

IRS NEWS FOR BUSINESS

January 2019

► UPCOMING WEB CONFERENCES

Check [Webinars for Small Businesses](#) for upcoming webinars.

► TAX REFORM - Individuals

Redesigned Form 1040, Schedules and Instructions Now Available

- [About Form 1040, U.S. Individual Income Tax Return](#)
- [Schedules for Form 1040](#)

[IRS launches Instagram account to help taxpayers](#)

- As part of a larger mission of helping all taxpayers understand and meet their tax responsibilities, the IRS announced its debut on Instagram, adding this platform to its social media portfolio.

► TAX REFORM - Business

[Tax reform law makes changes to employee achievement award rules](#)

- The IRS reminds employers that last year's Tax Cuts and Jobs Act made changes to several programs that can affect an employer's bottom line and its employees' deductions. This includes employee achievement awards.

[New tax credit benefits employers who provide paid family and medical leave](#)

- Tax reform legislation enacted in December 2017 offers a new tax credit for employers who provide paid family and medical leave. Here are several facts about how this credit works and which employers are eligible to claim it.

[IRS issues guidance for determining nondeductible amount of parking fringe expenses and unrelated business taxable income; provides penalty relief to tax-exempt organizations](#)

- The IRS issued interim guidance ([Notice 2018-99](#)) regarding the treatment of qualified transportation fringe benefit expenses paid or incurred after Dec. 31, 2017. The new rules assist taxpayers in determining the amount of parking expenses that are no longer tax deductible. They also help tax-exempt organizations determine how these nondeductible parking expenses create or increase unrelated business taxable income (UBTI).

► EMPLOYERS AND BUSINESS OWNERS

Affordable Care Act, Form 1095-B and Form 1095-C

- [Notice 2018-94](#) extends the due dates for certain 2018 information reporting requirements for insurers, self-insuring employers, and certain other providers of minimum essential coverage under section 6055 and for applicable large employers under section 6056.
- Specifically, this notice extends the due date for furnishing to individuals the 2018 Form 1095-B, Health Coverage, and the 2018 Form 1095-C, Employer-Provided Health Insurance Offer and Coverage, from January 31, 2019, to March 4, 2019.

Changes to Publication 1220 and FIRE Systems

- The IRS has updated [Publication 1220, Specifications for Electronic Filing of Forms 1097, 1098, 1099, 3921, 3922, 5498, and W-2G](#).
- The update, effective Jan. 2, for tax year 2018, affects Form 1098, Mortgage Interest Statement, and Form 1099-R – Payee "B" Record Layouts.
- Also effective in January, the [Filing Information Returns Electronically \(FIRE\) Systems](#) will not accept file sizes larger than one million records.

► OTHER NEWS

[IRS issues standard mileage rates for 2019](#)

- Beginning on Jan. 1, 2019, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:
 - 58 cents per mile driven for business use, up 3.5 cents from the rate for 2018
 - 20 cents per mile driven for medical or moving purposes, up 2 cents from the rate for 2018, and
 - 14 cents per mile driven in service of charitable organizations.

► THE BEST OF IRS.GOV

[A-Z Index for Business](#)

► IDENTITY THEFT / DATA THEFT / SCAM ALERTS

[Security Summit Partners highlight new password guidance, urge taxpayers and practitioners to protect all accounts](#)

- There's been some new thinking as to what a strong password is. The latest guidance suggests using a passphrase such as a favorite line from a movie or a series of associated words rather than using a password. The idea is to create a passphrase that can be remembered easily and protect the account. This means passwords like – "uE*s3P%8V)" – are out. Longer, personal phrases people can remember – for example, SunWalkRainDrive – are now preferred.

► TAX EXEMPT ORGANIZATIONS

[Life Cycle of an Exempt Organization](#)

- Five stages in an organization's life cycle:
 1. Starting Out
 2. Applying for Exemption
 3. Required Filings
 4. Ongoing Compliance
 5. Significant Events

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► NEWS FROM OTHER AGENCIES

From the SBA: [What to Do about a Retirement Plan for Your Business?](#)

- According to the Census Bureau, only 45 percent of workers at companies with 1 to 49 employees had access to a retirement plan. This percentage jumped to 76 percent at companies with 50 to 99 employees, and to 90 percent for companies with 100 or more employees. What can small businesses do to improve their numbers and fall in line with larger employers?