

Powers & Company

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January 08, 2018

A reminder that we are now in a new office conveniently located at 854 Route 6 (Front Office by Kid's Country), Mahopac, N.Y. Our phone number is still the same (above).

Although there was no major tax legislation reform for 2017 (not true for 2018) I again wish to remind you of new IRS and state initiatives:

- **IDENTIFICATION:** A driver's license or other identification number to process your tax returns. If we don't have it already please provide us a copy of your driver's license **FRONT AND BACK.**
 - **Earned Income and Additional Child Care Credits:**
 - We are now required to expand our "due diligence" verification before preparing and e-filing any tax returns that claim earned income and child care credits. This involves obtaining a copy of a child dependent's social security card, birth certificate and a letter from a school or physician that shows the child's name with the same physical home address as the person filing the tax return. Let us know if someone else can claim a child care credit to avoid problems.
 - **The American Opportunity Credit for eligible educational costs** may be denied if information is incomplete or erroneous. Be sure to provide a copy of any Form 1098-T that you receive and verify that the information in Box 1 (Actual amounts paid for tuition, books and lab fees) is correct. Only qualified expenses **ACTUALLY** Paid (may be through student or other loans, credit cards or cash) qualify for the credit.
 - Should the IRS deny the American Opportunity Credit for any tax return they will **NOT** honor that credit for 10 YEARS!
 - **Health Care** is still mandatory for 2017. We need your Forms 1095 and can't prepare your return without them.
 - **Foreign Bank Accounts and Financial Assets:** You **MUST** report this information before April 17. If you have foreign financial assets (including foreign life insurance, retirement accounts, etc. please let us know the details (names, account numbers, addresses, highest balance during the year, as early as possible. The penalty for not reporting this information is \$10,000.
 - **Forms 8879 or other e-file Authorization:** By law we can't e-file your returns without your signed authorization.
 - **Banking information for Refunds and Payments: Be sure that we have the correct bank routing and account numbers!**
 - Be sure to check the "Tax Power" website for all other important tax information.
- Sincerely,

