

The H&R BLOCK logo is positioned in the upper left corner. It consists of the text "H&R" stacked above "BLOCK" in a white, bold, sans-serif font, set against a solid green square background. The background of the entire slide features a dark green color with a pattern of fine, light green diagonal lines.On the right side of the slide, there are several stacks of money, represented by grey blocks with green outlines and a green circle in the center, suggesting US dollar bills. The stacks are arranged in a stepped, ascending pattern from the bottom left towards the top right, creating a sense of growth or accumulation.

# Tax Reform

**SHIRLEY PLEMMONS**

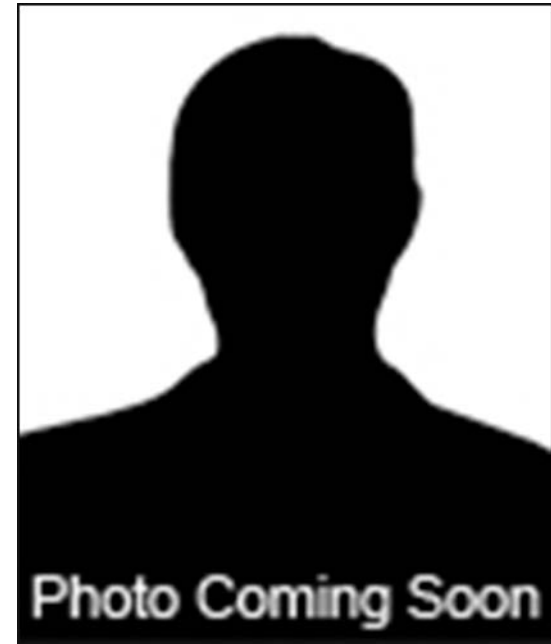
**E.A.**

**For AGA KC**

**03/14/2018**

# About Me

- Name
- Years Experience
- Certifications
- # returns prepared on average each year
- # hours of training



# Once upon a time ...



# 2 Facts about Tax Reform



**1** It impacts **EVERYONE**.

**2** **HOW** is different for each individual.



# Tax Reform Impact


## WHAT IS YOUR FILING STATUS?




Single / HOH  
(Head of Household)

Married  
Filing Jointly


## CHILDREN (under 17)



0




1-2



3+

## HOUSEHOLD INCOME



\$0 - \$50K

\$50 - \$100K

\$100 - \$250K

\$250K+



# Why Choose a Tax Professional?



**H&R  
BLOCK**

**Tax  
Reform**



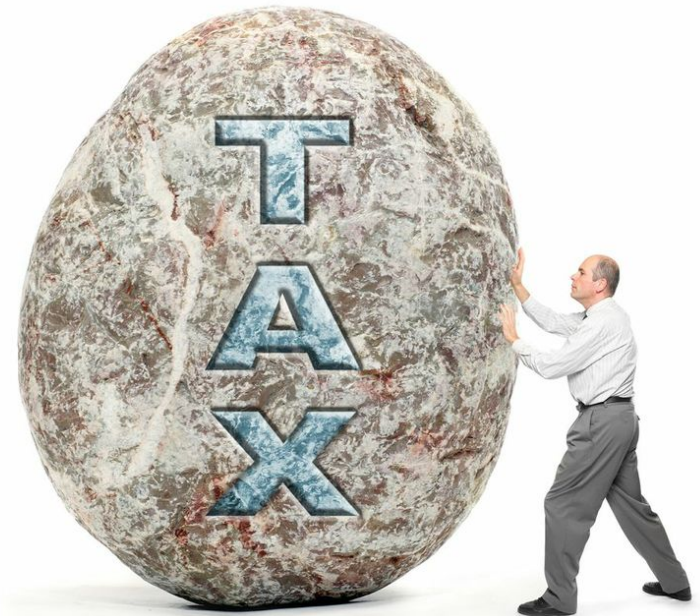
A stage with green curtains and a wooden floor. The curtains are pulled back, revealing a wooden stage floor. The scene is lit from below, creating a warm glow. The text is centered on the stage.

**Impacts most taxpayers**

**Individuals only (not  
businesses)**

# Topics

- Tax Brackets
- Personal & Dependent Exemptions
- Child Tax Credit
- Standard Deduction
- Itemized Deductions
- Health Care



# TCJA what?



# Tax Brackets

Pre-TCJA	TCJA
<b>10%, 15%, 25%, 28%, 33%, 35%, 39.6%</b>	<b>10%, 12%, 22%, 24%, 32%, 35%, 37%</b>



# Personal & Dependent Exemptions



# Form W-4 Withholding

Review W-4 Form  
Check allowances  
Update if needed



# Child Tax Credit

## Pre-TCJA

Maximum \$1,000

Refundable portion \$1,000

Qualifying children under age 17

## TCJA

Maximum \$2,000

Refundable portion \$1,400

Qualifying children under age 17



# Non-refundable Dependent Credit



- **\$500**
- **Non-refundable credit**



# Standard Deduction

Filing Status	2017	TCJA 2018
Married Filing Joint or Surviving Spouse	\$12,700	\$24,000
Head of Household	\$9,350	\$18,000
Single or Married Filing Separate	\$6,350	\$12,000



# Itemized Deductions



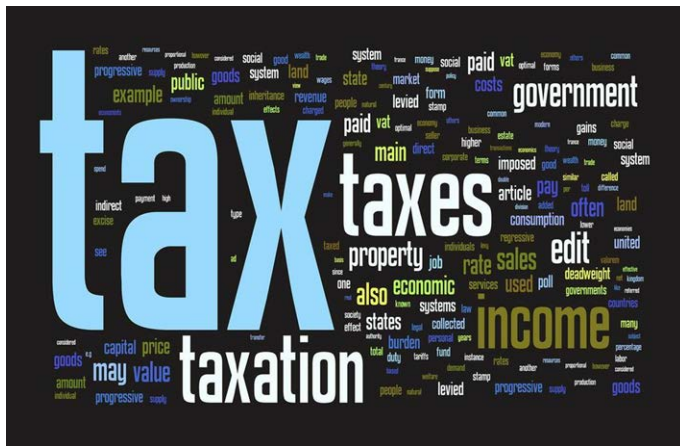
# Itemized Deductions

*Eliminated*

## Employee Business Expenses



# Itemized Deductions *Limited*



SALT (State and Local  
Taxes)

Real property taxes

Deductions now limited to a  
combined total of \$10,000

Limited to \$5,000 if married  
filing separately



# Itemized Deductions

## *Home Mortgage Interest*

Home equity loan interest no longer deductible

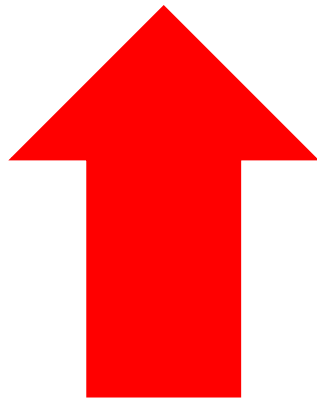
Claim mortgage interest on up to \$750,000 (or \$375,000 if MFS)

Mortgages prior to 12/15/17 continue to claim mortgage interest on up to \$1 million (\$500,000 if MFS)



# Itemized Deductions *Charitable Contribution*

Increased to 60%



# Itemized Deductions *Medical Expenses*

2016

10%

2017

7.5%

2018

7.5%

2019

10%



# Health Care

Penalty for failure to obtain health insurance coverage under the ACA will be eliminated beginning in 2019



# H&R Block can help!

Taxes are complicated and the tax code even more so! Ask yourself:

*Are you keeping up with the latest tax law changes?*

*Are you applying new tax laws correctly and to your advantage?*

*Are you sure you are getting the most refund possible?*

*If the IRS calls are you prepared to answer?*

If you answered **NO** to any of these questions, schedule an appointment **TODAY** with a tax expert at H&R Block.



# Questions

