



Razorback Financial & Income Tax Services

1611 South Greenwood Avenue ▪ Fort Smith, Arkansas 72901-4211

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January 2019

Dear Client:

Enclosed please find your prescheduled appointment with us. You may text, email or call us to reschedule. Our text number is shown above.

We have a “work day” on Wednesdays and take no appointments or tax pick-ups on Wednesdays.

We offer “jump drives” for your 2018 completed return with no added cost to you. Please provide us a password if you choose this method for your copy.

The forms we are requiring you to fill in this year show the amount you deducted the previous year. There is a space beside it to enter the deduction for that item this year. It's different from the old form, but we hope easier for you.

PLEASE fill out and bring ALL enclosed forms to your tax appointment or email to: info@razorbackfinancial.com.

Business owners, please bring invoices on any new vehicles or equipment you have purchased in 2018.

Here is a brief description of how the new tax act may affect you.

Items which stay the same in 2019:

- Capital gains and qualified dividend taxes
- The Child and Dependent Care Credit
- The American Opportunity Credit
- The Lifetime Learning Credit
- The Student Loan Interest deduction
- Tax deductions for retirement
- Legal fees for income settlement

The Tax Cuts and Jobs Act is the most significant set of changes to the U.S. tax code in several decades. The vast majority of the changes go into effect 2018 and 2019.

New laws that may affect your Tax return in 2018 and 2019 are as shown:

- Child Tax Credit is \$2000. Age 17 and under with \$1400 refundable even if you have zero tax liability.
- New \$500 Dependent Credit if over 17, or adult you support or lives in your home.
- Qualified business deduction 20%.
- Alternative Minimum Tax ceiling raised.
- Alternative Minimum Tax credit for previous year.
- Standard deduction increased.
- Home equity loan deduction limited.
- Head of Household restrictions apply 2018.
- Electric car credit still available.
- Exemption amount with IRS gone.
- Alimony non-deductible as of 12-31-18. Honors pre-2018 settlements. State tax deduction limited to \$20k.
- Accounts receivables formerly shown in income and taxed, can be deducted from income with a 481a adjustment. Ceiling \$1M.

Itemizing on State still gives good refunds in 2018 and will honor employee job expenses on State.

Please arrive ten minutes early for your appointment. The appointment should not last longer than 45 minutes. We appreciate you meeting with us and trusting us as your tax advisor.

Please contact us by text, email or phone with questions,

Sincerely,

A handwritten signature in cursive script, appearing to read "Lynda", written in a dark ink or color.

Lynda Startzman
Razorback Financial