

What you need to know about filing taxes

February is right around the corner, and that means tax-filing season is here.



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employers and individuals need to know about filing their 2017 tax returns.

1. It pays to file electronically. On Monday, the IRS will begin accepting 2017 tax returns, but it won't begin processing paper returns until mid-February even if it receives them early. The delay won't apply to electronically filed returns.

2. You've got two extra days! The deadline for individual returns not on extension is April 17 this year due to the Emancipation Day holiday in D.C.

3. File ASAP. The longer you wait, the more time you give thieves looking to steal your taxpayer identity. They usually file early so they can get to the IRS before you do.

4. Some filers will have to wait. If you're claiming an earned income tax credit or a refundable child tax credit, the IRS won't get to you until

after Feb. 27 to deposit your refund into your bank account. The hold-up is due to measures the IRS is taking to detect tax identity theft and refund fraud. If you don't want a direct deposit, you could wait even longer.

5. You can e-file at no cost. There are two options for individuals. If your 2017 adjusted gross income (AGI) was \$66,000 or less, go to www.irs.gov/freefile to select a tax software vendor. Some may even help out with your state returns. If your AGI is higher than that, go to www.irs.gov/freefile to use Free File Fillable Forms. You won't be asked a lot of questions, but this option works best for people familiar with taxes and comfortable filling out forms.

6. Health coverage information for employers. Firms with 50 or more full-time equivalent employees need to fill out Form 1095-C to report insurance data for each worker to the IRS and the employee. Additional information goes to the IRS on Form 1094-C. Businesses with fewer than 50 employees that provide self-insured medical coverage need to use Form 1095-B to report 2017 health coverage information to the

employee and IRS. They need to file 1094-B to send health returns to the IRS. There's more time allotted this year. The due date to get the forms to employees is March 2 not Jan. 31 as previously required. The IRS wants the forms by Feb. 28 unless they're e-filed. In that case, they're due April 2. If employees want to file their individual returns with the IRS before they receive the form, it's OK with the IRS.

7. Employers need to file W-2 forms with the government by Jan. 31, the same day they're due to the employees. The Jan. 31 date applies to 1099 forms for reporting nonemployee compensation.

Got questions? See your tax adviser. What you don't know about filing your taxes can hurt you.

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