

## Tax Planning is Key This Year

If there ever was a year for tax planning, now is the time! Some people and businesses will be in for a big surprise this year because of all of the changes in the tax law for the 2018 year. Many people will be underwithheld on their federal and state taxes, meaning they will owe big; others could be overwithheld, meaning the IRS is tying up money that's theirs now!

Wouldn't it be nice to know in advance how your situation will be impacted by the hundreds of changes in the tax laws this year? When you know your situation, you can make decisions before the year ends to change the outcome. You can take advantage of every strategy, deduction, and credit you are entitled to.

Planning gives you peace of mind, whether you get an affirmation that you will receive a refund from the IRS or if you owe money...if you know in advance, it will make a difference.

When working with your tax professional, they will:

- Project your income (W-2 earnings or business earnings) through the end of December
- Maximize your deductions
- Make recommendations of things you can legitimately do to change the result before the year ends
- Educate you on any changes in tax law or limitations

Here are a few things your tax pro may require:

1. Year to date paystub
2. Current income/expenses, if self employed
3. Current income/expenses of rental properties owned, if any
4. Stock sale data, including basis information
5. Information on any major changes from the prior year, such as a solar purchase, house sale/purchase, etc.

Tax planning can achieve the greatest benefit for your unique situation. Don't rely on (mis)information from your neighbor or colleague for strategies to implement! Seek professional tax advice and get educated on the laws and consequences relating to your unique situation. Your tax professional can warn you of something you might not have known or give you different scenarios for you to consider. The key is knowing your options, so that you can make decisions that will provide the greatest benefit for you and your family!