



Helping Dentists Make Smart Decisions about Money

Deadlines & Misc.

Monday, April 18, 2016 is "Tax Day" due to an observed holiday in Washington D.C. on April 15th.

Traditional, Roth IRA and HSA contributions for the 2015 tax year are due on or before Monday, April 18th.

2015 Personal Tax Returns (Form 1040) Partnerships and Fiduciary tax returns are all due (or must be extended) by April 18, 2016.

1st Quarter 2016 Estimated Tax payments (for those who make quarterly estimates) are due Monday, April 18 (See Over).

Other Due Dates:

1st Half 2016 Personal (and Real) Property Tax Payments due April 30, 2016.

2016 Personal Property Tax Affidavits also due by April 30th - reporting personal property (equipment, furniture, fixtures, etc.) held in your practice as of December 31, 2015.

Second Quarter Estimated Tax Payments are due by June 15, 2016. This "second quarter" is a short two month period, so planning ahead is extra important for this estimated payment.

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FINALLY: CERTAINTY ON EQUIPMENT INCENTIVES

Highlights for Dentists:

Section 179 - Expensing Election: This election has been restored and made permanent at the \$500,000 level and will be indexed for inflation. Further, the phase-out level has also been restored to \$2,000,000 of qualified purchases in a given year (fully phased out at \$2,500,000). This applies to 2015 and forward.

Bonus Depreciation Restored: An alternative to Section 179, especially when you don't necessarily want to write everything off in one-year, bonus depreciation has been extended from 2015 through 2017 at the 50% level; 40% in 2018 and 30% in 2019. One nice feature of Bonus Depreciation is that it eliminates Alternative Minimum Tax depreciation inclusion on not just the portion you expense but on the entire cost of the equipment or assets that you purchase.

Qualified Leasehold Improvements: This allows qualified leasehold improvements to be depreciated over a 15 year period instead of the default 39 year method. This has also been restored retroactively for 2015 and made permanent. To qualify, generally, the tenant and the building owner must not be 80% or more related and the building must have been placed in service at least three years prior to the date of the improvements.

State and Local Sales Tax Deduction: This deduction which had expired, has been reinstated for 2015 and made permanent.

A host of other deductions and credits were also extended by the bill; however, the ones principally applying to dentists are listed above. **DC**

Other Items

If you make estimated payments you should consider converting to electronic payments through the Government's EFTPS system. The system allows you to preschedule your payments in advance and can be easily changed or deleted with a couple of days' notice. You can set up a year's worth of quarterly payments via internet in just a few minutes. You can also make single payments when needed, like tax due with a return. No more writing checks and dealing with envelopes, postage and posting. Sign up at www.EFTPS.gov.

Single IRS Payment? The IRS now has Direct Pay a new online service for single payments. This site can be found at www.irs.gov/Payments/Direct-Pay. Queueing up a payment is fairly straight forward. You can make a tax due payment or an estimated payment; however, unlike EFTPS, you cannot queue up multiple payments. **DC**