

Yes, it is that time again. Tax season will shortly be upon us. We are writing to remind you about the income tax preparation services our firm offers. Referring a family member, friend, or neighbor can save you 15% of your preparation fee!

We at Petra Financial Solutions have been providing tax preparation services for our clients for many years. We are committed to excellent service and to staying current with tax legislation and regulations to ensure you maximum use of every deduction to which you are entitled. We think you will find our fees to be both reasonable and competitive. Your tax returns will be processed and delivered to you in a timely and professional manner after they have been double-checked for accuracy.

We encourage you to take advantage of our tax preparation services. Call 937.294.9000 to set an appointment. And remember, each tax service referral reduces your tax services fee by 15%.

The tax items for tax year 2018 of greatest interest to most taxpayers include the following dollar amounts:

- The seven marginal personal income tax brackets will be retained under the new law, but with slightly lower rates and higher taxable income thresholds.
- The current standard deduction of \$12,700 for joint filers (\$6,350 single filers and \$9,350 head of household filers) will increase to \$24,000 for joint filers or a surviving spouse (\$12,000 for single filers and \$18,000 for heads of household).
- Personal exemptions of individuals and dependents has been suspended through December 31, 2025.
- Limitations on itemized deductions (currently reduced up to 80 percent), due to higher levels of adjusted gross income, are suspended through December 31, 2025.
- Estates of decedents who died during 2018 have a basic exclusion amount of \$11,180,000, up from a total of \$5,490,000 for estates of decedents who died in 2017.
- The annual exclusion for gifts is \$15,000 for tax year 2018, up \$1,000 from the 2017 tax year.
- The annual dollar limit on employee contributions to employer-sponsored healthcare flexible spending arrangements (FSA) increased to \$2,650 for 2018.

“People who complain about taxes can be divided into two classes: men and women.” – Unknown

“The hardest thing in the world to understand is the income tax.” – Albert Einstein, physicist

PAID LEAVE - Senator Marco Rubio (R-FL) has proposed legislation that would allow parents of a newborn to take 2 months off from work while collecting Social Security benefits in exchange for delaying their eventual Social Security retirement benefits by 6 months (source: Congress).

CLOSING SHOP - The University of Iowa's Tippie School of Management will close its full-time MBA program in May 2019 after 57 years of operation. At its peak, Iowa's full-time MBA program had an annual enrollment of 240 students. The final 2-year class has just 35 students (source: University of Iowa).

These are the views of James Steen. No independent analysis has been performed and the material should not be construed as investment advice. Investment decisions should not be based on this material since the information contained here is a singular update, and prudent investment decisions require the analysis of a much broader collection of facts and context. All information is believed to be from reliable sources; however, we make no representation as to its completeness or accuracy. Tax services provided by Petra Financial Solutions. Cetera Advisors LLC, does not provide tax advice.

All economic and performance information is historical and not indicative of future results. The market indices discussed are unmanaged. Investors cannot directly invest in unmanaged indices. Investment Advisor Representatives offering securities and Advisory Services through Cetera Advisors LLC, member FINRA, SIPC. Petra Financial Solutions is not affiliated with Cetera Advisors LLC. Petra Financial Solutions, Inc. 385 Regency Ridge Drive, Dayton, OH 45459-4252.