The Jack Jacob Building
13740 Dix-Toledo Road
Southgate, MI 48195

We are offering a 1099 Misc. service for those who need 1099's for Interest, Rent paid, Lawyers paid, Non-employee compensation, etc. Contact Maria DeAngelis in early January to set up an appointment with her to prepare. These forms are due out by January 31st, 2020. Penalties have increased from $100 to $530 Maria can be reached at 734-284-8833 ext 201

Maria is responsible for all our Monthly Bookkeeping Clients.

You may qualify for the REJ's Drop off service, Prices begin as low as $85 and are capped at $160.00 this includes, e-filing, federal, one state and up to one city return. This price does not include ACA forms and penalty calculations. Over 150 REJ clients now qualify. A separate letter is will be sent. No appointment and your taxes will be done within a week of being dropped off. Times will vary if additional information is needed. Francois, John and Richard will call you..

REJ's Drop Off Service For returning client only, new clients need an appointment. Obamacare and ACA penalties have been eliminated!

REJ's is continuously striving to provide professional and affordable tax preparation to its valued clientele. You may be selected due to your previous returns basic characteristics, to qualify for our new "**Drop Off Service**". If interested please contact our office and a "Drop Off" package will be made available to you. (you can pick it up at our office or for a small charge we can mail the package out to you.) **If you used the Marketplace to buy insurance you may back a premium credit, or you may have to pay back the credit if your income was higher than expected. The IRS will not process your return this year without this information. We need your 1095A form!!!**

The package will have your basic information already filled out, you will be responsible to check it, or update it if any changes need to be made. On reviewing the packet our tax professionals will prepare your return, they may contact you during that period with any additional questions they may have, so be sure to give us good phone numbers and times that you will be available to answer any questions. We also need a current driver license. After your return is completed you will be contacted for pick up, signing and payment. We accept, cash, checks and all major credit cards, or you can have your payment taken from you refund if you prefer. (There is a charge by the bank, we do not charge extra for this.)

If you know now that you would like this service, give us a call and we can have your package available early in our tax season. If you believe you may want to continue this service for the following years, let our receptionists know so we can continue preparing your drop off worksheets. These can also be emailed to you.

Prices range as follows ……………1040EZ…………………..$85
1040A….1 schedule…….$95
1040 no schedules……..$125

If you have the 1095A there will be may be the premium credit or repayment

If you are a senior (over 65 years of age, you or your spouse) , you may have additional schedules at a cap of $130 if you are receiving this letter. This incorporates our senior discounts in that cap price.

Since 1977 R.E.J.'s ACCOUNTING & TAX SERVICE

BBB MEMBER

Year End 2019 Newsletter 42nd year in business Issue #1

Introducing this year's Gold Sponsor: Direct Consulting

Below is a picture of your appointment card. We have filled out the space for you with your tax advisor's name along with the date and time of your tax appointment. We have also included your preparer's business card along with their extension.

We have added to our website the ability to confirm your appointment on-line. If you need to change it, use the form to highlight the next best three dates and times that you would like us to attempt to book for you. Ivette Salinas, Maria DeAngelis, Mary Jacob, Jocelyne Wendelken, and Lisa Arseneau will be accepting client appointment times. They can be reached during business hours. Our late hours start on January 27, 2020.

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Your Tax Appointment

Your Appointment with: ______________

Date: ___/___/_____ Time ________ AM / PM

Please confirm your tax appointment online at:
www.rejaccounting.com or call (734) 284-8833

This year we hope to have a live person answering the telephones until 8 pm each evening except Sunday (we close at 6 pm that day)

Most appointments are scheduled from 9 am until one hour before our closing time of 8 P.M. We are enclosing a 2020 calendar as a thank you for scheduling your appointment with us this year.

(734) 284-8833 rjacob@rejaccounting.com

OBAMACARE and other changes:

Timeline for the implementation of

- **Must have the 1095A to prepare your taxes, you may have multiple copies.**
- **Penalty for not having insurance is zero in 2019!**
- **If you have children your refund will be delayed until February 14th due to identify theft procedures implemented at the IRS. (same as last year)**
- **Tax deadlines have changed for partnerships, is now 3-15-20 and C corporations move back to 4-15-2020, individual taxes 4-15-2020.**
- **Expiring tax provisions, more on page 7.**
- **Trump tax rates proposals see page 6, everyone wins?**
- **Misc 1099's & W2's due out 1-31-2020 and to IRS**

Mohawk did our floors at the house

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REJ's returning Staff celebrating our 42nd Year. Also Gold Sponsor DC1. Welcome back tax preparer Francois Michaud, John ODonnell and Ivette Gonzalez Salinas.

We are giving out new styled pens and mailing with your newsletter a 2020 calendar. We also will be welcoming back most of our staff.

R.E.J.'s has maintained our current staff positions and brought aboard additional staff to better serve our clients. **Joshua Onkala our *"Accounting Manager"* who is also working as our Sunday reception during the tax season.** (Josh is a married man now)

Our returning staff includes Tax accountants **Richard Witkowski** a Registered Tax Return Preparer (RTTP) along with tax preparer **Francois Michaud ,** who has worked for us a number of years **returning is tax accountant; John O'Donnell a University of Detroit graduate with ten years of tax experience . Maria Deangelis our Head Bookkeeper also will manage the office this season. She is my assistant for DC1 wealth management clients, and is a registered representative for Avantax℠ as well. We also added Lynette Rae to assist us during the year on DC1 and to help out during tax season.**

We also welcome back **Lisa Arseneau, Jocelyne Wendelken,** **Ivette Salinas and Mary Jacob** office staffers.

Ivette speaks Spanish, and will work as a tax preparer also this year. Richard speaks Polish and Maria & Lisa speaks Italian.

Lynette and Bob at DADBA trade show.

Mark has been a long time client and friend.

REJ's uses KSP for its business insurance and personal needs. Eric is a **Coast Guard** guy like my dad was.

Oscar cement did my driveway and pool sidewalk. Nice job!

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State and Federal Tax Law changes for 2019 and Beyond

Federal Law changes finalized by Congress .

Key changes to tax laws some good some bad some the same.

1) Standard deductions (Good but most can't itemized any more)

Those who are married and filing jointly will have an increased standard deduction of $24,400, up from the $24,000.
Single taxpayers and those who are married and file separately now have a $12,200 standard deduction, up from the $12,000.
For heads of households, the deduction will be $18,350, up from $18,000.

2) Personal exemption (Bad but see one above)
The personal exemption has been eliminated with the tax reform bill.

3) Child tax credit (Good isn't limited by income)
The child tax credit has remained at $2,000 per qualifying child, those who are under 17, up from $1,000 in 2017. A $500 credit is available for dependents who do not get the $2,000 credit.

4) Mortgage interest (pretty much the same)
The deduction for interest is capped at $750,000 for mortgage loan balances taken out after Dec. 15 of last year. The limit is still $1 million for mortgages that were established prior to Dec. 15, 2017.

5) State and local taxes (bad this include your state and local withholdings)
The itemized deduction is limited to $10,000 for both income and property taxes paid during the year.

6) Contribution limits for retirement savings (pretty much the same)
Employees who participate in certain retirement plans – 401(k), 403(b) and most 457 plans, and the Thrift Savings Plan – can now contribute as much as $19,000 this year, a $500 increase from the $18,500 limit for 2018.

7) Top income tax rate(Good lower tax rates for all)
A new 37 percent top rate will affect individuals with incomes of $500,000 and higher. The top rate kicks in for married taxpayers who file jointly at $600,000 and up.
The new tax law also includes changes to other tax brackets.

………..Available to existing customers!!!

We have a comprehensive list of publication you can get directly from our web site rejaccounting.com:

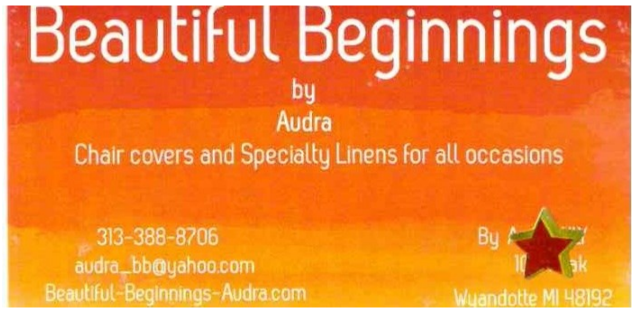
Also we have added **specific tax organizers for 2019**

All publication updated for 2019!!!! (they are also free)

- Alternative Minimum Tax
- Business Entity Comparison Chart
- Business Entity Pros and Cons
- Business Expenses Worksheet
- Business Financing - Don't Intermingle Funds
- Business Use of Home
- Cancellation of Debt - Insolvency
- Capital Gains and Losses—Big changes here!!!
- Charitable Cash Donation Tracker
- Education Tax Benefits
- Employee or Independent Contractor
- Identity Theft and Your Taxes
- Kiddie Tax
- Itemized Deductions Education Expenses
- Itemized Deductions Homeowners
- Itemized Deductions Interest Paid
- Standard vs Itemized Deductions Big changes here!!!
- Itemized Deductions Medical Expenses
- Itemized Deductions Taxes Paid
- Mileage and Expense Log
- Multi-State Taxation
- Pension Income Planning
- Recordkeeping for Tax Purposes
- Rental Income and Expense Worksheet
- Rental Income and Expenses
- Retirement Income
- S Corporations Big Changes here!!!
- Small Business Health Care Tax Credit
- Social Security and Medicare
- Starting a Business

Tax Scams, Buy-Sell agreements, Business Management (this is a partial listing of the publications available.* are new brochures this year.)

Bob is a Certified Management Accountant in addition to being a great tax advisor.



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Fall out of the Trump Tax bill, some costly and some good.

Personal exemptions are eliminated. The individual alternative minimum tax will be repealed. The only itemized deductions will be for Mortgage interest and charitable deductions. All other itemized deductions, state and local property taxes, state withholding taxes, moving expenses, tax preparation fees, attorney fees, brokerage fees, employee expenses all will be eliminated or limited. No penalty if you don't have Health Insurance this penalty has gone away in 2019. The tax rates were all lower for the next few years. They are not permanent like the tax cuts for corporations. New for 2020 Individual Coverage Health Reimbursement Arrangement (ICHRA) are back, and is available for businesses of all sizes. Reimbursements free of income tax and payroll taxes. Employees can roll over excess funds year to year with no limit. Must have health insurance to qualify.

The big winners In 2019 there is no personal service corporations for 1120 C. Big losers are companies that entertain clients, all these expenses are eliminated. You can buy the customer a hot dog and beer but no Tiger, Red Wing, Piston or Lion tickets will be deductible. The food and beverage at the game if separate can be deducted. Also, you can not write off gift cards given to clients or employees. I'm not sure what abuses there where here, but it just doesn't seem fair. On a good note alimony after 2019 is not taxable to the recipient and not deductible to the payer. Previous arrangements are still deductible and have to be claimed.

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This year I traveled to Las Vegas for training with LatinoTaxPro and for pleasure with my clients Jim and Betty Schpens while in Las Vegas. We went to our timeshare in Orlando after tax season and visited Paris, France in the Fall.

In addition to attending the MiSEA and the IMA meetings, Maria, Lynette and I attend monthly meetings, sponsored by Avantax. **Visit our website under Financial Services for more on Direct Consulting One**

Jim and Betty were my hosts in Las Vegas during my tax conference.

Golfing with my brother Mark, in the Belle Tire girls hockey fundraiser for Maria's granddaughter.

Here we are in Beautiful **Paris France** enjoying the sights and sounds of the city. We took a river cruise down the Seine river, we visited the beaches of Normandy and some of the old castles. We saw where Joan of Arc perished.

Joshua Onkala, our Sunday office manager got married this year to Holly and I was honored to officiate the wedding at the Masonic Temple in Detroit.

After tax season visit to the Magic kingdom down in Orlando

REJ's is a Certified QuickBooks Pro Advisor and is a <u>**Certified Pro Advisor for QuickBooks Online and Desktop**</u>.

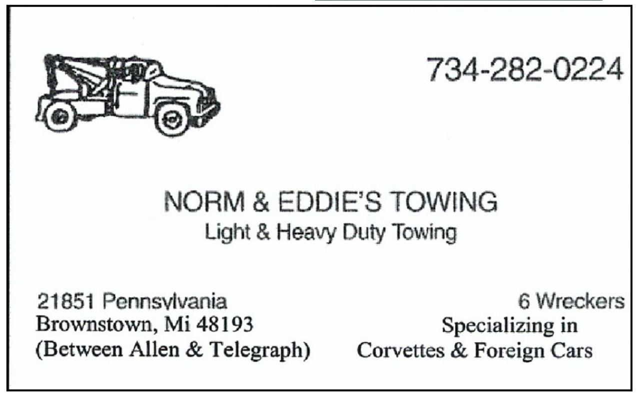
REJ's is one of the first ProAdvisor's to become Certified in QuickBooks Online. More and more companies are moving to the Cloud for their accounting and payroll. Online QuickBooks offers the ability to manage a company's books without the problems of location or distance.

REJ's has been servicing QuickBooks since 1991 and has been certified in QuickBooks since they began certifying professionals in 1999.

We now have close to 40 online clients using QuickBooks and this number is growing. A lot of our competition do not offer online QuickBooks training or assistance, of course we do. Call us if your need this, we do offer discounts if you go through us instead of directly with Intuit.

REJ's sells not only the accounting software for QuickBooks but also Point of Sale equipment for its clients. We provide on-site training as well as training at our facility. See our website for more details. We also sell QuickBooks checks, endorsement stamps, deposit tickets etc. We normally are less than your bank, visit our website or give Maria a call. 734-284-8833

DC1 is the QuickBooks and accounting consulting arm of the REJ's



Voice Mail system at the REJ's. You will have a <u>live person</u> during the tax season, but after hours and after tax season, here's the scoop.

We have enhanced our phone system to allow you to confirm your appointment initiate a change in your appointment time, and or leave a voicemail to your Tax Professional. Most of the time you will be greeted by a live person, (during our normal tax season hours 9 am until 9 pm Monday through Saturday and 10 am until 6 pm on Sunday.

If you are calling after hours or during an exceptionally busy time you will get the voice mail or if you request the receptionist to give you your tax professional's voice mail. The Voice mail or auto attendant system will give you the options to enter the extension numbers to reach each party. The extensions are <u>**Robert Jacob—202 Richard Witkowski 202 and John Odonnell—205**</u>

<u>**Francois Michaud** —204 **Maria DeAngelis**—201 and the main receptionist is —200</u>

The tax professionals, especially our full timers will return your call within a day, John, Ivette and Francois will return their calls on their next scheduled day. If you haven't heard back within three days please call back and ask to speak to either **Robert or Richard** our full time accountants.

September 10, 2019

Introducing Avantax Wealth Management℠

We are pleased to announce that on September 16, 2019 we will officially be rebranding to Avantax Wealth Management℠, which allows us to unify our two wealth management divisions — HD Vest and 1st Global. This process will occur in two phases with HD Vest rebranding to Avantax on September 16, 2019 and, subject to regulatory approval, 1st Global merging into Avantax later this fall.

This is an exciting time for us. When Blucora acquired 1st Global earlier this year, we became the largest tax-focused wealth manager, with a total of 4,200 advisors who oversee more than $67 billion in client assets. Now, with the anticipated rollout of the Avantax Wealth Management℠ brand and the anticipated merging with 1st Global, we have an even better way to highlight our Tax-Smart approach.

First and foremost, we want to assure you that while we are changing our name, we will continue to adhere to the same core values that have allowed us to serve an independent network of tax professionals since 1983.

We also recognize that change is necessary for growth. Over the past year, we have been setting the stage to make the broader case for tax-focused investing. In June 2019, we unveiled a tax-smart investing software program — to help advisors capture tax-alpha for clients — along with a tax-loss harvesting module. We plan to make more modules available by the end of the year. These investments demonstrate our deep commitment to driving the conversation around tax-focused investment. The reason is simple. Taxes are more than a once-a-year event. They are one of life's most complicated and largest expenses, but many wealth advisors don't give taxes the attention they deserve.

We firmly believe that most financial decisions, at their core, are tax decisions. Under the Avantax Wealth Management brand, we are well-positioned to set a new standard and provide heightened value to advisors and their clients. We look forward to serving you and keeping you apprised of all the exciting news still to come.

Enrique M. Vasquez
President of Wealth Management, Blucora

For more information about the rebrand please read the press release here: Blucora and source https://www.avantaxwealthmanagement.com/news/avantax/

Robert E. Jacob—Financial Advisor
Maria DeAngelis-Registered Representive
Securities offered through Avantax Investment Services℠
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