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Oct. 22, 2015

As 2015 draws to a close, a turbulent economic and legislative environment means taxpayers need to keep a close eye on several major planning issues, according to Grant Thornton LLP.

For example, more than 50 popular tax provisions expired at the end of 2014 and Congress has yet to extend them. Without legislative action, businesses won't get a credit for research activities or be able to immediately deduct one-half of the cost of new business equipment. Individuals would lose benefits like the ability to deduct tuition or state and local sales taxes.

"Congressional inaction on tax extenders is not only causing headaches for

increases. Congress attached several revenue raisers to a pair of trade bills and an even larger package of revenue raisers was used to finance a short-term extension of highway funding.

Grant Thornton's Year-end Tax Guide for 2015 discusses these and all the issues taxpayers and taxpaying entities should be thinking about right now. Below are 10 of the most important 2015 tax planning considerations for individuals, executives and business owners. Taxpayers can also test their year-end planning knowledge with Grant Thornton's interactive quiz.

1. Check on Congress. The most important thing you can do this year for your tax planning is to keep an eye on Congress to see whether lawmakers manage to extend popular tax provisions before the end of 2015. Some notable provisions must be extended in order to allow:

- Taxpayers aged 70½ and over to make tax-free charitable contributions from individual retirement accounts (IRAs);
- Businesses to deduct up to half of eligible equipment placed in service this year;
- Teachers to receive an above-the-line deduction for $250 in classroom expenses;
- Students and parents to receive an above-the-line deduction for tuition expenses;
- Companies to receive a credit for qualified research expenses; and
- Taxpayers in states without an income tax – like Washington, Texas and Florida – to deduct state sales taxes.

2. Document your business activities. You may not need to pay a 3.8 percent Medicare tax on your business income if you participate in the business enough so that you are not considered a "passive investor." Participation is almost any work performed in a business as an owner, manager or employee as long as it is not an investor activity. Even so, you must document your activities, and the IRS will not let you make ballpark estimates after the fact. Make sure you document the hours you're

4. Get your charitable house in order. If you plan on giving to charity before the end of the year, remember that a cash contribution must be documented in order to be deductible. If you claim a charitable deduction of more than $500 in donated property, you must attach Form 8283. If you are claiming a deduction of $250 or more for a car donation, you will need a written acknowledgement from the charity that includes a description of the car. Remember, you cannot deduct donations to individuals, social clubs, political groups or foreign organizations.

5. Remember your state and local tax obligations. Don't forget that state and local governments impose their own filing and payment responsibilities with various income, sales and property taxes. Recently, states have become more aggressive in taxing corporations that are not physically present in their states, but have significant sales to customers in those states. While there may be exceptions for limited business activities in particular states, it is wise to check on your activities of your salespeople that often travel to different states to ensure you are filing all state corporate tax returns as needed.

6. Take a closer look at your state residency status. For individuals who split their time in two different states throughout the year, now is an excellent time to consider where you may be taxed as a resident for 2015. To make it more likely that the high-tax jurisdiction will respect the move and not continue to tax you as a resident, you should track the number of days you are spending in each jurisdiction. Generally, if you reside in a state for 183 days or more, that state will assert residency and the ability to tax all of your income. Furthermore, if you move to a new state but you maintain significant contacts with the old state (including driver's license, residences, bank accounts and the like), you could run the risk of being taxed as a resident in the old state.

7. Accelerate deductions and defer income. Why pay tax now when you could pay

sell them, but be careful when harvesting losses. You generally cannot use capital losses against other kinds of income, and if you buy the same security within 30 days before or after you sell it, you cannot use the loss under the wash sale rules.

9. Bunch itemized deductions. Many expenses can be deducted only if they exceed a certain percentage of your adjusted gross income (AGI). Bunching itemized deductible expenses into one year can help you exceed these AGI floors. Consider scheduling your costly non-urgent medical procedures in a single year to exceed the 10 percent AGI floor for medical expenses (7.5 percent for taxpayers age 65 and older). This may mean moving a procedure into this year or postponing it until next year. To exceed the 2 percent AGI floor for miscellaneous expenses, bunch professional fees like legal advice and tax planning, as well as unreimbursed business expenses such as travel and vehicle costs.

10. Make up a tax shortfall with increased withholding. Don't forget that certain kinds of taxes are due throughout the year. Check your withholding and estimated tax payments now while you have time to fix a problem. If you're in danger of an underpayment penalty, try to make up the shortfall by increasing withholding on your salary or bonuses. A bigger estimated tax payment can leave you exposed to penalties for previous quarters, while withholding is considered to have been paid ratably throughout the year.

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