

Tax Filing Reminders

October 16 -

- Filing deadline for 2016 tax returns for individuals if you requested/received a six-month extension.
- Deadline to recharacterize a Roth IRA to a Traditional IRA.

How to Ace the FAFSA

The Free Application for Federal Student Aid (FAFSA) is a tool that students use to apply for more than \$120 billion in federal funds. Unfortunately, each year many students miss out.

Even if you don't think you or your child qualify for federal aid, filling out a FAFSA is important because it could be used to determine eligibility for nonfederal aid and private funds.

FAFSA available October 1, 2017

Previously, the FAFSA was unavailable until January. A recent change makes the application available October 1, 2017. That's because the 2018-19 FAFSA can be completed with your 2016 tax info.

Avoid FAFSA mistakes

Don't forgo federal student aid by making one of the following common filing mistakes:

Mistake: Not reading the instructions or questions

Tip: Answer all questions - even if the answer is zero. If left blank, the question will be considered unanswered. Check the FAFSA website if you are unsure of definitions of key FAFSA terms.

Mistake: Incorrect, incomplete or non-matching data

Tip: Complete the FAFSA online. It takes only 3-5 days to process when submitted electronically. The online version has built-in safeguards that identify and prevent many errors.

Mistake: Not filing on time

Tip: Get the application submitted ASAP. The sooner you or your child gets started, the higher the likelihood of being awarded funds since many are distributed on a first-come,

first-served basis.

Remember, students need to complete a FAFSA each year because eligibility does not carry over and can vary based on circumstances.

Business tax: time to consider Section 179?

Section 179 expensing can be a very powerful tax-planning tool for small- and medium-sized businesses acquiring capital assets. While it doesn't change the amount of depreciation you can take over the life of a capital purchase, it can change the timing by allowing you to deduct your purchase in the first year you place it in service.

Review these details if you're considering depreciating your business assets under Section 179:

- Section 179 allows deducting the expense of up to \$510,000 of qualified business purchases.
- A Section 179 deduction cannot create a loss for the business.
- A Section 179 deduction must be for business use. If an asset is not entirely used for business, the allowance is reduced.
- If you sell a Section 179 asset prior to the full depreciation period, you will have to record any sales proceeds as taxable income.
- Many states limit the use of this federal shifting of depreciation.

Taking Section 179 for capital purchases can be useful, but it's not for everyone. Using it for an immediate tax break means it'll no longer be available for future years

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