



Deadlines & Misc.

Second Quarter Estimated Tax Payments are due by Friday, June 15, 2018. See Page 2.

DEADLINES

July 31 is the deadline for timely filing or extending retirement plan Forms 5500.

Extended Calendar Year End Corporate or Partnership returns are due on or before Monday, September 17th.

September 17 is also the latest date for making 2017 plan year contributions for retirement plans associated with a Corporation or Partnership.

STUDY CLUBS

If you would be interested in having us speak at one of your upcoming Study Club events, we would be happy to do so. We can cover a variety of topics including long-term financial planning, transition planning and most popular the new 2018 Tax Act – and how it will impact dentists.

Contact Jennifer in our office for more details.

jennifer@cpa4dds.com

Helping Dentists Make Smart Decisions about Money

TAX-CUTS & JOBS ACT – MEALS & ENTERTAINMENT – 2018:

A whole lot of new tax laws take effect in 2018 and many will have an impact on dentists. Most dentists are expected to see a net benefit; some will receive a substantial benefit and a few may see a net increase in tax (all things being equal). One of the more confusing changes in the new law is the treatment of meals and entertainment expenses effective this year.

MEALS & ENTERTAINMENT - What Can a Dentist Deduct?

Entertainment expenditures, which previously were 50% deductible if documented and tied to legitimate business activities. This deduction is now entirely gone – no deduction for entertainment. Maintain an “Entertainment” (only) category in your QuickBooks or other chart of accounts to record any non-deductible entertainment expenses – to make sure these expenses are not mixed-in with partially or fully deductible meals expenses.

Business Meals: It appears that congress threw out the Business Meal deduction along with the Entertainment bathwater. We wondered about this and it turns out that congress did not intend to end the 50% deduction for documented business meals. (*) We expect congress, through a technical corrections bill or the IRS through other means will reinstate this deduction – so be certain to continue to run business meals through your practice and be sure to keep the required documentation for each expenditure – chiefly, who, what topic(s), how related to your business or profession.

Overview of Meals & Entertainment 2018:

Type of Expense	Deductible for 2018 and Forward		
	100%	50%	0%
Meals with clients, prospects, referral sources (* above)		X	
Entertain clients, prospects, referral sources			X
Employee meals for the convenience of employer (on site)		X	
Year-end outing/party for employees & spouses	X		
Golf outing for all employees & spouses	X		
Meals for General Public at Marketing Presentation	X		
Team-building event for all employees	X		
Year-end party for customers, clients, referral sources			X
Football game with top referral sources or clients			X

This new “regime” of expense percentages will require an update to your chart of accounts. Employee outings and events should have their own category – and be a sub-category of Staff Expenses and are 100% deductible. On site meals “for the convenience of the employer” should likewise have its own category and are 50% deductible. “Business Meals” should have their own category and be presumed to be 50% deductible until further notice. Finally, Entertainment should have its own category to capture this now, non-deductible expense.

CONTACT US

5808 Lake Washington Blvd NE
Suite 101

Kirkland, WA 98033

425.216.1612 | 425.216.1613 fax

mail@cpa4dds.com

SECOND QUARTER 2018 ESTIMATED PAYMENTS

THIS IS ONLY FOR THOSE THAT PAY BY QUARTERLY INSTALLMENTS

INSTRUCTIONS:

If you do not have pre-printed vouchers and envelopes: (If we have prepared your 2017 return, you will find pre-printed estimated tax payment vouchers in your online secure portal or in your folder if we mailed your tax return to you)

1. Detach or photocopy the voucher below.
2. Complete the name, address and social security number sections.
3. Fill in amount (call us at 425.216.1612 if you have questions regarding the amount).
4. Address your envelope to:

**Internal Revenue Service
PO Box 510000
San Francisco, CA 94151-5100**

5. Follow the instructions below for pre-printed vouchers.

If you are using pre-printed vouchers:

1. Make your check payable to the **United States Treasury**.
 2. Note your social security number and "2018 1040-ES" on the memo line of your check.
 3. Enclose the voucher and check in your envelope addressed to the Internal Revenue Service (see above).
 4. Mail on or before Friday, June 15, 2018.
- **Want to make future estimated payments on line? Sign up at EFTPS.gov – This very convenient site allows you to enter multiple payments and dates in advance. Call us if you need help!**

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Form	1040-ES <small>Department of the Treasury Internal Revenue Service</small>	<h2 style="margin: 0;">2018 Estimated Tax</h2>	Payment Voucher 2	<small>OMB No. 1545-0074</small>		
File only if you are making a payment of estimated tax by check or money order. Mail this voucher with your check or money order payable to "United States Treasury." Write your social security number and "2018 Form 1040-ES" on your check or money order. Do not send cash. Enclose, but do not staple or attach, your payment with this voucher.			Calendar year – Due June 15, 2018			
			Amount of estimated tax you are paying by check or money order.			
			Dollars	Cents		
Print or type	Your first name and initial		Your last name		Your social security number	
	If joint payment, complete for spouse					
	Spouse's first name and initial		Spouse's last name		Spouse's social security number	
	Address (number, street, and apt. no.)					
	City, state, and ZIP code. (If a foreign address, enter city, also complete spaces below.)					
	Foreign country name		Foreign province/county		Foreign postal code	

For Privacy Act and Paperwork Reduction Act Notice, see instructions.

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