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Year-End Newsletter

Hello All,

It is that time of year again! I hope that your holidays were wonderful and wish you the best in 2020. Now let's talk.

On December 20, 2019 President Trump signed the budget bill. Part of the budget was the Consolidated Appropriations Act (CCA). The CCA extended some tax breaks back to January 1, 2018, the extended tax break that affects some of our clients is allowing the Mortgage Insurance Premiums through the end of 2020. Itemized Deductions for medical stayed at 7.5%. Pretty sure I contacted any clients who might be affected, but please contact me if you have questions. CCA also impacted Retirement Planning, Required Minimum Distributions now start in the year you turn 72, up from 70.5, there is now no age limit on contributing to an IRA.

An FYI for those who use our 1099 service, in 2020 an old form becomes a new form. To report **Non-Employee Compensation** we will be using 1099-**NEC**.

Current thinking is that filing season will open on Monday the 27th. Those of you who claim Earned Income Tax Credit (EITC), or Additional Child Tax Credit (ACTC) will have to wait until at least February 27 for your refund.

The latest version of iPhone software has a feature which I left enabled, if your phone number is not in my contacts list the call goes straight to voicemail. Apparently, there are politicians and pollsters who care what I think! I am pretty sure I have most of your phone numbers in my contact list, but if you get sent to voicemail please leave a message and I will respond.

We set up a new feature called Secure File Pro (SFP), where you can scan your documents and send them to a Secure File. Should you want to utilize this service let us know and we can get you set up. Most of our clients using SFP already have had no issues in setting up or using this service. Of course, I will still meet with you in person and pickup/drop off documents. Please **do not** E-mail sensitive information, use SFP, fax, mail, or let me know and I will pick up.

There is a new W-4 for 2020 and in my opinion, it is not as straight forward as the 2019 version. For clients who are employers, if you hire someone new please let me know in advance, so we

can properly calculate withholdings. For those who might be changing jobs and want help with the new form, please contact me.

On our website <https://www.qtaxllc.com/> there are organizers for Individuals, LLCs, Sole Proprietorships, Rentals, & S-Corporations. Please complete and sign the appropriate form. One of the best practices I learned this year is to periodically review the information on the organizer to ensure proper tax treatment.

Two quick PSAs. When you write the date on a document this year do not abbreviate 2020 to 20. <https://www.usatoday.com/story/news/nation/2020/01/02/do-not-abbreviate-year-2020-in-date/2795857001/> If you were, or think you may have been affected by the Equifax Breach of September 2017, use this link <https://www.ftc.gov/enforcement/cases-proceedings/refunds/equifax-data-breach-settlement> to file a claim by 01/22/2020

I want to thank you for your continued support of Qtax, LLC, it is truly a nice feeling having clients return year after year.

Regards,

Scott

Scott The Taxman