

BUSINESS

Use these tax breaks before you lose them



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Make sure you take these deductions for 2017, as the new tax law, which has become the biggest piece of tax reform legislation that's been enacted since the landmark Tax Reform Act of 1986, is expected to have a major impact on individual taxpayers in 2018.

Miscellaneous itemized deductions

The new tax law eliminates most itemized deductions, starting in

2018. Under prior law, the following deductions were deductible if they exceeded 2 percent of your adjusted gross income. For 2018 through 2025, this change eliminates deductions for a wide variety of expenses, such as:

Tax-related expenses

- Tax preparation expenses
- Tax advice fees
- Other fees and expenses incurred in connection with the determination, collection, or refund of any tax.

Expenses related to taxable investments

- Investment advisory fees and expenses
- Clerical help and office rent for offices used to

manage investments

- Expenses for a home office used to manage investments
- Depreciation of computer and electronics used to manage investments
- Fees to collect interest and dividends
- Your share of investment expenses passed through to you from a partnership, limited liability company or S corporation
- Safe-deposit box rental fee for a box used to store investment items and documents
- Other investment-related fees and expenses.

Expenses related to production of taxable income

- Hobby expenses (limited to hobby income)

- IRA trustee/custodian fees if separately billed to you and paid by you as the account owner
- Loss on liquidation of traditional IRAs or Roth IRAs
- Bad debt loss for uncollectible loans made to employer to preserve your job
- Damages paid to a former employer for breach of employment contract.

Unreimbursed employee business expenses

- Education expenses related to your work as an employee
- Travel expenses related to your work as an employee
- Passport fees for

business trips

- Professional society dues
- Professional license fees
- Subscriptions to professional journals and trade publications
- A home office used regularly and exclusively in your work as an employee and for the convenience of your employer
- Depreciation of a computer that your employer requires you to use
- Tools and supplies used in your work as an employee
- Union dues and expenses
- Work clothes and uniforms if required for your work and not suitable for everyday use

- Legal fees related to your work as an employee
- Job search expenses to seek new employment in your current profession or occupation.

So make sure to take these deductions in 2017 and if you have any questions make sure to speak to your tax adviser. *Phillip Goldstein is managing partner of Goldstein Lieberman & Company LLC, a full-service certified public accounting and business advisory firm that serves closely held businesses and their owners in New York and New Jersey. For more information, contact Goldstein at 800-839-5767 or philg@glcpas.com, or visit www.glcpas.com.*