

## *From the desk of Daiva Silbajoris, EA*

### 2017 TAX PREPARATION CHECK LIST

#### INCOME

- Wages
- Interest & Dividend Income (including foreign bank accounts)
- Unemployment
- Miscellaneous Income
  - Gambling & Lottery Winnings
  - Jury Duty
  - Cancelled Debt
  - Social Security
  - Alimony Received
  - State Income Tax Refund
- Pensions, Annuities & IRA Distributions
- Self-Employment Income from Business
- Rent or Royalty Income
- S Corporations, Partnerships, Estates & Trusts
- Sales of Property (Gains or Losses)
  - Stocks, Bonds & Mutual Funds
  - Sale of Real Estate - Principal residence excludable up to \$250,000 (\$500,000 for MFJ)  
*(If you purchased or sold property, or refinanced a mortgage, have your closing statements available.)*

#### **2017 FEDERAL CREDITS/DEDUCTIONS – *may be subject to Adjusted Gross Income limitations***

- State & Local General Sales Tax deduction.
- American Opportunity Tax Credit - up to \$2,500 credit per family for the first four years of post-secondary education.
- Lifetime Learning Credit - up to \$2,000 credit per family for **any** post-secondary education.
- Educator Deduction - \$250 deduction for teacher's out-of-pocket expenses.
- Child Tax Credit - \$1,000 per child under the age of 17 years old.
- Home Office – a simplified deduction for a qualified home office, up to a maximum of \$1,500.

#### **NEW YORK STATE CREDITS AND DEDUCTIONS**

- Tuition Credit or Deduction - on undergraduate tuition up to \$10,000 even if you don't qualify for the federal credits or deductions.
- NYC Residents – additional school tax credits available.

(over)

## DEDUCTIONS

- IRA, Keogh & SEP Deductions - IRA & Roth IRA deduction up to \$5,500 (+ \$1,000 if over 50 years old)
- Self Employed Health Insurance Premiums (includes Medicare premiums)
- Student Loan Interest Deduction – up to a maximum of \$2,500
- Moving Expenses due to a change of job location
- Medical - must exceed 7.5% of income
  - Doctors, Dentists & Nursing Care
  - Lab fees & exams
  - Prescription medicines & insulin - Not OTC
  - Prescribed Stop-Smoking Programs
  - Long Term Care Insurance Premiums
  - Eye glasses, contact lenses & eye exams
  - Medical & Hospital insurance premiums
  - Transportation for medical purposes
  - Orthopedic aids & support equipment
  - Nursing Care
- Taxes
  - State and local income taxes **OR** General Sales Tax (including autos, boats, etc.)
  - Real estate taxes
  - State or local personal property taxes
- Interest
  - Home mortgage interest
  - Points
  - Home equity loan interest
  - Investment Interest
- Contributions (Must have a receipt or bank record for **ALL** contributions)
  - House of Worship
  - Nonprofit schools & hospitals
  - Nonprofit organizations
  - Public parks & recreational facilities
- Used clothing and Goods-In-Kind - find the fair market value at [www.satruck.org/donation-value-guide](http://www.satruck.org/donation-value-guide)
- Used Autos - Need acknowledgment from the charity with details of the auto's disposition.
- Miscellaneous Deductions
  - Employment related expenses
  - Union & professional dues
  - Tax preparation fees
  - Job seeking expenses
  - Investment fees & expenses (safe deposit box)
  - Business Mileage – 53.5¢ per mile
  - Gambling losses (up to gambling winnings)
- Casualty Losses - any casualty or theft that exceeds 10% of adjusted gross income

## UPDATE FOR 2017

- Affordable Care Act** – all household members must still have qualified health insurance coverage.
  - Coverage may be Government sponsored (Medicare, Medicaid), purchased through the Marketplace or employer sponsored.
  - Premium Tax Credit (or Advanced Premium Tax Credit) – a credit based on income to pay for premiums.
  - Taxpayers without qualified coverage will be subject to a Shared Responsibility Payment (or 2% penalty of household income over the filing threshold), with a penalty of \$695 per adult family member.
  - Individuals/Families should receive a 1095 form which shows your health insurance coverage.



- New York State Driver's License or State Identification Required** – to help prevent identity theft and tax fraud, NYS still requires taxpayers to provide driver's license or state identification card information. Omitting this information may cause delays in processing of refunds.