



As you may be aware, President Trump signed a new tax law that is effective for 2018. Due to the tax rate reductions, almost all taxpayers will see a decrease in tax liability. The biggest negative change is the limitation of deductions to only \$10,000 for state and local income and property taxes.

I would recommend the following action items before the end of 2017.

- Prepay 2018 real estate taxes for the next two quarters. This may require you to go to your local Town Hall to make these payments or you could mail them to your local Town Hall. If your mortgage company normally pays your real estate taxes, you may want to notify them that you prepaid and your escrow account should be adjusted accordingly. Please note, this strategy does not work if you are in Alternate Minimum Tax.
- You should make additional charitable contributions before the end of the year, if you wish.
- If you own a business, you should increase expenses for 2017, also if possible, you should decrease your revenue.
- Consider making a larger 4th quarter State estimated tax payment before the end of the year

If you have any questions on the above information, please do not hesitate to contact me or any member of my "Alario Team".

Thank you.

Robert C. Alario  
Certified Public Accountant