

Possible tax actions to take before year-end

The 2018 tax revisions have not been fully released nor analyzed, so it is impossible to predict what your tax situation will be in 2018 at this point. Depending on all the factors of your personal situation, the following suggestions may or may not decrease your tax obligation for 2018, but you will be taking a deduction a year early, not losing it.

The 2018 standard deduction for married couples will be \$24,000, the standard deduction for individuals will be \$12,000, and the standard deduction for head of household will be \$18,000. So, if your Schedule A itemized deductions are typically less than the above numbers, most of your usual deductions will do you no good in 2018 (because the total will not exceed the standard deduction that you will get automatically).

If you are subject to Alternative Minimum Tax (AMT - which appears on line 45 of your tax return), or you usually take the standard deduction, disregard the following year-end actions suggested below. If either of the above applies to you, **do nothing** because the proposed 2018 tax law will probably be better for you anyway.

Personal exemptions will be eliminated in 2018, but the tax percentage in each bracket will be lowered. Medical expenses will be deductible if over 7.5% of Adjusted Gross Income in 2017 & 2018. In 2018 many of the usual deductions may be eliminated or reduced. These items are property taxes, state and local income taxes, sales tax deduction, home equity interest, mortgage interest on primary residence (new mortgages over \$750,000), employee business expenses, Lifetime Learning Credit, and Tuition and Fees Deduction. **The American Opportunity Tuition Credit is still in effect** in the proposed bill, so tuition payments appear to be OK in 2018 for **undergraduate** work (probably not for graduate tuition, or possibly trade school tuition also)

If you anticipate that your itemized deductions will not exceed the proposed standard deduction amounts in 2018, or your combined property, income or sales taxes will exceed \$10,000 (line 9 on Schedule A), the following suggestions may improve your tax situation for 2018, but you will be taking a deduction a year early, not losing it.

It may be beneficial to take the following actions by Dec. 31, 2017:

- Pay all of your anticipated state income tax obligation, including state estimated payments
- Prepay your property tax for 2018
- Prepay your January mortgage payment
- Make charitable contributions (including non-cash items)
- Pay medical bills if they will exceed 7.5% of your income
- Buy a new car if the sales tax deduction will help you
- Pay unreimbursed employee business expenses (tools, office supplies, etc.)
- **In general, it is probably best to take deductions in 2017 (tax rates higher in 2017)**
- **Postpone income, if possible, to 2018 (tax rates should be lower)**

HOW TO PREPAY YOUR REAL ESTATE TAXES IN DUPAGE, COOK, LAKE, KANE AND WILL COUNTIES FOLLOWS

DuPage County Pre-Payments

<https://www.dupageco.org/Treasurer/1828/>

THE COUNTY OF DUPAGE
WHEATON, ILLINOIS

Prepayment Plan Frequently Asked Questions

When making a prepayment, will I receive a receipt for each of my payments?

If you would like a receipt, please complete the information on the *Prepayment Plan Sign-Up* page.

How can I make a prepayment?

There are many payment methods:

- Check payments may be mailed to the DuPage County Treasurer's Office at 421 N. County Farm Rd., Wheaton, IL 60187.
- Cash, check, credit card and debit card payments may be made in person at the DuPage County Treasurer's Office.
- Online payments may be made through your bank's online bill payment program.

What credit cards are accepted for prepayments?

MasterCard, Visa and Discover. The credit card processor does add a convenience fee of 2.10%. No amount of that fee is retained by DuPage County.

May I make a prepayment at any bank that would accept a tax payment?

No, all forms of prepayments will be accepted only at the DuPage County Treasurer's Office at 421 N. County Farm Road, Wheaton, IL 60187.

How many prepayments may I make?

You may send or make as many prepayments as you need to ensure the total tax amount of each installment is paid on time and for the full amount due.

How much should I send?

Since the goal is to pay enough to cover each installment amount, we suggest adding 5% to the total of last year's amount. Divide that amount by the number of payments you want to make and send in that payment. After you receive the actual 2015 tax bill, you may readjust your amount accordingly. The full amount of the tax owed must be paid by each due date to avoid a late payment penalty charge.

If I want to send monthly or periodic prepayments, how can I calculate how much each payment should be?

- The actual 2015 real estate tax amounts will not be available until May 1. You may, however, estimate the amount by using a 5% increase of your prior year's tax as a guide. Simply take that amount and divide it by the number of payments you wish to make.
- Formula . . . Multiply your 2014 tax by 1.05 to determine an estimate of your 2015 tax. Decide on how many payments you would like to make and divide the 2015 estimate by that number. This will determine your monthly payment.
- For example . . . if your 2014 tax was \$4,000, multiply that by 1.05 to get an estimate of \$4,200 for the 2015 tax. If you plan on sending a monthly payment from December to August (a total of 9 months), divide \$4,200 by 9 to determine a monthly payment of \$467.
- Another example . . . You would like to make 4 payments between December and August. Divide the \$4,200 estimate by 4 to determine a periodic payment of \$1,050.

May I prepay an entire installment or both installments at one time?

Yes, if that is more convenient.

What happens if I cannot make additional payments?

Nothing. The prepayment plan was established to help you save for your next tax payment.

May I send in prepayments in different amounts?

Yes, you control the amounts sent and when.

If I need the money in my prepayment plan for something else before taxes are billed/due, may I take the money out?

No, once the money is deposited in your prepayment plan it remains until the taxes are paid.

May I make prepayments in person at the Treasurer's Office?

Yes, payments may be made in person at our office Monday through Friday, 8:00 am– 4:30 pm, or through the mail if your payment option is to pay by check.

Where should I send the prepayment?

DuPage County Treasurer
421 N County Farm Rd
Wheaton IL 60187
Attn: Prepayment Program

If one of my prepayments is returned unfunded, how will the \$25 return item fee be assessed to me?

\$25.00 of your next payment will be applied to the return item fee and the balance of the payment will be applied toward your tax.

When taxes are billed, what happens if I do not have enough money in my prepayment plan?

- Tax payments made after the due dates incur a state-imposed 1.5% monthly interest late payment penalty on the unpaid balance.
- Continue to make your payments. When there is enough to pay a full installment (plus interest and penalties if applicable), that amount will be used to pay your taxes; a statement showing your balance will be sent to you. If the balance in your payment plan is not sufficient to satisfy a full installment, the funds will not be applied to your taxes.

If there is a surplus in my prepayment plan after the tax payment is applied, what happens to that money?

Once both installments (and applicable penalty charges) have been paid, any overpayment will be refunded to you.

Will I earn interest on the funds being held in my prepayment plan?

No.

Cook County Pre-Payments

<https://www.cookcountytreasurer.com/prepayment.aspx>

How to Prepay Your 2017 Taxes

December 12, 2017

Beginning Tuesday, December 12, 2017, Cook County Treasurer Maria Pappas is accepting online prepayments of next year's First Installment property tax bill. For taxpayers who prefer to pay by mail or in person, they will be able to download and print a prepayment bill themselves.

The improvements are being made as the number of prepayment requests surges this year.

Under state law, Tax Year 2017 First Installment taxes, due March 1, 2018, are 55 percent of the prior year's total tax.

To prepay, taxpayers must have their 14-digit Property Index Number (PIN), which can be found at the top of the most recent tax bill, near the amount due. Taxpayers can also use their property address to look up their PIN on cookcountytreasurer.com.

Here's how to prepay:

- **Online:** Go to cookcountytreasurer.com and select "Prepay Your 2017 Taxes." You can use your bank account or credit card to pay.
- **Download your bill:** You can print a copy of your prepayment bill by choosing "Download Your Bill" on the homepage and entering your PIN or property address
- **By mail:** Send the prepayment bill and your payment to: Cook County Treasurer, PO Box 805436, Chicago, IL 60680-4115
- **In person:** Submit the prepayment bill and payment at a Chase branch bank or the Treasurer's Office, 118 N. Clark St., Room 112, Chicago

Lake County Pre-Payments

<http://www.lakecountyil.gov/539/Pre-Payments>

Please note: The Treasurer's Office will be closed Dec 22nd & Dec 25th for the Christmas Holiday!

- Payments accepted for the next tax year.
- Amount can be no more than the present year taxes.
- December 1 - December 29 only. We do not accept postmark.
- Make checks payable to the Lake County Treasurer.
- Note Pin # on check.
- Indicate Pre-Payment on your check.
- Online bank checks or ECheck are **not accepted** when Pre-Paying taxes.
- Check with your accountant before making payment.

Note: Refunds will be given **only** if the taxes calculate less than the Pre-Paid amount.

Mailing Address

Mail checks to:
Lake County Treasurer
18 N County Street
Room 102
Waukegan, IL 60085

Kane County Pre-Payments

<http://kanecountyconnects.com/2017/12/how-to-prepay-your-kane-county-property-tax-bill-and-potentially-save-money/>

In order to prepay your tax bill in Kane County, you have to do it by 4 p.m. Friday, Dec. 29, and the form and payment have to be physically delivered to the Kane County Treasurer's Office. You can't mail it, email it or send it in electronically.

[Click on this link to download and print a copy of the application for prepayment.](#) To submit the prepayment, fill out the form and remit payment to the Kane County Treasurer.

The Kane County Treasurer's Office is located in Building A on the Kane County Government Center campus, 719 S. Batavia Ave., Geneva.

Rickert says most homeowners can benefit from prepayment — regardless of whether your property tax bill is low or high. Some property taxpayers can save literally thousands of dollars, depending on the size of your tax bill.

Rickert emphasizes that each taxpayer's situation is different, so it's important to talk to a tax professional to understand the advantages and disadvantages of property-tax prepayments.

For more information, visit the Kane County Treasurer's Office website or call 630-232-3565.

Kane County Prepayment FAQs

How much can you prepay?

Up to the amount you paid in 2017 (2016 tax bill), rounded down to the nearest \$100. For example, if you paid \$7,298 in property taxes this year, you would prepay \$7,200 for the tax bill payable in 2018.

How do you prepay?

Write a check to Kane County Treasurer, and deliver it in person along with the filled-out [application form](#).

Remember to round down the amount to the nearest \$100.

To reach the Kane County Treasurer's Office by phone, call 630-232-3565.

When to prepay by?

Payment must arrive at the Treasurer's Office between Dec. 1, 2017, and Dec. 29, 2017. The Treasurer's Office hours are 8:30 a.m. to 4:30 p.m. Monday through Friday, [except holidays](#).

Will County Pre-Payments

Will County Treasurer Steve Weber announced today that his office would accept property tax pre-payments for next year's property tax levy. The new program gives property owners flexibility when paying taxes on any Will County property by allowing payments on a schedule convenient to the owner.

"People are trying their best to manage their money during this tough economy," said Weber, "I want to help people manage how much and how often they pay taxes by allowing pre-payments."

Under the Property Tax Pre-Payment Program, property owners can pre-pay next year's levy now. There is no pre-determined amount required to be in the program. Owners can pay multiple, future installments through March 31, 2013.

"We will apply whatever amount the owner pre-pays towards next year's levy," said Weber, "Their tax bill next May will reflect the pre-paid amount, and my staff will mail receipts for each payment."

"We will refund anyone who overpays next year's tax bill," added Weber.

Owners can make pre-payments by mail or in person at the Treasurer's Office in downtown Joliet. There is a \$2 processing fee with each payment.

For more information about the program, call Treasurer Weber's office at 815-740-4675.