

Tax Updates – November 2017
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AFR for November 2017

	Annual	Semi-annual	Quarterly	Monthly
Short-term	1.38%	1.38%	1.38%	1.38%
Mid-term	2.00%	1.99%	1.99%	1.98%
Long-term	2.60%	2.58%	2.57%	2.57%

The Section 7250 rate is 2.4%

2018 Exemptions

In Rev. Proc. 2017-58, the Internal Revenue Service announced several new tax rates and exemptions. For gift and estates, the 2018 exemptions are:

	2017	2018
lifetime gift/estate tax exemption and GST exemption	\$5,490,000 per individual (\$10,980,000 per married couple)	\$5,600,000 per individual (\$11,200,000 per married couple)
Gift tax annual exclusion	\$14,000	\$15,000
Non- U.S. citizen spouse annual exclusion	\$149,000	\$152,000

2018 Filing Deadlines

The following due dates are applicable for 2017 calendar year tax returns:

Form

Form W-2 (electronic or mail)
 Form 1065 – Partnerships
 Form 1120S – S Corporations
 Form 1040 – Individuals
 Form 1041 – Trusts and Estates
 Form 1120 – C Corporations
 Form 990 Series – Tax Exempt Org
 Form 5500 Series – Employee Benefit Plan

2018 Filing Due Date

January 31st
 March 15th (extension September 17th)
 March 15th (extension September 17th)
 April 17th (extension October 15th)
 April 17th (extension October 1st)
 April 17th (extension October 15th)
 May 15th (extension November 15th)
 July 31st (extension (November 15th))

Treasury Inspector General For Tax Administration Audit Finds Estate and Gift Return Examination Process Lacking

In a recent audit, the Treasury Inspector General for Tax Administration (TIGTA) found the estate and gift tax return review was lacking. It was determined that there is minimal guidance, incomplete classifications sheets and indecipherable information. It was further determined that, based on a random sample, case documentation guidelines were not followed 47% of the time. Audit Report No. 2017-30-081 is available at:

<https://www.treasury.gov/tigta/auditreports/2017reports/201730081fr.pdf>.

Comments Requested

The Internal Revenue Service is soliciting comments concerning the extension of the information collection request (ICR), regarding split-dollar life insurance arrangements. IRS said that no changes were being made to the regs at this time. (IRS Notice, 82 Fed. Reg. 48898, 10/20/2017). Written comments should be submitted on or before December 19, 2017 to Tuawana Pinkston, Internal Revenue Service, Room 6141, 1111 Constitution Avenue NW., Washington, DC 20224. For additional information or copies of the regs, contact R. Joseph Durbala, at Internal Revenue Service, Room 6129, at the above address, or at rJoseph.Durbala@irs.gov.