

Important Tax Dates and Information

- Form W-2, Form 1099 and other tax information forms are required to be mailed by January 31. If you do not receive the forms by February 15, let your tax professional know.
- The IRS began accepting e-filed individual tax returns on January 19.
- The IRS expects to issue refunds to taxpayers within 21 days from the date an e-filed tax return is accepted.

Extended Tax Provisions



Late in December, Congress renewed a number of “extender” provisions that expired at the end of 2015. These provisions may affect some individuals and businesses. Extended individual provisions include:

- \$250 educator expense deduction.** Made permanent, and adjusting for inflating going forward, teachers can claim this deduction for supplies they’ve purchased for their classrooms.
- Tuition and fees deduction.** Reduce the amount of your income subject to tax by up to \$4,000 of qualified education expenses incurred. This provision was extended through December 31, 2016.

- Itemized deduction for state and local general sales tax.** Made permanent, this option is valuable to taxpayers who don’t pay state and local income tax.
- Itemized deduction for mortgage insurance premiums (PMI).** A PMI policy is coverage paid for by the homebuyer, but it protects the lender in case of default on the loan. This provision was extended through December 31, 2016.
- Qualified principal residence indebtedness exclusion for debt discharge income.** This provision, extended through December 31, 2016, applies to most homeowners who default on their loans, and prevents the forgiveness of debt from being included as income on the tax return.
- Section 529 education plans now allow expenditures for computers, peripheral equipment and software.** These tools must be used primarily by the beneficiary during years of academic study.
- The American Opportunity Credit.** Made permanent, this credit covers up to \$2,500 of education expenses and was set to expire in 2018.
- Charitable distributions from IRAs are now permanently tax free.** Taxpayers age 70½ (or older) can make up to \$100,000 of annual charitable contributions from an IRA. These contributions are not included as income, nor are they deductible as charitable contributions.

When preparing your 2015 tax return, I’ll take these extended provisions, as well as the other 100 or so smaller tax provisions in the PATH Act, into consideration.

Did You Know?

Over 180 million Valentine’s Day cards are exchanged annually.



Quote Corner

“All you need is love. But a little chocolate now and then doesn’t hurt.”

~ Charles M. Schulz