

# THE MARTIN MINUTE

## Congrats, Brian & Sarah!

SO GET YOUR PAPERWORK IN BEFORE!

Baby GIRL #3  
due this October!



## 2018 TAX LAW CHANGES

By Suzanne Leonard and Nicole Lowry

You may find that your 2018 tax return looks somewhat different than your 2017 return. These changes are because of the new tax law, called The Tax Cuts and Jobs Act, that was approved by Congress on December 22, 2017. There are too many changes to list them all, but we have provided a few key changes that you might find helpful.

First, the original tax brackets (10%, 15%, 25%, 28%, 33%, 35%, 39.6%) have been replaced with 10%, 12%, 22%, 24%, 32%, 35%, and 37%, respectively.

Personal and dependent exemptions, which are typically \$4,050, were suspended while standard deductions were nearly doubled. The standard deduction for Single

**“PERSONAL AND DEPENDENT EXEMPTIONS...WERE SUSPENDED WHILE STANDARD DEDUCTIONS WERE NEARLY DOUBLED.”**

and Married Filing Separately went from \$6,350 to \$12,000, Head of Household went from \$9,350 to \$18,000, and Married

Filing Joint went from \$12,700 to \$24,000.

The Child & Dependent Tax Credit also increased from \$1,000 to \$2,000 per child with the new tax law. Up to \$1,400 of this credit is refundable. Additionally, the new tax law also increased the annual gift tax exclusion from \$14,000 to \$15,000.

**“STATE AND LOCAL TAX DEDUCTIONS...ARE NOW LIMITED TO A MAXIMUM OF \$10,000.”**

State and local tax deductions, which includes property taxes, are now limited to a maximum of \$10,000. Miscellaneous itemized deductions, which were limited to 2% of AGI in previous years, have been completely suspended by the new tax law. This means that items such as employee business expenses, tax preparation fees, investment expenses, safety deposit box expenses, and legal fees cannot be deducted.

If you want a detailed picture of what your tax return will look like in April, we can prepare a full tax projection for you. Please give us a call if interested.

## A WORD FROM TERRY



Where has the first half of the year gone? It seems like we just finished tax season! I want to thank all of our loyal clients for another wonderful tax season. It is always

great to catch up on family news and plans for the rest of the year. I hope you found value in the sneak peek of your 2018 tax picture considering the new tax laws that went into effect in January. As we digest the complex rules, we will keep you informed. On a personal note, Karen and I are excited to see our eleventh grandchild arrive in October! It will be another girl for Brian and Sarah. Right after tax season, I went on my annual golf trip to the San Diego area, playing two rounds at Torrey Pines in La Jolla, as well as some other courses. Golf is the true definition of insanity... you keep doing the same thing hoping for a better result! We are looking forward to spending time with the grandkids this summer at our house. Sundays are open pool days for them to come over and have fun. I hope you have a wonderful summer and take time to enjoy your families. It seems like the older we get, the faster time goes by!!

## calendar

MONDAY, SEPT 3.

closed for Labor Day

MONDAY, SEPT. 17

S. Corp, LLC & partnership taxes due

MONDAY, OCT. 15

indiv. taxes due (those on extension)

WEEK OF OCT. 15

Brian's baby girl #3 due

THURS, NOV. 22 - FRI, NOV. 23

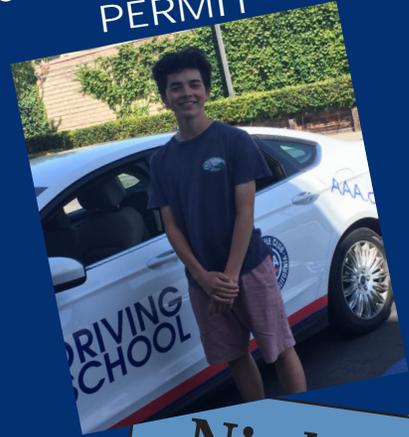
closed for Thanksgiving

# STAFF UPDATES

**Stephen traveled to Israel**



**KRISTA'S SON, SETH,  
RECEIVED HIS DRIVING  
PERMIT**



**BRIAN VACATIONED IN  
PENNSYLVANIA**



**Terry explored  
Seattle**

**Nicole visited  
Spain**

**ANDREW MOVED  
TO ARIZONA**



**(HE STILL WORKS  
REMOТЕLY PART-  
TIME)**



**Suzanne attended a  
wedding in Oregon**