


TAX PAYMENT
CALENDAR

JUNE
2018

| <u>Date</u> | <u>Deposit Date</u> | | <u>Completed</u> |
|---|---|---|---|
| <u>Payroll Date</u> May 26 - 29 30 - June 1 June 2 - 5 6 - 8 9 - 12 13 - 15 16 - 19 20 - 22 23 - 26 27 - 29 30 | June 1 6 8 13 15 20 22 27 29 July 5 9 | Semi-Weekly Payroll Tax Deposits. Employers that are semi-weekly depositors generally must deposit taxes withheld and FICA taxes on payrolls paid on Wednesday, Thursday or Friday on or before the following Wednesday, and deposit taxes from payments on other days on or before the following Friday. Deposit electronically. Indicate Form 941, Federal Tax Deposit, and second quarter. |  |
| 8 | | Client Appreciation-Free Shred Day, Holland Office, 11:30 AM to 1:00 PM. | |
| 12 | | Michigan sales and use tax deposit for month of May to claim early payment discount. | |
| 15 | | Employers that are monthly depositors must deposit taxes withheld and FICA taxes on payrolls paid during May. Deposit electronically. Indicate Form 941, Federal Tax Deposit, and second quarter. | |
| 15 | | Corporations with fiscal year ending June 30, September 30, December 31, or February 28: • Deposit estimated federal income tax electronically. Indicate Form 1120 and Federal Tax Deposit. | |
| 15 | | Corporations with fiscal year ending February 28: • Federal Income Tax Return - Form 1120. • Deposit balance of tax due electronically. Indicate Form 1120 and Balance Due on Return. • Pay accrued compensation, charitable contributions, retirement plan contributions, etc. | |
| 15 | | Corporations with fiscal year ending February 28, May 31, August 31, or November 30: • Pay CIT estimate to State of Michigan. | |
| 15 | | Second voucher due for individual income tax estimates - both State and Federal. | |
| 17 | | Father's Day. | |
| 20 | | Michigan Sales, Use and Withholding Taxes Return for the month of May. | |
| 22 | | Client Appreciation-Free Shred Day, South Haven Office, 11:30 AM to 1:00 PM. | |
| 29 | | Client Appreciation-Free Shred Day, Grand Haven Office, 11:30 AM to 1:00 PM. | |
| July 2 | | Corporations with fiscal year ending February 28: • File CIT return and pay balance due to State of Michigan. | |



MAY

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| 27 | 28 | 29 | 30 | 31 | | |

JUNE

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JULY

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| 29 | 30 | 31 | | | | |



JUNE 2018

THE NEW AND IMPROVED CHILD TAX CREDIT

The Tax Cuts and Jobs Act (TCJA) made several improvements to the child tax credit; i.e., the credit available for taxpayers with children under the age of 17 (qualifying children). There is also a new credit for other dependents.

Under pre-TCJA law, the child tax credit was \$ 1,000 per qualifying child, but it was reduced for married couples filing jointly by \$ 50 for every \$ 1,000 (or part of a \$ 1,000) by which their Adjusted Gross Income (AGI) exceeded \$ 110,000. (The threshold was \$ 55,000 for married couples filing separately and \$ 75,000 for unmarried taxpayers.)

Starting in 2018, the TCJA doubles the child tax credit to \$ 2,000 per qualifying child under 17. It also allows a new \$ 500 credit (per dependent) for any of your dependents who aren't qualifying children under 17. There is no age limit for the \$ 500 credit, but the tax tests for dependency must be met.

The TCJA also substantially increases the "phase-out" thresholds for the credit. Starting in 2018, the total credit amount allowed to a married couple filing jointly is reduced by \$ 50 for every \$ 1,000 (or part of a \$ 1,000) by which their AGI exceeds \$ 400,000 (up from the pre-TCJA threshold of \$ 110,000). The threshold is \$ 200,000 for all other taxpayers. So, if you were previously prohibited from taking the credit because your AGI was too high, you may now be eligible to claim the credit.

To claim the credit for a qualifying child, you must include that child's Social Security number (SSN) on your tax return. If a qualifying child doesn't have a SSN, you will not be able to claim the \$ 2,000 credit. However, you can claim the \$ 500 credit for that child using an Individual Taxpayer Identification Number (ITIN) or Adoption Taxpayer Identification Number (ATIN). The SSN requirement doesn't apply for non-qualifying-child dependents, but you must provide an ITIN or ATIN for each dependent for whom you are claiming a \$ 500 credit.

The changes made by the TCJA should make these credits more valuable and more widely available to many taxpayers. This may help to offset the loss of the deduction for personal exemptions, which was also suspended by the TCJA.

We will continue our coverage of the many provisions of the Tax Cuts and Jobs Act that impact both individuals and businesses over the coming months.

UNCLAIMED PROPERTY REPORTING REMINDER

Michigan law requires most businesses to file a report by July 1 each year if they have any unclaimed property that has become dormant as of March 31. The most common types of unclaimed property include payroll checks that remain uncashed after one year, and uncashed vendor checks and customer overpayments after three years. More information is available at www.michigan.gov/unclaimedproperty.