

Table of Contents

Chapter 1	1-1
Maximizing Tax Benefits for Sales of Capital Gain Assets and Real Property	1-1
Current capital gain and dividend tax rates	1-3
Tax-smart strategies for capital gain assets	1-8
Tax-smart strategies for fixed-income investments	1-12
Planning for mutual fund transactions	1-14
Converting capital gains and dividends into ordinary income to maximize investment interest write-offs	1-19
Planning for capital gain treatment for subdivided lot sales via IRC Section 1237 relief	1-22
Land is not always a capital asset	1-29
Beneficial capital gain treatment allowed for sale of right to buy land and build condo project	1-33
Escape taxable gains altogether with like-kind exchanges	1-35
Primer on the 3.8% net investment income tax	1-49
Chapter 2	2-1
Planning for Employer Stock Options, Employer Stock Held in Retirement Accounts, and Restricted Stock	2-1
Employer stock options: Tax implications	2-2
How to handle employer stock received in a qualified retirement plan distribution	2-12
Restricted stock: Tax implications	2-14
Chapter 3	3-1
Maximizing Tax Benefits for Personal Residence Transactions	3-1
Qualification rules for gain exclusion privilege	3-2
Excluding gain from sale of land next to residence	3-13
Excluding gains in marriage and divorce situations	3-14
“Electing out” of gain exclusion privilege	3-18
Sale of former principal residence “freed up” suspended PALs from rental period even though gain on sale was excluded	3-19
Understanding the tax implications of personal residence short sales and foreclosures	3-21
Tax angles when client converts personal residence into rental property	3-29
How the TCJA affects homeowners	3-33

Chapter 4	4-1
Tax Planning Opportunities with Vacation Homes, Timeshares, and Co-Ownership Arrangements	4-1
Rules for “regular” vacation homes (as opposed to timeshares and co-ownership deals)	4-2
Rules for timeshares and vacation home co-ownership arrangements	4-7
Playing the gain exclusion game with multiple residences	4-10
Chapter 5	5-1
Tax Planning for Marital Splits and Married Same-Sex Couples	5-1
Separate versus joint returns for pre-divorce years	5-3
Avoiding pre-divorce tax fiascos with IRA and qualified retirement plan assets	5-11
Planning to achieve tax-effective splits of IRA and QRP assets	5-12
Planning to achieve equitable after-tax property divisions	5-18
Treating payments as deductible alimony	5-21
Tax developments affecting married same-sex couples	5-29
Chapter 6	6-1
Tax-Saving Tips for Self-Employed Clients	6-1
“Heavy” SUVs, pickups, and vans are still big tax-savers	6-2
Combine “heavy” vehicle with deductible home office for major tax savings	6-8
Home office deduction options	6-10
What to do when both spouses are active in the self-employment activity	6-20
Simplified compliance rules for unincorporated husband-wife businesses in non-community property states	6-27
Update on tax-smart health savings accounts	6-30
Section 199A – The qualified business income deduction	6-37
Should your client’s business switch to C corporation status?	6-44
Chapter 7	7-1
Tax-Smart College Financing Strategies	7-1
Education tax credits	7-2
Deduction for higher education tuition and fees	7-8
Deduction for student loan interest	7-9
Coverdell Education Savings Accounts	7-11
Tax-free interest from U.S. Savings Bonds	7-12
Electing the accrual method for U.S. Savings Bonds	7-15
Splitting investment income with the kids	7-17
How a closely held business can deduct college expenses paid for the owner’s adult child	7-30
“Last-minute” suggestions for procrastinators	7-32

Glossary

Index

Solutions

Chapter 1

Chapter 2

Chapter 3

Chapter 4

Chapter 5

Chapter 6

Chapter 7

Glossary 1

Index 1

Solutions 1

Solutions 1

Solutions 4

Solutions 5

Solutions 7

Solutions 8

Solutions 10

Solutions 13

