

## 2018 Tax Facts

Listed below are some elements of the tax law that may help you with your tax planning:

### **\*Business Mileage Rate**

The business mile rate for 2018 is 54.5 cents per mile.

### **\*2018 Retirement Plan Contribution Limits**

401K Plans - \$ 18,500 (\$ 6000 catch up for age 50+)

403B Plans - \$ 18,500 (\$ 6000 catch up for age 50+)

Simple IRA Plan - \$ 12,500 (\$3000 catch up for age 50+)

### **\*2018 Social Security Wage Base**

Social Security tax will apply to the first \$128,400 of wages. The maximum contribution amount is \$7,960.80.

### **\*2018 Standard Deduction**

The standard deduction is \$12,000 for single filers, \$18,000 for heads of household and \$24,000 for joint filers.

### **\*2018 Itemized Deductions**

Mortgage Interest on new loans is deductible on loans up to \$750,000. No deduction for interest on a home equity loan.

Property, State and Local taxes are deductible up to \$10,000.

Miscellaneous itemized deductions are not deductible. This includes unreimbursed employee expenses and investment expenses.

Casualty and theft losses are not deductible unless losses due to federally declared disasters.

### **\*2018 Moving Expenses**

Job-related moving expenses are not deductible unless for certain military personnel.

### **\*2018 Child Tax Credit**

The maximum child tax credit for 2018 is \$2,000 per child and \$500 per non-child dependent.

### **\*2018 529 Tuition Plan**

Includes payments for K-12 tuition up to \$10,000.

### **\*2018 ACA (Healthcare) Individual Mandate Penalty**

Healthcare is still required in 2018 to avoid penalties. The penalty for no minimum essential health coverage is the greater of 2.5% income or \$2,085. Starting in 2019 there is no longer a penalty.