

December 2018

This is an appropriate time to get your income tax “house” in order for 2018. We want to bring some special items to your attention below.

Changes in Office Procedures

- **SPOUSES WILL NOT BE ALLOWED TO SIGN FOR EACH OTHER. Due to instances of fraudulent signatures, EACH SPOUSE MUST COME IN TO SIGN ALL PAPERWORK.** Parents will no longer be allowed to sign for their children.
- **Tax Season Office Hours (January 14 – April 15)**
 - Monday - Friday 9 a.m. – 5 p.m.
 - Saturday By appointment only
- We are requesting clients to try to have their tax information to us at least two weeks earlier than normal, and **no later than March 15, 2019.**
- Our tax return preparation fees include the preparation of your tax return only. If your information requires us to do bookkeeping prior to beginning your return, that will incur charges additional to the tax return preparation fees.

“NO-CLICK” Policy

The IRS has determined that one of the prime targets of data theft is tax preparers. Because so many electronic intruders get in via email attachments, we have instituted our national tax professional security advisor’s recommendations; **we will not open ANY documents that you have sent via e-mail.** This single step combined with our security software and other steps makes it extremely difficult for electronic intruders to get through our defenses. This brings the question about how you will get your data to us and vice versa. We will accept data from you only in the following ways:

- Surface mail
- In-person drop-off
- Fax

We know these changes will cause some hassle on your (and our) part, but it is the best way to protect your and our confidentiality.

Tuition and Fees

Continuing with 2018 returns, taxpayers claiming the American Opportunity Credit must furnish the education institutions’ EIN. Educational institutions must now report the amount PAID during the year, not the amount billed. Therefore, we are required to see actual 1098-T forms.

Affordable Care Act

Please provide all copies of Forms 1095 you received from any issuer. We **MUST** have all copies to prepare your tax return. If you did not receive a 1095, we must ask you a number of additional questions about insurance coverage so that we can help you avoid any penalties for failure to have health insurance.

Charity

ALL deductions of ANY amount must have a receipt. Any individual contribution over \$250 must also have an acknowledgment letter from the charity, and the letter must be dated by the date we file your return. The letter

should show the date and amount of any individual contribution over \$250 and should also state that no goods or services were received in return for the contribution.

Mortgage Interest

Provide ALL Forms 1098 you receive from your lenders. Additionally, we must obtain refinancing closing statements, and if you drew money out on a home mortgage or refinancing, we must have general information on the use of the money according to the IRS.

Rental Property

If you own rental property, this year the IRS has demanded substantially more information. We now need, **FOR EACH PROPERTY SEPARATELY**, the physical location, the type of property (single family, duplex, etc.), and Forms 1099 received, and a record, by property of the number of days rented and the number of days used for personal purposes.

Roth IRA Conversions

You will be continuing to hear from lots of “experts” this year that you need to convert your retirement accounts to Roth IRAs. While there are a number of advantages to conversions, there are an equal number of disadvantages that carry some major tax consequences. Please do not convert your accounts in 2018 without coming in to see us to discuss both the positives and negatives. **All conversions for 2018 must be completed by December 31, 2018.**

Other Income

If you have any income from AirBNB, Turo, Etsy, eBay or similar consumer to consumer programs, please let us know because many income tax rules are affected and few of these sites provide you with adequate tax information.

Future Income Tax Rates & Other

We highly recommend that when you are getting your information to us for your 2018 Federal tax return that you set an appointment for an after-tax season “Tax Tune Up” to examine tax and estate planning strategies. If your income is over \$200,000 it is almost mandatory that we meet for future tax planning because of surtaxes.

There are literally hundreds of other changes, extensions and deletions that we will consider this year while preparing your return. Because of these changes, we are requesting clients to try to have their tax information to us at least two weeks earlier than normal, and **no later than March 15, 2019**. Please rest assured that we will utilize our best resources to once again provide you with timely, complete and accurate service while keeping your tax burden to the lowest legal amount.

Thank you again for your continued business.

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