax Scams

Note that the IRS will never:

- Call or email you.
- Call to demand immediate payment using a specific payment method such as a prepaid debit card, gift card or wire transfer. T**he IRS will first mail you a bill if you owe any taxes.**
- Threaten to immediately bring in local police or other law-enforcement groups to have you arrested for not paying.
- Demand that you pay taxes without giving you the opportunity to question or appeal the amount they say you owe.
- Ask for credit or debit card numbers over the phone.

Protect yourself from Identity Theft

In the past few years tax-related identity theft has become rampant. Tax-related identity theft occurs when someone uses your personal information including your social security number to file a tax return and claim a refund. Tax-refund fraud is expected to soar again this tax season, and hit a whopping $21 billion by 2016, from just $6.5 billion two years ago, according to the Internal Revenue Service.

Most important do not ever respond to any phone call, e-mail, text message, social media channel, or any type of electronic communication from anyone claiming to be an IRS agent or officer. The IRS **NEVER** initiates contact with taxpayers by telephone.

Contact us before you share any information with any individual claiming to be from the IRS or any other tax authorities.

Contact us if you believe you have become a victim of identity theft.

Planning Ideas for Individuals

Net Investment Income Tax (NIIT) and Additional Medicare Tax

Starting in 2013, individual taxpayers with incomes over $200,000 and married taxpayers with incomes over $250,000 get hit with two new taxes. These taxes, the 0.9% Medicare surtax on earned income and the 3.9% tax on net investment income remain a permanent part of the tax laws.

Net Investment Income Tax:

Net investment income includes interest, dividend, most rental income and net gain attributable to the disposition of property other than a property held in a trade or business (i.e., capital gains).
Some ways to mitigate impact of NIIT include:

- Invest in tax-exempt state and municipal bonds.
- Consider an installment sale if selling an appreciated asset if the gain from the sale will exceed the threshold amount for being subject to NIIT.
- NIIT applies to income from passive activities. That is one in which you do not materially participate. Review your participation and involvement. If you participate "enough" income may not be subject to NIIT. Be sure to document the hours spent with a calendar and appointment books, e-mails and/or summarized narratives.
- Review your investment statements. If you have realized capital gains or capital gains distributions, take capital losses now to offset those capital gains. See more on this below "Capital gains and losses" and "Mutual Fund Capital Gains Distributions".
- Don't lose deductible losses. Watch out for the "wash sale" rules. See below "Watch out for the Wash Sale Rule" for more on this.
- If you plan to donate to a charity, consider donating appreciated property. The gain on appreciation will not factor in your taxable income, and therefore not be subject to NIIT, while enabling you to take a charitable deduction equal to the fair market value of the property donated.

Additional Medicare Tax:

This tax is imposed on wages and self-employment income. Your employer withholds this from your wages if your wages exceeds $200,000. If however your and your spouse's combined wages and/or self-employment income is more than $250,000, the withheld taxes may not cover your entire 0.9% liability and you may be hit with additional taxes and possibly penalties at the end of the tax year. Consider income deferral strategies. For example request your bonus be paid next year or bill your clients in January, assuming you anticipate lower income next year. See more on income/deduction deferral and acceleration strategies later on in this newsletter.

Education

The cost of education is increasing and planning for a 4-year college education is important for many parents. Here are some of the strategies that parents can employ.

Contribute to a QTP:

Contribute to a section 529 plan, also called Qualified Tuition Program ("QTP"), a saving plan from which tuition can be paid. Contributions are generally deductible for state tax purposes and distributions are tax-free as long as used for qualified higher education costs. Income earned in such accounts will not be taxed.

American Opportunity Tax Credit:
If you have kids in college listen up. The American Opportunity Tax Credit can be claimed for qualified undergraduate education expenses (including books and other required course materials) paid for an eligible student.
The credit is equal to 100% of the first $2,000 spent and 25% of the next $2,000 per student each year. The maximum $2,500 credit is possible for a taxpayer who pays $4,000 or more in qualifying expenses. The credit is available to individual taxpayers who have modified adjusted gross income of less than $55,000 ($111,000 if married filing separately). Above those levels, sorry, it's phased out.

The Lifetime Learning Credit
The lifetime Learning Credit of up to $2,000 (20% of tuition of up to $10,000) applies to graduate classes as well as undergraduate. It is also subject to phase out at higher income levels.
If you are taking college course to enhance your skills at work, consider claiming the Lifetime Learning Credit or the miscellaneous itemized deduction for employee business expenses.

Coverdell Education Savings Account
There is a $2,000 contribution limit per year, per beneficiary.

Tax Tip:

Let Uncle Sam Pay Part of Your Kid's College Tuition Bill: Don't pay your children's college tuition bill by selling appreciated securities you own. Rather give your children the shares of appreciated stock or mutual fund and have them sell the shares to pay for school.
Capital gains are out of your income tax bill and in theirs. Assuming they have limited income, they will pay zero tax on the gains! Review the impact of the Kiddie Tax before employing this strategy.

Take Advantage of Wealthy Grandparents
I didn't mean that quite the way it sounded. This is one of my favorites and makes so much sense. If grandma or grandpa have sizeable estates and are facing a large estate tax bill, consider asking them to pay your child's college tuition! Payments made directly to the school are not counted towards the $14,000 annual gift limit. This is also a great way to reduce grandma and grandpa's estate taxes!

Know about recent FAFSA rule changes:
Students are able to file a 2017-2018 FAFSA as early as October 1, 2016 rather than beginning January 1, 2017. And beginning with 2017-2018 FAFSA, students (and parents) will report their income information from an earlier tax year. The 2017-2018 FAFSA will report 2015 income information, rather than 2016 income. While this change is intended to align various other application deadlines, e.g. college application and state aid, it has an unintended consequence for parents. Parents wanting to apply for financial aid will now have to report their income from 2015 and if 2015 income is higher than 2016, getting financial aid may become more difficult. However, for parents of children going to college in the 2018-2019 tax year, 2016 is the critical year for FAFSA purposes. These parents may want to consider accelerating income into 2015, and reduce income for subsequent years. See below for "Strategies to accelerate/defer income/deductions".

Don't forget deduction for interest paid on student loans:
Interest you pay on qualified student loans is deductible in the year paid. However it begins to phase out with modified adjusted gross income of $130,000 for married taxpayers and $65,000 for single individuals.

Section 529 Plans

States have established programs that allow a taxpayer to either prepay or contribute to an account that is set aside to pay for a student's qualified education expense at a post-secondary institution. There are two types of Section 529 plans:

- Prepaid tuition plans
- Savings plans

The major benefit of either plan is that earnings grow tax-free, and there is no income limitation.

Borrowing for Tuition

There are various methods to borrow money in order to finance education costs. These methods include: borrowing from home equity, pension plans, life insurance policies, related-parties, as well as federal education loans. Generally, the most preferable type of borrowing would be a home equity loan, since up to $100,000 of interest attributable to home indebtedness is allowable as an itemized deduction. Speak to us on the specifics of all the options available that don't involves any additional penalties for early withdrawals.

Charitable Donations

Don't forget your tax situation when "giving". How you give, and what you give can have an impact on your personal tax return.

Donate appreciated securities:

Consider using appreciated securities to make your charitable contributions. You can deduct the fair market value of the securities and avoid paying the capital gains tax you would incur if you sold the securities.

Securities with Losses:

Sell securities that will generate losses and use the cash to make donations. This strategy enables you to offset capital gains with capital losses thus reducing NIIT impact and still claim a charitable deduction.

Be able to substantiate your Donations:

Remember that in order to take deductions on your tax return, you have to be able to substantiate your donations with proper documentation. If the property is valued at more than $5,000 a "qualified written appraisal" is mandatory. You must obtain receipts for contributions over $250. Your cancelled check alone will not satisfy the IRS. Instead of putting cash in collections basket at your church, consider putting a check in! If you want to make a donation but won't have the money until next year, consider charging your gift on a credit card before the end of the year. The gift will be deductible on your 2016 return!

Donation of non-cash property:

If you claim a charitable deduction of more than $500 in non-cash property, like clothing, furniture, appliances, I strongly suggest that you take pictures of what you are donating to help support the donation and its value. Substantial donations of your in-kind property are an easy target for disallowance or reduction by the IRS. Remember that you can't deduct contributions of clothing or household items unless the property is in at least "good condition". For in-kind donations you must attach Form 8283 to your tax return.

Car donation:

If you are claiming a deduction of $250 or more for a car donation, you will need a written acknowledgement from the charity that includes a description of the car. Generally you can deduct only an amount equal to what the charity sells the car for.

Some things you cannot deduct:
Remember, you cannot deduct donations to individuals, social clubs, political groups or candidates or foreign organizations.

Consider Using Donor Advised Fund for Making Donations:
For those high income taxpayers with generous donative intentions, transferring assets to your own donor advised fund can allow you to receive an immediate charitable income tax deduction (at the maximum amount allowed for gifts to public charities) while providing time to decide who to give the donations to. If you would like to create a donor advised fund in 2016, you can establish one as late as December 31. However, I suggest that you not wait until the last minute, especially if you are planning on funding the account with anything other than cash.

Planning for Disability

A new type of tax savings program is available for people with disabilities. An individual can contribute up to $14,000 per year for a designated beneficiary to pay for his/her qualified disability expense. While the contribution to an ABLE account is not tax deductible, the distributions to the designated beneficiary are tax-free if used to pay qualified disability expenses. The ABLE account is generally not counted when determining the designated beneficiary's eligibility for many federal means-tested programs, or in determining the amount of any benefits or assistance provided under those programs. Special rules may apply for SSI purposes. An ABLE account can be used as part of a gift planning strategy for a disabled beneficiary whose government provided assistance may be affected by an outright gift.

Planning for Retirement

Maximize your contributions to your employer's retirement plan:
If your employer has a retirement plan, consider maximizing your contribution to the plan. Typically contributions to employer provided retirement plans are tax-free. Your employer may provide matching contributions, which is not taxable to you until withdrawn.

If eligible, contribute to a Traditional IRA:
If you are not an active participant in an employer-provided retirement plan and have wages or self-employment income, you are eligible to make a tax deductible contribution of up to $5,500 ($6,500 if you are age 50 older) per year to an Individual Retirement Account (IRA) up until the year that you turn 70½, subject to phase-outs based on your income. This money will earn income tax-free and is taxable only when you withdraw funds from the account. If you withdraw the money before age 59½ there may be a penalty tax of 10%. You must begin withdrawing from the account based on a formula beginning at age 70½. You (and/or your spouse) must have wages or self-employment income at least equal to the amount you contribute. Payment can be made to the IRA anytime up until April 15, 2017 to be deductible on your 2016 return.
If you are covered by a retirement plan at work, you can take a full IRA deduction in 2016 if your modified adjusted gross income is less than $61,000 if you are single or $98,000 if you are married and filing jointly. Above these income levels, the ability to deduct an IRA contribution is reduced and eventually fully phased out.

Retirement plan contribution limits for 2016 are as follows:

	401(k) Plans	IRA's	Keogh's/SEP's	SIMPLE Plans
Taxpayers < 50	$18,000	$5,500	$53,000	$12,500
Taxpayers > 49	$24,000	$6,500	$53,000	$15,500

Consider Roth IRA contributions:

A Roth IRA is one of the few items in the tax law that is too good to be true. Contributions to Roth IRAs are non-deductible when made, but all principal and earnings will be distributed tax free, as long as distributions are made more than five years after the first contribution and after the individual has reached the age of 59½. Therefore, Roth IRAs may be preferable to traditional IRAs. An individual with earned income may make a nondeductible contribution to a Roth IRA of up to $5,500 plus a $1,000 "catch-up" contribution if you are at least 50 in 2016 (reduced by any amount contributed to a regular IRA). Unfortunately, married taxpayers with adjusted gross incomes ("AGI") over $188,000 (singles over $127,000) can't make a contribution to a Roth. Under those amounts you can make at least a partial contribution.

Distributions from IRA's:

Whenever possible, withdraw money you need from taxable savings and investments accounts. Traditional IRA accounts should be left to grow tax-free as long as possible. Once you reach the age of 70½, you MUST begin taking distributions and paying income tax on the monies withdrawn. Distributions taken before age 59½ are subject to a 10% penalty in addition to the tax due. Taxpayers receiving retirement plan distributions should note that while such distributions are not subject to the 3.8% surtax, they could raise your adjusted gross income over the $200,000 threshold, making all other unearned income fair game for the tax. One possible solution would be to convert your IRA to a Roth IRA. You will recognize income now, but future Roth distributions will be tax free.

Roth Conversions and Recharacterizations:

Distributions from traditional and rollover IRAs are generally taxable when received. High-income taxpayers with traditional IRAs or rollover IRAs have an opportunity to roll over their IRAs into a Roth IRA. Contributions to Roth IRAs are non-deductible when made, but all principal and earnings will be distributed tax free, subject to meeting certain conditions. Many of you reading this may want to consider this. Over time it could save you and your heirs' big taxes. However, it does not make sense in all cases and needs to be analyzed carefully.

There's another important point on this. The government gives you a do over, called re-characterization. You are allowed to change your mind if the value of your now Roth IRA goes down and you don't want to pay taxes on the original higher value. You can put it back to a regular IRA as if nothing ever happened. And what makes this even better is that the government gives you until you file your tax return for that year. So in a perfect world, if you converted on January 2, 2016 and you extend your 2016 tax return, you would actually have until October 15, 2017, to look back, see how it is doing and perhaps re-characterize it.

Last point on this, issues related to transferring wealth to succeeding generations also come into play here and should be considered. There is a lot to think about when it comes to whether or not to convert an IRA to a Roth IRA. Reasons for us to chat!

Set up a Cash Balance Pension Plan:
A "Cash Balance Plan" allows you to make substantially higher tax-deductible contributions than those permitted under other common types of plans. Such plans are easy to setup, but they must be established prior to the end of 2016 in order to make contributions that will save you taxes this year. Perfect candidates are businesses with a least two owners. They can also be used for a business owned by one individual if the business has substantial profits. Contributions to a Cash Balance Plan can be made on top of the maximum contributions made to a defined contribution plan. We've used these plans in recent years to save some of our business clients' big taxes!

Self-employed? - Consider a SEP or SIMPLE OR KEOGH:
If you are self-employed, you should consider establishing a SEP, SIMPLE or Keogh retirement plan before year-end. You can contribute significantly more than $5,500 to these plans and you may not have to make any contributions to the plans until the filing date (including extensions) of your personal tax return.

Start your child's savings with a tax-smart Roth IRA:
If your child earns income from babysitting, an after-school job, a summer job or from helping out in your office, he or she is eligible for a Roth IRA. Although your teenager is probably not thinking about retirement, a Roth IRA is perfect for a child in a low tax bracket who has many years to let their account grow tax-free. You can contribute for your child as long as you don't exceed the annual gift tax limits. This is a great savings strategy. ☺

Planning for AMT

All taxpayers are potentially subject to two tax systems – the regular tax and the alternate minimum tax (AMT). Originally intended for high income taxpayers, it can affect anyone. It can affect you in one year and not in another. The AMT makes year-end planning difficult and potentially dangerous if done in a vacuum. Since many of the strategies that are used for reducing your regular taxes will backfire when it comes to the AMT, you really need to know your exposure to the AMT. A combination of the following factors could trigger an AMT liability:

- Large deductions for state and local income or sales tax (welcome to New York and Connecticut!)
- A large long-term capital gain
- Large real estate taxes
- Employee business expenses
- High investment management fees
- Tax-exempt interest on certain private activity bonds
- The exercise of incentive stock options (ISOs)

So... Taxpayers who have significant deductions, such as those who live in states that have relatively high personal income tax rates and high real estate taxes (like New York) are a likely victim for the clutches of the AMT. You can potentially mitigate the impact of AMT by accelerating income into the AMT year or deferring certain deductions to next year. You'll pay tax sooner, but your effective tax rate may actually be lower on the accelerated income, compared to 39.6 percent when you're not subject to AMT. If your year-end projection suggests that you will be likely in AMT, delay the payment of the following until 2017 as it is unlikely that any benefit will be received by paying these amounts in 2016.

- State and local income taxes
- Real estate taxes
- Miscellaneous itemized deductions such as investment expenses and employee business expenses

Prepay the following to reduce income subject to AMT

- Charitable contributions
- Mortgage interest
- Margin interest

Alternative minimum tax (AMT) exemption amount increased.
The AMT exemption amount is increased to $53,900 ($83,800 if married filing jointly or qualifying widow(er); $41,900 if married filing separately).

Impact of Incentive stock options on AMT:
The major AMT planning strategy comes into consideration when an executive receives an incentive stock option from his/her employer. While gain upon exercise of and ISO is not taxable for regular tax purposes, it is for AMT purposes unless stock is sold in the same year as in the exercise year. One must plan carefully when to exercise ISO and whether to immediately sell the shares received upon exercise or hold them. Exercise ISO's early in the year. This gives you the full year to see if the shares are down, get rid of them and not get hit with the AMT.I have heard the horror stories of people who converted their options, then held the stock they got until it subsequently went down. They ended up with an AMT bill higher than the value of their stock. A nightmare scenario.

Miscellaneous Planning Items for Individuals

Flexible savings accounts with balance (FSA):
Have a health flexible spending account with a balance? Spend it before year end (unless your employer allows you to go until March 15, 2017, in which case you have until then). Check with your employer if you have an optional grace period or else spend it before the year end. Remember you lose it unless you use it.

Health Spending Account ("HSA"):
If your employer offers an HSA, consider contributing. Contributions are typically made by the employer to your HSA and are not taxable to you. If you are a self-employed individual and have a high deductible health plan, consider opening your own HSA. An HSA allows you tax deductible contributions of up to $2,500 a year. There is no penalty if you contribute more. Unlike FSA contributions that you lose if not used, the unused HSA contributions accumulate year after year and can be used any time for qualified medical expenses. Earnings on contributions to an HSA can grow tax free. Distributions from an HSA if used for qualified medical expenses are tax free.

Vacation home:
If you own a vacation home that was rented out, look at the number of days it was rented and number of days it was used for your pleasure. If you spent less than 14 days at the home, it may make sense to spend a few more days and have the house qualify as a second residence, with the interest being deductible. For a rental home, deductions of expenses, including interest, are limited to rental income.

Entrepreneurs: Beware of the Hobby Loss Rule

On May 4, 2016, the Treasury Inspector found that the Internal Revenue Service can improve its methods for identifying high-income taxpayers who may be offsetting their income with "hobby losses" from unprofitable business activity. It was reported as well that IRS management would take corrective actions. It is important that close attention is paid to business operations which have incurred losses over the years. Business versus a hobby is one of the most frequently litigated areas of individual income tax law.

Could an activity be deemed a hobby?
In determining whether the activity could be deemed a hobby, we look at the nine factors cited within the IRS regulations:

1. *Manner in which the taxpayer carries on the activity:*
    a. Do you keep separate books and records
    b. Are you taking necessary steps to ensure the business is profitable
    c. Do you have a documented product or service line

2. *Expertise of the taxpayer based upon past experience and education*

3. *Time and effort expended by the taxpayer in carrying on the activity*

4. *Expectations that assets used in the activity may appreciate in values*

5. *The Success of the taxpayer in carrying on other similar activities*

6. *History of income or losses with respect to the activity*

7. *The safe harbor rule of generating a profit at least three out of five years*

8. *The financial status of the taxpayer. Substantial income from other sources could prevent a taxpayer from establishing that the business is engaged for profit*

9. *Elements of personal pleasure or recreation*

Capital Gains and Trading in 2016

Tax Rate on Certain Capital Gains and Dividends

The American Taxpayer Relief Act of 2012, added a new 20% rate for high incomers. Thus, rates of 0%, 15%, and 20% apply to capital gain and dividend income for 2016 depending on your tax bracket. These rates apply for alternative minimum tax purposes also.

Capital gains and losses

If you have realized capital gains this year, consider taking capital losses prior to the end of the year to offset those capital gains. Anyone sitting with net gains in 2016 should take action now if possible. Long-term gains are taxed at a lower rate than short-term gains and ordinary income. Planning for investment gains can reduce your taxes significantly. The long-term capital gains tax can be as much as 24%. An asset must be held for more than a year to be considered long-term.

Here is an easy way to save some potential taxes that every investor should take the time to check out. Review the securities you have sold so far this year to see if you have a net gain or loss. Net any carry-forward losses from last year against 2016 trades. If the result is a short-term capital gain, it will be taxed as ordinary income unless you offset it with additional losses. If you have a net loss, remember that the maximum net capital loss you may deduct in any one year is $3,000. Losses in excess of this limit may be carried forward to 2017 and beyond.

If you have net gains, review your current holdings for sales that would result in a loss and which will reduce or eliminate your net gain. The last day to sell a security for a 2016 loss is December 31st. If you have losses already and are holding some positions with gains that you no longer wish to own, sell them to use up your existing losses or just keep the losses to use in the future.

Remember that capital losses realized in an IRA account are not deductible. ☹ Although you can choose when to realize capital gains and losses, we advise you to consider the future prospects of investments and not let tax consequences alone dictate when to sell.

Mutual fund capital gain distributions

Each year, mutual funds are required to distribute 98.2% of their net capital gains in order to avoid an excise tax. Mutual funds generally post their distribution estimates around this time of the year. Once you have reviewed this information, you should estimate your potential tax liability associated with your mutual fund holdings to determine if you should consider offsetting these capital gains with losses.

In addition, you may wish to postpone the purchase of a mutual fund's shares immediately before it distributes a substantial capital gain.

Among the services we provide **is personal financial recordkeeping.**
We track your income and expenses and provide comprehensive reports so you'll know where your money is coming from and where it's going. We reconcile your bank, credit card and brokerage accounts to monthly statements. **Reports show changes in your net worth!**
If you'd like, we can even pay your bills for you. This service is also great for an elderly or disabled relative for whom you have financial responsibility.

Watch out for the "wash sale" rule

To accelerate a loss without significantly changing your investment position, you can "tax swap" securities. That is, sell securities to recognize a loss and replace them with the same or similar securities. But watch out for the "wash sale" rule. If you sell a stock to recognize a loss, you may not repurchase the same stock for a 30-day period before or after the date of sale or the loss will be disallowed. You can replace it with a similar, but different security. The wash sale rule does not apply to gains.

If you like a particular stock for the long term, but would like to sell it this year to get the benefit of the loss, double up on the position more than 30 days before selling the original position. After at least 31 days, sell the higher cost shares. You'll create a tax loss and be left with the same number of shares you originally owned. You must act quickly so as to have owned the shares for at least 31 days and be able to sell the shares prior to December 31st. If too late for this year, remember this great strategy for next year.

Short Sales

When you sell a stock short, you effectively borrow the stock from your broker and sell it in the hope that the price will decrease. You then purchase stock at the lower price, using these shares to repay your broker. If you purchase at a lower price, you have a gain. This is treated as short-term capital gain subject to ordinary income tax rates. If you purchase at a higher price, you generally have a short-term capital loss. A number of special tax rules apply to short sales.

Margin Trading

Margin trading involves borrowing money from your broker in order to purchase a security. Interest charged on a margin account is deductible, but only when the interest is paid.

Dividends and Interest Income

Reduction of tax on certain dividends

If you are an owner of a closely held 'C' corporation and the company is in the 15% bracket and you are in at least the 25% bracket, taking a dividend payout in place of salary can result in more money in your pocket after taxes. Note that if you follow the rules, dividends on stocks may be taxed at a lower rate than interest paid on bonds.

Keep track of accrued interest you paid

Keep accurate records for any accrued interest you paid when you bought bonds. You received interest from the last date the bond paid interest. This interest will be reported on your 1099 Form. Since you purchased the accrued interest, it's not taxable to you. Speak to us for information on how to write-off the accrued interest on your 2016 return.

Pay off nondeductible interest with a home equity loan

You can benefit by paying off your credit card balances (which typically carry high interest charges and are non-deductible) with a home equity loan, the interest on which may be deductible. Interest is deductible on home equity loan balances up to $100,000.

Consider establishing a family limited partnership ("FLP")

Families set up these types of entities in order to provide for the consolidation of investments, centralization and succession of management, protection of assets from claims of creditors, and for the eventual transfer of wealth to succeeding family generations. Parents and grandparents often use a FLP as part of their estate and wealth transfer planning, since the value of an interest in such an entity for gift tax purposes often is discounted due to restrictions on the ownership interests. We have utilized this powerful tool but if you are going to consider using this technique as part of your planning, do so sooner rather than later.

Gifting Strategies to Maintain Family Wealth

Anyone is permitted to make gifts of up to $14,000 *per year* to an unlimited number of people without having to pay gift taxes. Married couples can make combined gifts of up to $28,000. A married couple wishing to make gifts to two married children and four grandchildren can make gifts of up to $224,000 per year ($28,000 to each child, grandchild and child's spouse) without paying any gift taxes. This is a simple way to reduce the size of one's future taxable estate.

Above and beyond the annual gift exclusion of $14,000, the federal applicable exemption amount for gifts during a lifetime is $5,450,000. This is by far the highest it has ever been. Wealthy individuals, who have both the means and desire to do so, might plan on making gifts up to the exclusion amount. This amount could be reduced in the future. As every estate and financial planning expert will tell you, making lifetime gifts is a simple and effective estate tax minimization strategy. Giving away assets at no gift tax cost will allow both the present value and its appreciation to escape the federal estate tax.

Be aware that direct payments of tuition and medical expense for another individual are not subject to gift tax. There is an unlimited exclusion of amounts paid directly to health care providers for medical expenses and educational organizations for tuition. This is in addition to the $14,000 ($28,000 in case of combined gift by married taxpayers) annual gift tax exclusion. In 2016, each individual can transfer up to $5,450,000 during their life-time without incurring a gift tax.

There are a number of other ways to reduce your taxable estate.

An individual can make a low interest rate loan to another person (e.g., a child or another person) who can invest the money and earn an amount greater than the interest he or she is required to pay on the loan.

Grantor Retained Annuity Trusts ("GRATs")

GRATs allow a donor to transfer assets with high appreciation potential out of their estate, provided certain conditions are met. The donor will fund the GRAT with highly appreciating assets and must receive an annuity payment from the trust each year. If the assets in the trust appreciate in excess of the interest rate prescribed by the Internal Revenue Service, that excess amount gets passed onto others (e.g., children) at the end of the trust term.

The sale of assets to an intentionally defective grantor trust allows the donor to transfer or sell appreciated assets to a trust in return for an installment note. The transaction allows the grantor to freeze the value of the estate at the value of the promissory note, without income and gift tax consequences. If the assets in the trust appreciate in value beyond the interest rate prescribed by the IRS, the excess is transferred free of transfer tax to the remainder beneficiaries of the trust (i.e., children and grandchildren).

Please contact us for further insight.

Shift income to your children. Consider making gifts to family members. Put your kids on the payroll!

Income taxes can be saved by shifting income-producing assets from parents or grandparents who are in a high income tax bracket to their children and grandchildren who are in lower tax brackets.

Planning considerations include asset protection (accomplished through the use of trusts) and the "kiddie tax" for beneficiaries under age 24. For children under age 24 without earned income, the first $1,050 of unearned income will not be taxed and the next $1,050 will be taxed at the child's lower tax rate. However, unearned income above $2,100 is taxed at the parents' rate. To avoid "kiddie tax" do not sell appreciated securities and minimize interest and dividend paying investments. Alternatively, instead of gifting to a child's custodial account, put cash into a 529 plan. Earnings in a 529 plan are never taxed if used to pay for college, graduate school or post high school vocational education.

If you own your own business, you can hire your kids and fully deduct their pay. And, if your business is unincorporated and your children are under the age of 18, you won't owe any payroll taxes on their wages. A child having earned income may not be subject to "kiddie tax", can establish his/her own retirement account (which may be funded by you!) thus shifting more income to lower tax bracket child!

Shift income upwards Income can also be shifted upwards. For example, a high-earning professional can make a gift to his/her elderly parents who are in a lower tax bracket. The additional income can be used to help pay for medical and/or assisted living expenses. After the parents pass on, the assets can go to the original donor's children for additional income shifting.

Increase in New York Estate Tax Exemption On April 1, 2016, the amount of property that can pass free of New York estate tax was increased to $4,187,500. This was part of New York legislation passed in 2014. In 2019, when the law is completely phased in, the exemption amount will be equal to the federal exemption (as indexed for inflation). Estates valued in excess of the federal exemption will continue to pay New York estate taxes.

Other Miscellaneous Items

Bunch Itemized Deductions

Many expenses can be deducted only if they exceed a certain percentage of your adjusted gross income (AGI). Bunching itemized deductible expenses into one year can help you exceed these AGI floors. Here are some strategies:

1. Consider scheduling your costly non-urgent medical procedures in a single year to exceed the 10 percent AGI floor for medical expenses (7.5 percent for taxpayers age 65 and older). This may mean moving a procedure into this year or postponing it until next year.

2. To exceed the 2 percent AGI floor for miscellaneous expenses, bunch professional fees like legal advice and tax planning, education expenses, as well as unreimbursed business expenses such as travel and vehicle costs.

3. Pay your final estimated state tax payment before year-end.

But don't forget the potential impact of this strategy on the AMT. See "planning for AMT" earlier.

Changes in Life Events

Certain life events can also affect your tax situation. If you got married or divorced, had a birth or death in the family, lost or changed jobs, retired during the year, you should discuss the tax implications of these events. Some of these may provide planning opportunities.

Birth of a child allows you an additional exemption and credit for dependent care if both parents are working. You may have inherited appreciated property or an IRA account upon the death of a loved one. Timing of the sale of the property may be important and whether or not to take distributions from the deceased IRA or roll it over will depend on your income for the year.

Same-sex marriage: The Obergefell v. Hodge Decision and Taxes

In Obergefell v. Hodges, the Supreme Court has unequivocally affirmed the constitutional right to same-sex marriages in all 50 states. This ruling is advantageous to couples that were legally married in any of the 50 states, the District of Colombia, a US territory or a foreign country.

Adoption Credit

The maximum adoption credit or exclusion for employer-provided adoption benefits has increased to $13,460. In order to claim either the credit or exclusion, your MAGI must be less than $241,920

Overstating basis of property sold can extend the statute of limitations (not a good thing!)

In cases where a taxpayer overstates the basis of property sold and thereby under reports gain subject to tax, the IRS now has the authority to audit the return for six years (as opposed to 3 years as before). The change applies to returns filed after July 31, 2015. How the IRS will decide if there is an overstatement of basis and therefore that the extended statute of limitation applies remains to be seen. Just be aware that the gain upon sales of property and securities will be subject to further scrutiny by the IRS.

Standard mileage rates.

The 2016 rate for business use of your vehicle is 54 cents per mile. The rate for use of your vehicle to get medical care or move is 19 cents per mile. The rate of 14 cents per mile for charitable use is unchanged.

Personal exemption increased for certain individuals

For 2016, the personal exemption amount is increased to $4,050 for taxpayers with adjusted gross income at or below $311,300 if married filing jointly or qualifying widow(er), $285,350 if head of household, $259,400 if single, or $155,650 if married filing separately. The personal exemption amount for taxpayers with adjusted gross income above these thresholds may be reduced.

Special Tax Breaks for U.S. Armed Forces Combat pay is partially or fully tax-free. Service members serving in support of a combat zone may also qualify for this exclusion.

Reservists whose reserve-related duties take them more than 100 miles from home can deduct their unreimbursed travel expenses, even if they don't itemize their deductions.

The Earned Income Tax Credit may be worth up to $6,269 for low-and moderate-income service members. A special computation method is available for those who receive nontaxable combat pay. Choosing to include it in taxable income may boost the EITC, meaning owing less tax or getting a larger refund.

An IRA or 401(k)-type plan might mean saving for retirement and cutting taxes too. Service members who contribute to a plan, such as the Thrift Savings Plan, may also be able to claim the Retirement Savings Contributions Credit.

An automatic extension to file a federal income tax return is available to U.S. service members stationed abroad. Also, those serving in a combat zone typically have until 180 days after they leave the combat zone to file and to pay any tax due.

Most military bases offer free tax preparation and filing assistance during the tax filing season. Some also offer free tax help after the April deadline. Service members who prepare their own return qualify to e-file their federal return for free using IRS Free File.

Both spouses normally must sign a joint income tax return, but if one spouse is absent due to certain military duty or conditions, the other spouse may be able to sign for him or her. A power of attorney is required in other instances. A military installation's legal office may be able to help.

Those leaving the military and looking for work may be able to deduct some job search expenses, such as the costs of travel, preparing a resume and job placement agency fees. Moving expenses may also qualify for a tax deduction.

What to do between now and December 31, 2016.

Strategies for Acceleration or Deferral of Income and Deductions

Many factors govern whether to accelerate income or defer income and to accelerate deductions or to defer deductions. AMT, impact on net investment income tax, impact on additional Medicare tax, available capital losses to offset capital gains, need to seek financial aid to fund 4-year education of your child, your charitable giving intentions, medical needs of you and your family members, potential for greater or lower income in the future years, are only some of the factors to look into. Below we give some options to accelerate or defer income and/or deductions.

Options for accelerating income include:

- Ask your employer to pay your bonus in the current year
- Sell appreciated property
- Convert a retirement account into a Roth IRA and recognizing the conversion income this year
- Take IRA distributions this year rather than next year
- For self-employed, try to get clients or customers to pay before the year end
- Settle lawsuits or insurance claims with income potential

Options for deferring income include:

- Have your employer pay your bonus in 2016
- Consider installment sales of appreciated assets
- Delay exercise of stock options
- Invest in tax-exempt securities or in tax deferred annuities
- If possible, participate in an employer retirement plan or establish your own tax deferred retirement plan such as a traditional IRA, SEP, Simple or KEOGH

Options for deferring deductions include:

- Postpone charitable giving to next year
- Postpone payment of property tax payments
- Postpone payment of last quarter state and local taxes to January 15, 2016
- Postpone payment of medical expenses
- Postpone the sale of any loss-generating property

Options for accelerating deductions include:

- Prepay property taxes in December
- Make January mortgage payment in December
- Pay last quarter estimated taxes by December 31, 2016 if you will not be subject to AMT
- Bunch itemized deduction in one year

- Make larger charitable contributions in 2016, rather than 2017;
- Sell assets that may generate losses
- If qualified, set up an health savings account and contribute the maximum allowable
- If self-employed, set up a retirement account to take a self-employed retirement account deduction
- If self-employed, don't forget to take the self-employed health insurance deduction
- If you have children in college, make sure you take advantage of all available education credits or deductions
- If you are an employee, bunch all your business related expenses in one year to be able to reach 2% deduction limit.

State Income Taxes and Rates

Take a Closer Look at Your State Residency Status

For individuals who split their time in two different states throughout the year, now is an excellent time to consider where you may be taxed as a resident for 2016. To make it more likely that the high-tax jurisdiction will respect the move and not continue to tax you as a resident, you should track the number of days you are spending in each jurisdiction. Generally, if you reside in a state for 183 days or more, that state will assert residency and the ability to tax all of your income. Furthermore, if you move to a new state but you maintain significant contacts with the old state (including driver's license, residences, bank accounts and the like), you could run the risk of being taxed as a resident in the old state and possibly also in the state you move to. A careful consideration and review of state residency rules may help mitigate this unfortunate result.

State Highest Marginal Tax Rates for 2016

Connecticut	6.70%
New Jersey	8.97%
New York	8.82%
New York City	3.876%
California	13.3%

2016 TAX REFERENCE TABLES

AMT EXEMPTION	2016
Married Filing Jointly	$83,800
Married Filing Separately	$41,900
Single	$53,900

2016 CORPORATE TAX RATES

OVER	BUT NOT OVER	THE TAX IS	OF THE AMOUNT OVER
$--	$50,000	15%	$--
$50,000	$75,000	$7,500 + 25%	$50,000
$75,000	$100,000	$13,750 + 34%	$75,000
$100,000	$335,000	$22,250 + 39%	$100,000
$335,000	$10,000,000	$113,900 + 34%	$335,000
$10,000,000	$15,000,000	$3,400,000 + 35%	$10,000,000
$15,000,000	$18,333,333	$5,150,000 + 38%	$15,000,000
$18,333,333	-	35%	--

INFLATION/COST OF LIVING TAX UPDATES FOR ITEMIZED DEDUCTIONS

FILING STATUS	AGI THRESHOLD FOR PEASE LIMITATION 2016
Married Filing Jointly	$311,300
Married Filing Separately	$155,650
Single	$259,400
Head Of Household	$285,350

Subject to limitations, certain itemized deductions are phased out once Adjusted Gross Income (AGI) exceeds certain thresholds:

INFLATION/COST OF LIVING TAX UPDATES

TAX BENEFIT	2016
Personal/Dependent Exemption	$4,050
STANDARD DEDUCTION	
Married Filing Joint	$12,600
Single	$6,300
Married Filing Separately	$6,300
Head of Household	$9,300
Maximum Earned Income Tax Credit for Low/Moderate Income Workers	$9,300
Foreign Earned Income Exclusion	$101,300
Maximum Taxable Social Security Earnings Base	$118,500

2016 INDIVIDUAL INCOME TAX RATES

RATE	SINGLE	HEAD OF HOUSEHOLD	JOINT	MARRIED-SEPARATE
10%	$0 - $9,275	$0 - $13,250	$0 - $18,550	$0 - $9,275
15%	$9,275 - $37,650	$13,250 - $50,400	$18,550 - $75,300	$9,275 - $37,650
25%	$37,650 - $91,150	$50,400 - $130,150	$75,300 - $151,900	$37,650 - $75,950
28%	$91,150 - $190,150	$130,150 - $210,800	$151,900 - $231,450	$75,950 - $115,725
33%	$190,150 - $413,350	$210,800 - $413,350	$231,450 - $413,350	$115,725 - $206,675
35%	$413,350 - $415,050	$413,350 - $441,000	$413,350 - $466,950	$206,675 - $233,475
39.6%	Over $415,050	Over $441,000	Over $466,950	Over $233,475

2016 TAXABLE INCOME THRESHOLD

FILING STATUS	20% RATE FOR LONG-TERM CAPITAL GAIN AND QUALIFIED DIVIDENDS
Married Filing Jointly	$466,950
Head of Household	$441,000
Single	$415,050
Married Filing Separately	$233,475
Trust & Estates	$12,400

DOLLAR LIMITS FOR RETIREMENT PLANS

PLAN TYPES	2016 LIMITS
Defined contribution plans	$53,000
Defined benefit plans	$265,000
Defined contribution plans – 401(k), 403(b) and 457 plans: Under age 50 Age 50 and older	$18,000 $24,000
SIMPLE plans: Under age 50 Age 50 and older	$12,500 $15,500
IRA, traditional and Roth: Under age 50 Age 50 and older IRA AGI Phase-Out (married) IRA AGI Phase-Out (single/HOH)	$5,500 $6,500 $98,000 $61,000
OTHER THRESHOLDS	**2016 LIMITS**
SEP Annual compensation limit	$265,000
Key employee in a top-heavy plan	$170,000
Highly compensated employee	$120,000
2016 Social Security Wage Base	$118,500
2017 Social Security Wage Base	$127,200
2016 & 2017 Nanny Remuneration	$2,000

2016 ESTATES AND TRUSTS TAX RATES

OVER	BUT NOT OVER	THE TAX IS	OF THE AMOUNT OVER
$--	$2,550	15%	$--
$2,550	$5,950	$382.50 + 25%	$2,550
$5,950	$9,050	$1,232.50 + 28%	$5,950
$9,050	$12,400	$2,100.50 + 33%	$9,050
$12,400	-	$3,206 + 39.6%	$12,400

GIFT & ESTATE TAX EXEMPTION

	2012	2013	2014	2015	2016
Gift Tax Exemption	$5,120,000	$5,250,000	$5,340,000	$5,430,000	$5,450,000
Estate Tax Exemption	$5,120,000	$5,250,000	$5,340,000	$5,430,000	$5,450,000
GST Tax Exemption	$5,120,000	$5,250,000	$5,340,000	$5,430,000	$5,450,000
Highest Estate & Gift Tax Rates	35%	40%	40%	40%	40%

Year-end Planning for Businesses

Business Structure and Tax Planning

Income taxation and owner's liability issues determine which form of business entity should be chosen to operate a business. One may begin as a sole proprietor and as the business grows may consider changing the type of entity under which business should operate going forward. You have the choice of conducting your business as a sole proprietorship, a partnership, a "C" corporation or an "S" corporation. Any of these types of entities may have additional liability protection by electing to be an LLC. The choice depends on many factors: type of business, need for protection against creditors, need for simplicity, future growth plans and the likelihood of adding new owners.

S Corporation shareholder salaries

An individual owner actively involved in the business of his or her S corporation is required to take "reasonable compensation" for services provided to the S corporation. Many S corporation shareholders prefer to take distributions from the corporation as opposed to taking salary.

IRS is scrutinizing these distributions paid to the S shareholder. The distributions can be re-categorized as salary and penalties assessed. If the salary is not considered "reasonable", the IRS might re-categorize salary payments to the shareholders and require payment of back taxes along with interest and penalties. The key to avoid these is to provide "reasonable compensation" to the officers and shareholders based on facts and circumstances.

Full Implementation of the Employer Mandate Rules Regarding the Affordable Care Act for 2016.

Until Congress passes new laws regarding the Affordable Care Act, the current rules which are in place must be followed:

Under the Affordable Care Act, Applicable Large Employers may be subject to penalties under certain circumstances. In 2016 the exemption threshold is 30 for all covered Applicable Large Employers. The penalty for not following the rules is $2,160. The information forms required to be filed by the employer are forms 1094-C and 1095-C.

The service issued Notice 2016-4 which extended the time for filing the returns with the IRS by three months. If you have more than 250 covered employees, you must file electronically. There is a tutorial for Affordable Care Act Application for a Transmitter Control to help you with this process. The date for filing these returns are due February 28, 2017 if filing by paper or March 31, 2017 if filing electronically.

Passed Proposals

A number of tax reform proposals that directly affected businesses were passed in 2015 and 2016.

Depreciation

Under Internal Revenue Code Section 179, a taxpayer, other than an estate, or trust, or certain non-corporate lessors, may elect to deduct as an expense, up to a specified amount of the cost of new or used tangible personal property placed in service during the tax year in the taxpayer's trade or business. The Act makes the following changes to the expensing election: The $500,000 expensing limitation and $2 million phase-out amounts are retroactively extended and made permanent.

The rule that allows expensing for computer software is retroactively extended and made permanent.

For tax years beginning after December 31, 2015, expensing of qualified real property is made permanent without a carryover limitation, and the $250,000 expensing limitation with respect to qualifying real property is eliminated.

For tax years beginning after December 31, 2015, air conditioning and heating units are eligible for expensing. Fifteen-year write-off for qualified leasehold and retail improvement.

Bonus first-year depreciation is retroactively extended through 2019. The Act extends bonus depreciation for new qualified property acquired and placed in service during 2015 through 2019.

Research credit

This credit was made permanent and can be used against other taxes.

Work opportunity tax credit is retroactively extended through 2019 and expanded. The Work Opportunity Tax Credit (WOTC) allows employers who hire members of certain targeted groups to receive a credit against income tax of a percentage of first-year wages up to $6,000 per employee ($3,000 for qualified summer youth).

New Overtime Laws become effective on December 1, 2016

Employees who receive compensation of $47,476 annually, or less must be compensated for time worked over 40 hours per week.

Business Owners: Planning for vehicle deductions and substantiation

Vehicle expenses can be a source of significant deductions for many businesses. Make sure you maintain all the records required. If the standard mileage rate is used, businesses must maintain a detailed mileage log to be able to substantiate business mileage claimed. Parking and tolls are also deductible and records for these payments must be maintained. To deduct actual costs, additional records of fuel, lease, repairs and maintenance must be maintained. Since the IRS tends to focus on vehicle expenses in an audit and seeks to disallow these expenses, maintenance of proper records is essential.

If you would like to discuss any topic concerning your specific situation, please give us a call. As always we are available to help you with any tax, accounting, bookkeeping, investment, insurance or estate planning needs. But don't wait until mid-December!

If you are not a client of our office and wish to consider implementing any of these strategies, or just want to talk about your particular situation, please call us for a free consultation.

Sincerely,

Paul S. Herman, CPA

paul@hermancpa.com

YouTube BLOG

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