



IRS Nationwide
TaxForum

| 2018

Highlights of 2018 Income Tax Changes

from a Tax Forms Perspective



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2018 draft tax forms are available at [IRS.gov/DraftForms](https://www.irs.gov/DraftForms)

You can go to [IRS.gov/DraftForms](https://www.irs.gov/DraftForms) to download or print available draft tax year 2018 forms, instructions, and publications.



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Seminar Objectives

- Awareness of major income tax changes for tax year 2018
- Awareness of tax form changes from 2017 to 2018
- Awareness of new tax forms for 2018



Form 1040

- Deduction for personal exemptions suspended
- Standard deduction increased (\$24,000/\$18,000/\$12,000)
- Child tax credit increased; new credit for other dependents
- New qualified business income deduction
- Domestic production activities deduction repealed
- New Section 965 inclusion of deferred foreign income



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Form **1040**

Department of the Treasury—Internal Revenue Service (99) **U.S. Individual Income Tax Return**

2018

OMB No. 1545-0074

IRS Use Only—Do not write or staple in this space.

Filing status: Single Married filing jointly Married filing separately Head of household Qualifying widow(er)

Your first name and initial Last name Your social security number

Your standard deduction: Someone can claim you as a dependent You were born before January 2, 1954 You are blind

If joint return, spouse's first name and initial Last name Spouse's social security number

Spouse standard deduction: Someone can claim your spouse as a dependent Spouse was born before January 2, 1954 Full-year health care coverage or exempt (see inst.) Spouse is blind Spouse itemizes on a separate return or you were dual-status alien

Home address (number and street). If you have a P.O. box, see instructions. Apt. no. Presidential Election Campaign (see inst.) You Spouse

City, town or post office, state, and ZIP code. If you have a foreign address, attach Schedule 6. If more than four dependents, see inst. and here

Dependents (see instructions):		(2) Social security number	(3) Relationship to you	(4) <input checked="" type="checkbox"/> if qualifies for (see inst.):	
(1) First name	Last name			Child tax credit	Credit for other dependents
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Sign Here Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Joint return? See instructions. Keep a copy for your records. Your signature Date Your occupation If the IRS sent you an Identity Protection PIN, enter it here (see inst.) Spouse's signature. If a joint return, both must sign. Date Spouse's occupation If the IRS sent you an Identity Protection PIN, enter it here (see inst.)

Paid Preparer Use Only Preparer's name Preparer's signature PTIN Firm's EIN Check if: 3rd Party Designee Self-employed Firm's name Firm's address Phone no.



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Attach Form(s) W-2. Also attach Form(s) W-2G and 1099-R if tax was withheld.

Standard Deduction for—
• Single or married filing separately, \$12,000
• Married filing jointly or Qualifying widow(er), \$24,000
• Head of household, \$18,000
• If you checked any box under Standard deduction, see instructions.

1 Wages, salaries, tips, etc. Attach Form(s) W-2
2a Tax-exempt interest
3a Qualified dividends
4a IRAs, pensions, and annuities
5a Social security benefits
6 Total income. Add lines 1 through 5. Add any amount from Schedule 1, line 22
7 Adjusted gross income. If you have no adjustments to income, enter the amount from line 6; otherwise, subtract Schedule 1, line 36, from line 6
8 Standard deduction or itemized deductions (from Schedule A)
9 Qualified business income deduction (see instructions)
10 Taxable income. Subtract lines 8 and 9 from line 7. If zero or less, enter -0-
11 a Tax (see inst) (check if any from: 1 Form(s) 8814 2 Form 4972 3)
b Add any amount from Schedule 2 and check here
12 a Child tax credit/credit for other dependents b Add any amount from Schedule 3 and check here
13 Subtract line 12 from line 11. If zero or less, enter -0-
14 Other taxes. Attach Schedule 4
15 Total tax. Add lines 13 and 14
16 Federal income tax withheld from Forms W-2 and 1099
17 Refundable credits: a EIC (see inst.) b Sch 8812 c Form 8863
Add any amount from Schedule 5
18 Add lines 16 and 17. These are your total payments
19 If line 18 is more than line 15, subtract line 15 from line 18. This is the amount you overpaid
20a Amount of line 19 you want refunded to you. If Form 8888 is attached, check here
b Routing number c Type: Checking Savings
d Account number
21 Amount of line 19 you want applied to your 2019 estimated tax
22 Amount you owe. Subtract line 18 from line 15. For details on how to pay, see instructions
23 Estimated tax penalty (see instructions)



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SCHEDULE 1 (Form 1040)

Department of the Treasury Internal Revenue Service

Additional Income and Adjustments to Income

Attach to Form 1040.

Go to www.irs.gov/Form1040 for instructions and the latest information.

OMB No. 1545-0074

2018

Attachment Sequence No. 01

Name(s) shown on Form 1040

Your social security number

Table with columns for line numbers (1-9b, 10-22, 23-36), descriptions of income and adjustments, and social security number. Includes a large watermark 'DRAFT AS OF July 31, 2018'.



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SCHEDULE 2
(Form 1040)

Department of the Treasury
Internal Revenue Service

Tax

▶ Attach to Form 1040.

▶ Go to www.irs.gov/Form1040 for instructions and the latest information.

OMB No. 1545-0074

2018

Attachment
Sequence No. **02**

Name(s) shown on Form 1040		Your social security number
Tax	38-44 Reserved	38-44
	45 Alternative minimum tax. Attach Form 6251	45
	46 Excess advance premium tax credit repayment. Attach Form 8962	46
	47 Add the amounts in the far right column. Enter here and include on Form 1040, line 11	47

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 71478U

Schedule 2 (Form 1040) 2018

July 31, 2018
DO NOT FILE



SCHEDULE 3
(Form 1040)

Department of the Treasury
Internal Revenue Service

Nonrefundable Credits

▶ Attach to Form 1040.

▶ Go to www.irs.gov/Form1040 for instructions and the latest information.

OMB No. 1545-0074

2018

Attachment
Sequence No. **03**

Name(s) shown on Form 1040

Your social security number

Nonrefundable Credits	48	Foreign tax credit. Attach Form 1116 if required	48		
	49	Credit for child and dependent care expenses. Attach Form 2441	49		
	50	Education credits from Form 8863, line 19	50		
	51	Retirement savings contributions credit. Attach Form 8880	51		
	52	Reserved	52		
	53	Residential energy credit. Attach Form 5695	53		
	54	Other credits from Form a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/> _____	54		
	55	Add the amounts in the far right column. Enter here and include on Form 1040, line 12	55		

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 71480G

Schedule 3 (Form 1040) 2018

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July 31, 2018
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SCHEDULE 4 (Form 1040)

Department of the Treasury Internal Revenue Service

Other Taxes

Attach to Form 1040.

Go to www.irs.gov/Form1040 for instructions and the latest information.

OMB No. 1545-0074

2018

Attachment Sequence No. 04

Table with 4 columns: Line number, Description, Amount, and Social Security Number. Includes rows for Self-employment tax, Unreported social security and Medicare tax, Additional tax on IRAs, Household employment taxes, Health care, and Total other taxes.

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 71481R

Schedule 4 (Form 1040) 2018



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SCHEDULE 5 (Form 1040)

Department of the Treasury Internal Revenue Service

Other Payments and Refundable Credits

Attach to Form 1040.

Go to www.irs.gov/Form1040 for instructions and the latest information.

OMB No. 1545-0074

2018 Attachment Sequence No. 05

Name(s) shown on Form 1040

Your social security number

Table with 3 columns: Description, Amount, and Social Security Number. Rows include: Other Payments and Refundable Credits (65-75), Reserved, 2018 estimated tax payments, Net premium tax credit, Amount paid with request for extension, Excess social security and tier 1 RRTA tax withheld, Credit for federal tax on fuels, Credits from Form, and Total other payments and refundable credits.

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 71482C

Schedule 5 (Form 1040) 2018

DRAFT AS OF JULY 31, 2018 DO NOT FILE



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SCHEDULE 6
(Form 1040)

Department of the Treasury
Internal Revenue Service

Foreign Address and Third Party Designee

▶ Attach to Form 1040.

▶ Go to www.irs.gov/Form1040 for instructions and the latest information.

OMB No. 1545-0074

2018

Attachment
Sequence No. **05A**

Name(s) shown on Form 1040		Your social security number	
Foreign Address		Foreign country name	Foreign province/county
Third Party Designee		Foreign postal code	
Do you want to allow another person to discuss this return with the IRS (see instructions)? <input type="checkbox"/> Yes. Complete below. <input type="checkbox"/> No			
Designee's name ▶	Phone no. ▶	Personal identification number (PIN) ▶	

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 71483N

Schedule 6 (Form 1040) 2018

August 13, 2018

DO NOT FILE



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Schedule A Itemized Deductions

- Home mortgage interest deduction modified
- Deduction of private mortgage insurance expired
- Deduction for state and local taxes limited
- Overall limit on itemized deductions suspended
- Miscellaneous itemized deductions suspended



**SCHEDULE A
(Form 1040)**

Department of the Treasury
Internal Revenue Service (99)

Itemized Deductions

▶ Go to www.irs.gov/ScheduleA for instructions and the latest information.
▶ Attach to Form 1040.

Caution: If you are claiming a net qualified disaster loss on Form 4684, see the instructions for line 16.

OMB No. 1545-007



2018

Attachment
Sequence No. **07**

**Taxes You
Paid**

5 State and local taxes

a State and local income taxes or general sales taxes. You may include either income taxes or general sales taxes on line 5a, but not both. If you elect to include general sales taxes instead of income taxes, check this box

5a

b State and local real estate taxes (see instructions)

5b

c State and local personal property taxes

5c

d Add lines 5a through 5c

5d

e Enter the smaller of line 5d and \$10,000 (\$5,000 if married filing separately)

5e

6 Other taxes. List type and amount ▶

6

7 Add lines 5e and 6



**SCHEDULE A
(Form 1040)**

Department of the Treasury
Internal Revenue Service (99)

Itemized Deductions

▶ Go to www.irs.gov/ScheduleA for instructions and the latest information.
▶ Attach to Form 1040.

Caution: If you are claiming a net qualified disaster loss on Form 4684, see the instructions for line 16.

OMB No. 1545-007



2018

Attachment
Sequence No. **07**

**Interest You
Paid**

Caution: Your mortgage interest deduction may be limited (see instructions).

- 8** Home mortgage interest and points. If you didn't use all of your home mortgage loan(s) to buy, build, or improve your home, see instructions and check this box
- a** Home mortgage interest and points reported to you on Form 1098
- b** Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address ▶ _____
- c** Points not reported to you on Form 1098. See instructions for special rules
- d** Reserved
- e** Add lines 8a through 8c
- 9** Investment interest. Attach Form 4952 if required. See instructions
- 10** Add lines 8e and 9

8a			
8b			
8c			
8d			
8e			
9			



SCHEDULE A (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Itemized Deductions

Go to www.irs.gov/ScheduleA for instructions and the latest information. Attach to Form 1040.

OMB No. 1545-007



2018

Attachment Sequence No. 07

Caution: If you are claiming a net qualified disaster loss on Form 4684, see the instructions for line 16.

Table with 4 columns: Description, Line Number, Amount, and Total. Rows include Gifts to Charity (lines 11-14), Casualty and Theft Losses (line 15), Other Itemized Deductions (line 16), Total Itemized Deductions (line 17), and Deductions (line 18).



Schedule 8812

Additional Child Tax Credit

- Child tax credit (CTC) increased to \$2,000 per child; additional child tax credit (ACTC) limited to \$1,400 per child
- Children identified by an ITIN no longer qualify for CTC or ACTC
- Impact of credit for other dependents (ODC) on ACTC calculation--ODC subject to limits first, effectively like a credit that comes before CTC in the ordering rules



SCHEDULE 8812
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Additional Child Tax Credit

- ▶ Attach to Form 1040 or Form 1040NR.
- ▶ Go to www.irs.gov/Schedule8812 for instructions and the latest information.



8812

OMB No. 1545-0074

2018

Attachment
Sequence No. 47

<p>1 If you are required to use the worksheet in Pub. 972, enter the amount from line 10 of the Child Tax Credit and Credit for Other Dependents Worksheet in the publication. Otherwise:</p> <p>1040 filers: Enter the amount from line 8 of your Child Tax Credit and Credit for Other Dependents Worksheet (see the instructions for Schedule 3 (Form 1040), line 52).</p> <p>1040NR filers: Enter the amount from line 8 of your Child Tax Credit and Credit for Other Dependents Worksheet (see the instructions for Form 1040NR, line 49).</p>				
2	Enter the amount from Form 1040, line 12, if you did not prepare Schedule 3 (Form 1040); otherwise, Schedule 3 (Form 1040), line 52; or Form 1040NR, line 49			
3	Subtract line 2 from line 1. If zero, stop here; you cannot claim this credit			
4	Number of qualifying children under 17 with the required social security number: _____ X \$1,400. Enter the result			
<p>TIP: The number of children you use for this line is the same as the number of children you used for line 1 of the Child Tax Credit and Credit for Other Dependents Worksheet.</p>				
5	Enter the smaller of line 3 and line 4			
6a	Earned income (see separate instructions)	6a		
b	Nontaxable combat pay (see separate instructions)	6b		
7	Is the amount on line 6a more than \$2,500? <input type="checkbox"/> No. Leave line 7 blank and enter -0- on line 8. <input type="checkbox"/> Yes. Subtract \$2,500 from the amount on line 6a. Enter the result	7		
8	Multiply the amount on line 7 by 15% (0.15) and enter the result	8		
<p>Next. On line 4, is the amount \$4,200 or more? <input type="checkbox"/> No. If line 8 is zero, stop here; you cannot claim this credit. Otherwise, skip Part II and enter the smaller of line 5 or line 8 on line 15. <input type="checkbox"/> Yes. If line 8 is equal to or more than line 5, skip Part II and enter the amount from line 5 on line 15. Otherwise, go to line 9.</p>				



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Form 2106

Employee Business Expenses

- Limited to (can only be filed by):
 - Armed forces reservists,
 - Employees with impairment-related work expenses,
 - Employees who received employer reimbursements,
 - Qualified performing artists, and
 - Fee-basis state or local government officials.
- Form 2106-EZ retired



Form **2106**

Employee Business Expenses

OMB No. 1545-0074

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040 or Form 1040NR.

▶ For use only by Armed Forces reservists, qualified performing artists, fee-basis state or local government officials, and employees with impairment-related work expenses.

▶ Go to www.irs.gov/Form2106 for instructions and the latest information.

2018

Attachment
Sequence No. 129

Your name	Occupation in which you incurred expenses	Social security number

Part I Employee Business Expenses and Reimbursements

Step 1 Enter Your Expenses

	Column A Other Than Meals	Column B Meals
1 Vehicle expense from line 22 or line 29. (Rural mail carriers: See instructions.)	1	
2 Parking fees, tolls, and transportation, including train, bus, etc., that didn't involve overnight travel or commuting to and from work	2	
3 Travel expense while away from home overnight, including lodging, airplane, car rental, etc. Don't include meals	3	
4 Business expenses not included on lines 1 through 3. Don't include meals	4	
5 Meals expenses (see instructions)	5	
6 Total expenses. In Column A, add lines 1 through 4 and enter the result. In Column B, enter the amount from line 5	6	

Note: If you weren't reimbursed for any expenses in Step 1, skip line 7 and enter the amount from line 6 on line 8.



Form **2106**

Employee Business Expenses

OMB No. 1545-0074

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040 or Form 1040NR.

▶ For use only by Armed Forces reservists, qualified performing artists, fee-basis state or local government officials, and employees with impairment-related work expenses.

▶ Go to www.irs.gov/Form2106 for instructions and the latest information.

2018

Attachment
Sequence No. **129**

Step 2 Enter Reimbursements Received From Your Employer for Expenses Listed in Step 1

7 Enter reimbursements received from your employer that weren't reported to you in box 1 of Form W-2. Include any reimbursements reported under code "L" in box 12 of your Form W-2 (see instructions).	7				
---	----------	--	--	--	--

Step 3 Figure Expenses To Deduct

8 Subtract line 7 from line 6. If zero or less, enter -0-. However, if line 7 is greater than line 6 in Column A, report the excess as income on Form 1040, line 1 (or on Form 1040NR, line 8)	8				
Note: If both columns of line 8 are zero, you can't deduct employee business expenses. Stop here and attach Form 2106 to your return.					
9 In Column A, enter the amount from line 8. In Column B, multiply line 8 by 50% (0.50). (Employees subject to Department of Transportation (DOT) hours of service limits: Multiply meal expenses incurred while away from home on business by 80% (0.80) instead of 50%. For details, see instructions.)	9				
10 Add the amounts on line 9 of both columns and enter the total here. Also, enter the total on Schedule 1 (Form 1040), line 24 (or Form 1040NR, line 34). Employees with impairment-related work expenses, see the instructions for rules on where to enter the total on your return ▶	10				

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 11700N

Form **2106** (2018)



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Form 4684

Casualty and Theft Losses

- Personal casualty or theft loss only to extent of loss from Federally declared disaster
- Will have new field for entry of a FEMA code
- No losses from employee property



Form 4684 Department of the Treasury Internal Revenue Service	<h2>Casualties and Thefts</h2> <p>▶ Go to www.irs.gov/Form4684 for instructions and the latest information. ▶ Attach to your tax return. ▶ Use a separate Form 4684 for each casualty or theft.</p>	OMB No. 1545-0177 2018 Attachment Sequence No. 26
Name(s) shown on tax return _____	Identifying number _____	
<p>SECTION A—Personal Use Property (Use this section to report casualties and thefts of property not used in a trade or business or for income-producing purposes. You must use a separate Form 4684 (through line 12) for each casualty or theft event involving personal use property. If reporting a casualty loss sustained in 2018 from a federally declared disaster that occurred in 2016, or from Hurricane Harvey, Tropical Storm Harvey, Hurricane Irma, Hurricane Maria, or the California Wildfires, see the instructions before completing this section.)</p>		
If the casualty or theft loss is attributable to a federally declared disaster, check here <input type="checkbox"/> and enter the FEMA disaster declaration number. (See instructions.) _____		



Form 4684 Casualties and Thefts

1 Description of properties (show type, location (city, state, and ZIP code), and date acquired for each property). Use a separate line for each property lost or damaged from the same casualty or theft. If you checked the box and entered the FEMA disaster declaration number above, enter the ZIP code for the property most affected on the line for Property A.

	Type of Property	City and State	ZIP Code	Date Acquired
Property A				
Property B				
Property C				
Property D				

		Properties					
		A	B	C	D		
2	Cost or other basis of each property	2					
3	Insurance or other reimbursement (whether or not you filed a claim) (see instructions)	3					
	Note: If line 2 is more than line 3, skip line 4.						
4	Gain from casualty or theft. If line 3 is more than line 2, enter the difference here and skip lines 5 through 9 for that column. See instructions if line 3 includes insurance or other reimbursement you did not claim, or you received payment for your loss in a later tax year . . .	4					

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Form 4684 Casualties and Thefts

Caution: See instructions before completing line 15.

<p>15 • If line 13 is more than line 14, enter the difference here and on Schedule D. Do not complete the rest of this section.</p> <p>• If line 13 is equal to line 14, enter -0- here. Do not complete the rest of this section.</p> <p>• If line 13 is less than line 14, and you have no qualified disaster losses subject to the \$500 reduction on line 11 on any Form(s) 4684, enter -0- here and go to line 16. If you have qualified disaster losses subject to the \$500 reduction, subtract line 13 from line 12 of the Form(s) 4684 reporting those losses. If the result is zero or less, see instructions. Otherwise, enter that result here and on Schedule A (Form 1040), line 16, or Form 1040NR, Schedule A, line 7. If you claim the standard deduction, also include on Schedule A (Form 1040), line 16, the amount of your standard deduction (see the Instructions for Form 1040). Do not complete the rest of this section if all of your casualty or theft losses are subject to the \$500 reduction.</p>	<p>.....</p>	<p>15</p>
<p>16 Add lines 13 and 15. Subtract the result from line 14</p>	<p>.....</p>	<p>16</p>
<p>17 Enter 10% of your adjusted gross income from Form 1040, line 7, or Form 1040NR, line 36. Estates and trusts, see instructions</p>	<p>.....</p>	<p>17</p>
<p>18 Subtract line 17 from line 16. If zero or less, enter -0-. Also, enter the result on Schedule A (Form 1040), line 15, or Form 1040NR, Schedule A, line 6. Estates and trusts, enter the result on the "Other deductions" line of your tax return</p>	<p>.....</p>	<p>18</p>



Form 6251

Alternative Minimum Tax

- Increased exemption amounts and phaseout thresholds
- No adjustment for medical expenses
- No adjustment for mortgage interest
- No adjustment for miscellaneous deductions
- No adjustment for the overall limit on itemized deductions
- Line for electing large partnership adjustment removed



Form **6251**

Alternative Minimum Tax—Individuals

OMB No. 1545-0074

2018

Department of the Treasury
Internal Revenue Service (IRS)

► Go to www.irs.gov/Form6251 for instructions and the latest information.
► Attach to Form 1040 or Form 1040NR.

Attachment
Sequence No. **32**

Name(s) shown on Form 1040 or Form 1040NR	Your social security number
---	-----------------------------

Part I Alternative Minimum Taxable Income (See instructions for how to complete each line.)

1 Enter the amount from Form 1040, line 10, if more than zero. If Form 1040, line 10, is zero, subtract lines 8 and 9 of Form 1040 from line 7 of Form 1040 and enter the result here. (If less than zero, enter as a negative amount.)	1	
2a If filing Schedule A (Form 1040), enter the taxes from Schedule A, line 7; otherwise, enter the amount from Form 1040, line 8	2a	
b Tax refund from Schedule 1 (Form 1040), line 10 or line 21	2b	()
c Investment interest expense (difference between regular tax and AMT)	2c	
d Depletion (difference between regular tax and AMT)	2d	
e Net operating loss deduction from Schedule 1 (Form 1040), line 21. Enter as a positive amount	2e	
f Alternative tax net operating loss deduction	2f	()
g Interest from specified private activity bonds exempt from the regular tax	2g	
h Qualified small business stock, see instructions	2h	
i Exercise of incentive stock options (excess of AMT income over regular tax income)	2i	
j Estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)	2j	
k Disposition of property (difference between AMT and regular tax gain or loss)	2k	
l Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)	2l	
m Passive activities (difference between AMT and regular tax income or loss)	2m	
n Loss limitations (difference between AMT and regular tax income or loss)	2n	
o Circulation costs (difference between regular tax and AMT)	2o	
p Long-term contracts (difference between AMT and regular tax income)	2p	
q Mining costs (difference between regular tax and AMT)	2q	
r Research and experimental costs (difference between regular tax and AMT)	2r	
s Income from certain installment sales before January 1, 1987	2s	()
t Intangible drilling costs preference	2t	
3 Other adjustments, including income-based related adjustments	3	
4 Alternative minimum taxable income. Combine lines 1 through 3. (If married filing separately and line 4 is more than \$718,800, see instructions.)	4	28



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Form **6251**Department of the Treasury
Internal Revenue Service (IRS)**Alternative Minimum Tax—Individuals**▶ Go to www.irs.gov/Form6251 for instructions and the latest information.
▶ Attach to Form 1040 or Form 1040NR.

OMB No. 1545-0074

2018Attachment
Sequence No. **32****Part II Alternative Minimum Tax (AMT)**

- | | | | | |
|-----------|--|-----------|--|--|
| 5 | Exemption. (If you were under age 24 at the end of 2018, see Instructions.)
IF your filing status is . . . AND line 4 is not over . . . THEN enter on line 5 . . .
Single or head of household . . . \$ 500,000 . . . \$ 70,300
Married filing jointly or qualifying widow(er) . . . 1,000,000 . . . 109,400
Married filing separately . . . 500,000 . . . 54,700
If line 4 is over the amount shown above for your filing status, see instructions. | 5 | | |
| 6 | Subtract line 5 from line 4. If more than zero, go to line 7. If zero or less, enter -0- here and on lines 7, 9, and 11, and go to line 10 | 6 | | |
| 7 | • If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter.
• If you reported capital gain distributions directly on Schedule 1 (Form 1040), line 13; you reported qualified dividends on Form 1040, line 3a; or you had a gain on both lines 15 and 16 of Schedule D (Form 1040) (as refigured for the AMT, if necessary), complete Part III on the back and enter the amount from line 40 here.
• All others: If line 6 is \$191,100 or less (\$95,550 or less if married filing separately), multiply line 6 by 26% (0.26). Otherwise, multiply line 6 by 28% (0.28) and subtract \$3,822 (\$1,911 if married filing separately) from the result. | 7 | | |
| 8 | Alternative minimum tax foreign tax credit (see Instructions) | 8 | | |
| 9 | Tentative minimum tax. Subtract line 8 from line 7 | 9 | | |
| 10 | Add Form 1040, line 11a (minus any tax from Form 4972), and Schedule 2 (Form 1040), line 46. Subtract from the result any foreign tax credit from Schedule 3 (Form 1040), line 48. If you used Schedule J to figure your tax on Form 1040, line 11a, refigure that tax without using Schedule J before completing this line (see Instructions) | 10 | | |
| 11 | AMT. Subtract line 10 from line 9. If zero or less, enter -0-. Enter here and on Schedule 2 (Form 1040), line 45 | 11 | | |

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 13600G

Form **6251** (2018)



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IRS Nationwide

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Form 8829

Business Use of Home

- New line for “excess” real estate taxes



Form **8829**

Department of the Treasury
Internal Revenue Service (99)

Expenses for Business Use of Your Home

► File only with Schedule C (Form 1040). Use a separate Form 8829 for each home you used for business during the year.

► Go to www.irs.gov/Form8829 for instructions and the latest information.

OMB No. 1545-0074

2018

Attachment
Sequence No. **176**

Name(s) of proprietor(s)

Your social security number

Part I Part of Your Home Used for Business

1	Area used regularly and exclusively for business, regularly for daycare, or for storage of inventory or product samples (see instructions)	1	
2	Total area of home	2	
3	Divide line 1 by line 2. Enter the result as a percentage	3	%
For daycare facilities not used exclusively for business, go to line 4. All others, go to line 7.			
4	Multiply days used for daycare during year by hours used per day	4	hr.
5	Total hours available for use during the year (365 days x 24 hours) (see instructions)	5	8,760 hr.
6	Divide line 4 by line 5. Enter the result as a decimal amount	6	
7	Business percentage. For daycare facilities not used exclusively for business, multiply line 6 by line 3 (enter the result as a percentage). All others, enter the amount from line 3	7	%

Part II Figure Your Allowable Deduction

8	Enter the amount from Schedule C, line 29, plus any gain derived from the business use of your home, minus any loss from the trade or business not derived from the business use of your home (see instructions) See instructions for columns (a) and (b) before completing lines 9-22.	8	
9	Casualty losses (see instructions)	9	
10	Deductible mortgage interest (see instructions)	10	
11	Real estate taxes (see instructions)	11	
12	Add lines 9, 10, and 11	12	
13	Multiply line 12, column (b), by line 7.	13	
14	Add line 12, column (a), and line 13	14	
15	Subtract line 14 from line 8. If zero or less, enter -0-	15	
16	Excess mortgage interest (see instructions)	16	
17	Excess real estate taxes (see instructions)	17	
18	Insurance	18	
19	Rent	19	
20	Repairs and maintenance	20	
21	Utilities	21	
22	Other expenses (see instructions)	22	
23	Add lines 16 through 22	23	



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Form 8867 Due Diligence

- New due diligence requirement for preparing returns of taxpayer filing as head of household
- Due diligence requirement for the credit for other (non-child) dependents
- Penalty amount now \$520



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Form **8867**

Department of the Treasury
Internal Revenue Service

Taxpayer name(s) shown on return

Enter preparer's name and PTIN

Paid Preparer's Due Diligence Checklist

Earned Income Credit (EIC), American Opportunity Tax Credit (AOTC), Child Tax Credit (CTC) (including the Additional Child Tax Credit (ACTC)) and Credit for Other Dependents (ODC), and Head of Household (HOH) Filing Status
▶ To be completed by preparer and filed with Form 1040, 1040NR, 1040SS, or 1040PR.
▶ Go to www.irs.gov/Form8867 for instructions and the latest information.

OMB No. 1545-0074

2018
Attachment
Sequence No. 70

Taxpayer identification number

Part I Due Diligence Requirements

Please check the appropriate box for the credit(s) and/or HOH filing status claimed on this return and complete the related Parts I-V for the benefit(s), and/or HOH filing status claimed (check all that apply).

	EIC	CTC/ ACTC/ODC	AOTC	HOH
1 Did you complete the return based on information for tax year 2018 provided by the taxpayer or reasonably obtained by you?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Yes <input type="checkbox"/> No			
2 If credits are claimed on the return, did you complete the applicable EIC and/or CTC/ACTC worksheets found in the Form 1040, 1040SS, 1040PR, or 1040NR instructions, and/or the AOTC worksheet found in the Form 8863 instructions, or your own worksheet(s) that provides the same information, and all related forms and schedules for each credit claimed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> N/A	
3 Did you satisfy the knowledge requirement? To meet the knowledge requirement, you must do both of the following: • Interview the taxpayer, ask questions, and document the taxpayer's responses to determine that the taxpayer is eligible to claim the credit(s) and/or HOH filing status. • Review information to determine that the taxpayer is eligible to claim the credit(s) and/or HOH filing status and the amount of any credit(s) claimed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Yes <input type="checkbox"/> No			
4 Did any information provided by the taxpayer or a third party for use in preparing the return, or information reasonably known to you, appear to be incorrect, incomplete, or inconsistent? (If "Yes," answer questions 4a and 4b. If "No," go to question 5.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
a Did you make reasonable inquiries to determine the correct, complete, and consistent information?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b Did you document your inquiries? (Documentation should include the questions you asked, whom you asked, when you asked, the information that was provided, and the impact the information had on your preparation of the return.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Did you satisfy the record retention requirement? To meet the record retention requirement, you must keep a copy of your documentation referenced in 4b, a copy of this Form 8867, a copy of any applicable worksheet(s), a record of how, when, and from whom the information used to prepare Form 8867 and any applicable worksheet(s) was obtained, and a copy of any document(s) provided by the taxpayer that you relied on to determine eligibility for the credit(s) and/or HOH filing status or to compute the amount of the credit(s). List those documents, if any, that you relied on. _____ _____ _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Yes <input type="checkbox"/> No			
6 Did you ask the taxpayer whether he/she could provide documentation to substantiate eligibility for the credit(s) and/or HOH filing status and the amount of any credit(s) claimed on the return if his/her return is selected for audit?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Yes <input type="checkbox"/> No			
7 Did you ask the taxpayer if any of these credits were disallowed or reduced in a previous year? (If credits were disallowed or reduced, go to question 7a; if not, go to question 8.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
a Did you complete the required recertification Form 8862?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> N/A	
8 If the taxpayer is reporting self-employment income, did you ask questions to prepare a complete and correct Form 1040, Schedule C?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> N/A	

For Paperwork Reduction Act Notice, see separate instructions.

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Form **8867** (2018)



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Form 8903

Domestic Production Activities Deduction

- DPAD repealed for tax years beginning after 2017
- Taxpayers may still have DPAD for 2018 from fiscal year flow-through entities
- Reporting may have been moved to a write-in or other deductions line instead of having its own line



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Form 8949

Sales and Other Asset Dispositions

New code “Z” for deferred gain invested in a qualified opportunity fund



New Forms

- Form 461, Limitation on Business Losses
- Form 965, Inclusion of Deferred Foreign Income Upon Transition to Participation Exemption System, and related forms and schedules
- Form 8979, Partnership Representative Revocation, Designation, and Resignation Form, and related forms and schedules
- Form 8990, Limitation on Business Interest Expense



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Retired Forms

- Form 2106-EZ, Unreimbursed Employee Business Expenses
- Form 1065-B, U.S. Return of Income for Electing Large Partnerships, and related forms and schedules
- Form 4626, Alternative Minimum Tax--Corporations



Resources

- [IRS.gov/Forms](https://www.irs.gov/forms)
- [IRS.gov/TaxReform](https://www.irs.gov/taxreform)
- [IRS.gov/FormChanges](https://www.irs.gov/formchanges)
- [IRS.gov/FormsUpdate](https://www.irs.gov/formsupdate)
- [IRS.gov/Form1040](https://www.irs.gov/form1040), etc.
- [IRS.gov/DownloadForms](https://www.irs.gov/downloadforms)
- [IRS.gov/PriorYearForms](https://www.irs.gov/prioryearforms)
- [IRS.gov/DraftForms](https://www.irs.gov/draftforms)



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Contact Information

TaxForms@irs.gov – Put “NTF” in subject line to ensure we receive your comment/question