



December 31, 2019

Dear Clients:

I hope that all is well and you have enjoyed a prosperous year. I want to extend my gratitude and thanks to my returning clients. Your continued patronage keeps me coming back each year to prepare your returns with the special care and attention they deserve. For my new clients that come on board this new 2020 tax season, **Welcome.** ☺

Last year was filled with major changes. The enactment of the Tax Cuts and Jobs Act (TJAC) caused the following tax situations: 1. Many clients loss several deductions. 2. The loss of deductions caused clients to have decreased refunds or increased balance dues for the 2018 tax year. The TJAC is in effect thru 2025, so I encourage you to review your withholding patterns and make the necessary adjustments to your withholdings. Please click on this link www.irs.gov/tax-reform to get further clarity concerning the changes that came about as a result of this tax reform. This link also has some of the IRS's helpful tools that you can use to better estimate your taxes and paycheck withholdings. If you have any questions regarding any of the changes please call my office.

On December 20, 2019, Congress signed into law the Consolidated Appropriations Act of 2020. This Act prevented a government shutdown and it passed many tax provisions. Among some of the tax law changes was the passing of some tax extenders that were not available on 2018's tax return but were retroactively reinstated for tax year 2019 and extended thru 2020. The Act passed the following:

1. Nonbusiness energy property credit
2. Deductions for tuition and fees
3. Mortgage Insurance Premium
4. Qualified mortgage debt forgiveness
5. Medical expense deduction returns to 7.5% for 2019

WRS Housekeeping notes for 2019 Tax Year:

1. **The 2019 TAX YEAR CLIENT CHECKLIST (Please download from the website: www.wrstax.com)**
I require my clients to complete, sign, date, and return the Client Checklist with all tax documents.
2. **NONCASH DONATION SLIPS**
Each noncash donation slip submitted needs to be dated, have a brief description of the items donated, and the total value of goods donated.
3. **SCHEDULE C, SCHEDULE E Form Filers**
Clients should provide a summary of their income and expenses. There are helpful worksheets on the WRS Tax & Financial Services website that may assist you in categorizing your income & expenses (for these particular forms). Auto worksheets are on the website as well for those who use a vehicle in business related activities.
4. **FORM 2106 (unreimbursed employee expenses no longer deductible).**

In closing, please visit my website monthly to review tax newsletters and tax tips. On the website, you will find helpful hints on a variety of tax issues. Under the worksheets tab, there are a tax organizers and worksheets that may be helpful in preparing your taxes. **Thank you** again for your continued support and patronage of WRS Tax & Financial Services.

Sincerely,

Warren R. Strother III, Tax & Financial Services