

Customized Senior Services
to Maintain Lifestyle
& Financial
Independence

Marcia L.
Campbell, CPA
A PROFESSIONAL CORPORATION

Specializing in Elder Care,
Trusts & Estates,
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Certified Senior Advisor (CSA)[®] ♦ Elder Care Professional ♦ Accredited Estate Planner (AEP)

Volume 13, Issue 12

December 31, 2018

DECEMBER ISSUE

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Higher Standard Deduction Means Fewer Taxpayers to Itemize

Helping Seniors Remain Independent (Part 1)

For millions of taxpayers, this could be the last year you itemize deductions to reduce your federal income tax bill.

About 30 percent of tax filers now itemize, according to the Internal Revenue Service. But that number could plummet to about 10 percent next year because of the new tax law, according to the nonpartisan Tax Policy Center.

Fewer people are likely to itemize next year, because the standard deduction — what you can subtract from your income before figuring out how much tax you owe — is nearly doubling to \$12,000 for single filers, \$18,000 for heads of households and \$24,000 for married couples that file jointly. And taxpayers 65 and older can claim an extra standard deduction of \$1,600 for single filers and \$2,600 for married couples who are both at least 65 and filing jointly.

For itemizing to make sense on the tax return you file in 2019, your total itemized deductions will have to be more than the new standard deduction.

The higher standard deductions are part of the new tax law that lowers tax rates for many individuals for at least the next decade.

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Here are some basic steps that you can start taking today to help the seniors you love stay independent and safe:

Make Modifications to Their Home

Many seniors choose to continue to live in the same home long after their needs have changed because their home has a huge sentimental value. A home is also a symbol of independence and all the person has worked to achieve throughout their life. However, the family home can also be full of hazards.

Some basic modifications that you can (and should) make before an elderly loved one hurts themselves at home, include:

- ♦ Improving lighting in potentially hazardous or poorly lit areas
- ♦ Installing automatic outdoor lights
- ♦ Installing rails in the bathroom
- ♦ Installing a security system (these can be used for emergency situations, not just break-ins)
- ♦ Lowering pantry shelves (and moving any frequently used items or necessities to accessible locations)
- ♦ Securing rugs to ensure they don't slip

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Higher Standard Deduction...continued from Page 1

Despite lower tax rates, some filers who usually itemize could see their taxes rise. That's because many popular deductions are being reduced or going away. For example, state and local income taxes, sales taxes and property taxes were fully deductible under the old tax law. Now they are capped at a combined \$10,000 annually. There are also limits on how much interest homeowners can deduct on new mortgages. Only interest on the first \$750,000 of mortgage debt is deductible.

The new tax law does preserve the medical-expense tax deduction. The law allows Americans to write off medical expenses that exceed 7.5 percent of their adjusted gross income in 2017 and 2018, and above 10 percent in 2019 and beyond. Still, the higher standard deductions may also result in fewer filers being able to take the medical-expense deduction.

Other popular deductions — such as interest on home equity loans, unreimbursed employee expenses and moving costs — are no longer allowed. And starting in 2019, alimony will no longer be deductible for those paying it to a divorced spouse.

Now is a good time for everyone to take a look at what's different, what deductions they've taken in the past and how the new tax law changes affect what they're doing now.

Source: www.aarp.org

Please contact our office for more information. †

What Our Clients Say About Us

“Marcia continues to demonstrate the highest of professional standards & service. She's the best!!” - KL

Helping Seniors Remain Independent... continued from Page 1

Depending on the person's level of mobility, you may even want to consider paving a wheelchair ramp from the driveway to the front door. If they live in a multi-story home, consider moving their bedroom onto the first floor or installing a stair lift upstairs.

Worried about the costs of these modifications? Check with your accountant to see if there are any tax incentives or other programs to help with the costs.

Medical Needs

One of the most common reasons seniors enter a care home is because they need extra medical care. A senior with complex medical needs can easily forget to monitor their blood sugar, forget to take their medications or skip a doctor's appointment.

Things like smart pill containers show what medication needs to be taken on what days and when. Setting alarms on Smartphones can act as reminders to take blood pressure or blood sugar, or to attend a doctor's appointment. Most importantly be sure that you understand all the senior's medical needs and talk frequently about changes in their health or medication.

Source: www.aplaceformom.com

Please contact our office for more information. †



You can e-mail us at
Jorge@MCampbellCPA.com to receive
your newsletter by e-mail!

