

March 2019

Citation and resource guide

The new math of municipal bonds

The IRS explains the tax treatment of interest income received at www.irs.gov/taxtopics/tc403.

Handling qualified charitable distributions

The IRS presents the rules on QCDs in the Instructions for Form 1040 (2018 tax year) on p. 29 at www.irs.gov/pub/irs-pdf/i1040gi.pdf.

Deducting qualified business income

The IRS answers frequently asked questions about Section 199A of the tax code, which authorizes the QBI deduction, at www.irs.gov/newsroom/tax-cuts-and-jobs-act-provision-11011-section-199a-qualified-business-income-deduction-faqs.

Practice development tip

Get a head start on filing extensions

As the tax return filing season reaches a peak, March and early April tend to be busy times at CPA firms. Meanwhile, some clients are likely to have problems getting their information ready before April 15. They may have personal issues, business demands, or delays in receiving paperwork from other parties.

Therefore, getting a filing extension might be a true win-win solution. You and your associates at your firm can divert some of the March-April crunch to later in the year, when business might be slower. Certain clients might welcome the chance to delay preparing for tax return preparation. Finding a more convenient time could help you build relations with clients who benefit from a later deadline.

That said, there are some things clients may not know, unless you inform them. Clients might not realize that a six-month filing extension is available as long as IRS Form 4868 is filed. The extension goes to October 15 this year, but you can

schedule meetings for, say, July or August, if that is a good time for clients to finalize their 2018 tax returns.

What's more, clients may not realize that a *filing* extension is not a *payment* extension. If a tax bill for 2018 is not paid in full by April 15, 2019, with Form 4868, the IRS may impose late payment penalties. This might not be an issue for clients whose taxes are fully paid via paycheck withholding, but other clients may need your help in completing Form 4868, which asks for an estimate of the income tax that is due.

How can you disseminate such information to clients who would be interested in a filing extension? An email to your client list could be a good start, along with a notice on your website. Make sure to combine the good news (delay) with the bad (estimated payment required). A savvy effort in March might help reduce stress for many parties in mid-April.

Practice development and management resources from the AICPA

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AICPA Personal Financial Planning Membership Section

The AICPA Personal Financial Planning Section membership is voluntary for CPAs and other professionals who provide personal financial planning services to

individuals and families. The PFP Section member benefits include The CPA's Guide to Financial and Estate Planning, among numerous practice guides, as well as free web seminars led by renowned experts, award-

winning newsletters like Planner, and invaluable networking opportunities with CPAs around the country.

[Item no. 03-NEW – AICPA Member \$176.25]

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AICPA PCPS/CPA.com MAP Survey National Summary

The AICPA's Private Companies Practice Section (PCPS) partnered with CPA.com on the National MAP (Management of an Accounting Practice) Survey, which was fielded from mid-May through July 2016. This summary provides financial and other key benchmarking data from the survey. This product will provide you with comparative benchmarking data relative to firm size and region that can help you create strategic goals and maximize your firm's performance.

[Item no. PCPSSUR03 – AICPA Member \$200.00, Nonmember \$300.00]

Management of an Accounting Practice eHandbook

This is your go-to resource for all things practice management. Streamlined online guidance for easy

reading and quick reference on the topics you care about: employee compensation and benefits, staffing, disaster recovery, firm organization, benchmarking, strategic planning, and more!

[Item no. MAP-XX – AICPA Member \$149.00, Nonmember \$189.00]

MAP On Track

Often, practitioners and small- to medium-sized firms find it challenging to stay on top of firm management responsibilities. The new *Management of an Accounting Practice On Track* (MAP On Track) will help keep you organized. This new scheduler is easy to download and functions as an add-in to Microsoft Outlook, adding tasks to keep your firm running throughout the year. As an added bonus, within the automatically scheduled tasks you'll find useful links to relevant content within the comprehensive MAP eHandbook as well as PCPS tools that can inform your next steps.

[Item no. MAPTKD – AICPA Member \$229.00, Nonmember \$289.00]

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