

### **Items of Note for 2019 Tax Returns**

The 2019 tax filing season officially starts on Monday, January 27, 2020 when the IRS will begin accepting all returns (electronically and paper filed). The individual tax filing deadline is **Wednesday, April 15, 2020**.

Major tax reform was signed into law in late 2017 (effective in 2018). As a result, there were extensive changes on 2018 tax forms and rules. These rules remain in force for 2019 tax returns. Below is a summary of some changes for 2019 returns.

#### **Summary of some pertinent 2019 changes**

- Alimony and separate maintenance payments are no longer deductible (by payor) or includible in income (by payee) for any divorce or separation agreement executed after December 31, 2018, or for any divorce or separation agreement executed on or before December 31, 2018, and modified after that date.
- No Federal Individual Mandate Penalty – The federal “shared responsibility payment” or penalty associated with not having individual health insurance is reduced to zero beginning after December 31, 2018. Please note, however, that *New Jersey, Massachusetts, Vermont, and the District of Columbia* continue to have, or have implemented a health insurance mandate for 2019.
- Standard deduction amounts have been increased for all taxpayers, as follows:
  - Single and Married Filing Separately (MFS) - \$12,200
  - Married Filing Jointly (MFJ) - \$24,400
  - Head of Household (HOH) - \$18,350
- Alternative minimum tax (AMT) exemption amount increased to \$71,700 (\$111,700 MFJ) and the income level at which exemption begins to phase out increased to \$510,300 (\$1,020,600 MFJ).
- Qualified Opportunity Investment – If you held a qualified investment in a Qualified Opportunity Fund (QOF) at any time during the year, you must attach form 8997 (Initial & Annual Statement of QOF investments) to your return.
- Virtual Currency – If you engaged in a transaction involving virtual currency in 2019, you will need to file Schedule 1.

