Tax Breaks, Tips, and Updates: Part 2
Course Instructions

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Instructions to Participants

To assist the participant with navigating the learning process through to successful completion, this course has been produced with the following elements:

Overview of Topics / Table of Contents: In this electronic format you'll find a slide menu on the left side of the screen. This serves as your overview of topics for the program. You may navigate to any topic by clicking on the slide name.

Definition of Key Terms / Glossary: You'll find key terms defined for this program in the course information on the following page(s).

Index / Key Word Search: You can find information quickly in the PDF materials (slide handout plus any additional handouts) by using the search function built into your Adobe Reader.

Review Questions: Questions that test your understanding of the material are placed throughout the course. You'll see explanatory feedback pop up for each incorrect answer, and reinforcement feedback for the correct answer for every review question.

Final Exam: The final exam measures if you have gained the knowledge, skills, or abilities outlined in the learning objectives. You may submit your final exam at the end of the course. Exams are graded instantly. A minimum score of 70% is required to receive the certificate of completion. **You have one year from date of purchase to complete the course.**

Course Evaluation: Once you have successfully passed your online exam, please complete our online course evaluation. Your feedback helps Wolters Kluwer maintain its high quality standards!

About This Course

This section provides information that is important for understanding the course, such as course level and prerequisites. Please consider this information when filling out your evaluation after completing the course.

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Course Description
This on-demand course covers the gig economy, Schedule C tips and traps, alimony updates, employer amnesty, and more. Learn how to how to implement tax breaks that impact the Federal 1040 return.

Part 2 of a 2 part series on a variety of tax tips and updates.

Learning Objectives
Upon successful completion of this course, participants should be able to:

- Recognize how to implement tax breaks that impact the Federal 1040 return
- Recognize the changes to filing deadline and the new form due dates
- Identify business income item
- Describe provisions of QDRO transfers
- Recognize deductible travel expenses
- Recognize when tax penalties may be abated
- Identify features of home office safe harbor rules
- Recognize and apply the new rules for depreciation
- Describe what provisions apply to former spouses when dealing with the disposition of personal residence, after a divorce
- Recognize and apply client tips and remainder recommendations
- Describe rules that apply when using per diems
- Identify allowable deductions in addition to standard mileage for auto expenses
- Describe true statements regarding Voluntary Classification Settlement Programs (VCSP)
- Recognize "The PATH Act" rule changes for ITINs

NASBA Field of Study
Taxes. Some state boards may count credits under different categories—check with your state board for more information.

Course Level
Update. Program knowledge level that provides a general review of new developments. This level is for participants with a background in the subject area who desire to keep current.

Prerequisites
A basic understanding of tax prep.

Advance Preparation
None.

Course Expiration
AICPA and NASBA Standards require all Self-Study courses to be completed and the final exam submitted within 1 year from the date of purchase as shown on your invoice. No extensions are allowed under AICPA/NASBA rules.

Key Terms

- **Accountable Plans:** An accountable plan is not taxable to your employee. Amounts paid under an accountable plan are not wages and are not subject to income tax withholding and payment of social security, Medicare, and Federal Unemployment (FUTA) Taxes.
- **Business Licenses:** Licenses and permits required by local and state authorities where the business is domiciled and/or operated. In some areas, several towns are located within a routine day's driving radius – and each one might require its own license. For instance, a plumber in West Los Angeles who works within a 20 mile radius of his office might need to be licensed in Los Angeles; West Hollywood; Beverly Hills; Santa Monica; Pasadena; Burbank; Glendale….and perhaps a few more distinct municipalities – as well as getting a state contractor's license. Check to see your clients' local requirements.
- **Crowd Funding:** Recently introduced means of funding your company, business or financial need. There are three primary ways to get this sort of funding, which all have different tax consequences. 1. Kickstarter-type funding – raising money by giving contributors "gifts" or incentives to contribute to your project. They don't get to own any of the company, but might get some of the product or special perks. These funds are income to the business or seller. 2. Crowdsourcing – selling micro shares of company stock. The Securities and Exchange Commission (SEC) has established special rules for these types of sales. Investors do get to own shares of the company. So these funds are sales of capital. 3. GoFundMe-type campaigns – raising money for people with illnesses or special needs – like rent to avoid eviction; college tuition; medical bills, etc. Handled properly, with no "gifts" or incentive provided to contributors, these funds are not income. They are gifts. And no, they are not treated as deductible charitable contribution unless the requestor of the funds is a registered 501(c)(3) organization – and the funds are not to help a specific person.
- **Nonaccountable Plans:** Employees receive an advance or fixed stipend without need to account for the funds. They are free to spend the money as they wish, regardless of the designation for auto or travel expenses. The funds as added to wages. A nonaccountable plan is taxable to the employees and is subject to all employment taxes and withholding.
- **Per Diem Rates:** These are standardized amounts taxpayers may use to deduct lodging, meals and incidental costs when they travel. Government agencies use these tables to provide funds to their traveling employees. When per diem rates are used, taxpayers do not need to provide receipts for out of pocket costs. However, they must provide proof of where they traveled to and when.
- **SECURE Act:** December 20, 2019 the President signed the SECURE Act, part of a much larger tax bill - the Setting Every Community Up for Retirement Enhancement Act (SECURE Act) and the Taxpayer Certainty and Disaster Tax Relief Act (TCDTRA) https://www.congress.gov/bill/116th-congress/house-bill/1865/text This includes extenders – that affect 2018!