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# WWM Client Newsletter

## The New Federal Tax Law and Year End Tax Moves

If you are in a position to pay certain items before year end, ask your accountant what you can do to take deductions now.

The federal tax bill is now law, which limits some itemized deductions and increases standard deductions.

Accordingly, itemized deductions that provide a tax break this year may not in 2018. These analyses can be complex and may not provide you a benefit (for example, if you pay Alternative Minimum Tax (or will if you use these ideas), these strategies may not benefit you.



By Kurt Winiecki

**Disclaimer:**

**Kurt Winiecki no longer practices accounting or law. The general comments in this Newsletter are not and should not be construed as advice.**

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## **State and Local (Property) Taxes**

Under the new law, deductions for State and Local Taxes will be limited to \$10,000. Prepaying state taxes in 2017 and prepaying property taxes may provide benefits not available next year. You may not be able to prepay all of these 2018 taxes – ask your accountant.

## **(Maybe) Defer Pass-Through Income**

Not everyone's federal taxes will decline under the new bill. If they will, discuss deferring pass-through income until next year to take advantage of lower tax rates.

## **Charity**

If you will not be itemizing deductions next year, charitable donations will no longer provide a tax benefit. Accordingly, donating future year's donations this year may help.

## **Other**

This is not an exhaustive list of potential strategies. Your accountant knows your situation and can suggest other ideas.

