

Year-end tax moves for dentists
Give your practice some holiday cheer

Even though the end of 2017 is near, it is not too late to get your dental practice into the best possible tax position for the new year.

Here are some year-end tax moves to consider:

- **Consider vehicle purchases.** There are several tax deductions available if you own a vehicle for business use. General expenses can be tax-deductible, including fuel, oil changes, general repairs and even new tires. Depreciation, insurance and interest on a business car loan are also tax-deductible expenses. While there are special limits to the amount that can be depreciated for most vehicles each year, the benefits can often outweigh the costs.
- **Update the office.** A fresh coat of paint and new office furnishings not only make your office more comfortable, they also provide another tax deduction. How you handle deducting these expenses will vary depending upon whether you own or lease your office space, so reach out for assistance if you have questions.
- **Reward your staff.** If you have sufficient cash flow, giving your staff a year-end bonus is a great way to let them know you appreciate them. It's also tax-deductible.
- **Treat an associate.** If there are associates you haven't contacted in a while, it's a good time of the year to take them out for a nice (not lavish) breakfast or dinner and deduct 50 percent of the meal. Who knows, you may be able to generate some new business while you collect a tax benefit.
- **Update your skills.** Attend a workshop or conference to improve your professional skills. While there are some limitations, many travel, lodging and out-of-pocket expenses related to professional training are tax-deductible.
- **Plan for the future.** If you don't already have some type of retirement plan for yourself and your employees in place, now may be a good time to set one up. There are tax credits and other incentives available to employers who start a retirement plan. Employer contributions to the plan are usually tax-deductible. There are a variety of plans available depending upon the kind of practice you have, each with their own rules and regulations.
- **Be nimble.** Recent discussions in Congress could mean a dramatic change in taxes on business profits beginning in 2018. Stay abreast of these developments in case you need to make last-minute moves to shift profits from one year to the next to reduce your tax rate.

There are a lot of nuances in the tax code affecting each of these end-of-year moves. Don't hesitate to get in touch if you need advice.