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# What's New

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For information about any additional changes to the 2018 tax law or any other developments affecting Form 1040 or its instructions, go to [IRS.gov/Form1040](https://www.irs.gov/Form1040).

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**Form 1040 has been redesigned for 2018.** The new design uses a “building block” approach. Form 1040, which many taxpayers can file by itself, is supplemented with new Schedules 1 through 6. These additional schedules will be used as needed to complete more complex tax returns. The instructions for the new schedules are at the end of the Form 1040 instructions.

**Forms 1040A and 1040EZ no longer available.** Forms 1040A and 1040EZ aren't available to file your 2018 taxes. If you used one of these forms in the past, you will now file Form 1040. Some forms and publications that were released in 2017 or early 2018 (for example, Form W-2) may still have references to Form 1040A or Form 1040-EZ. Please disregard these references.

**Due date of return.** File Form 1040 by April 15, 2019. If you live in Maine or Massachusetts, you have until April 17, 2019, because of the Patriots' Day holiday in those states and the Emancipation Day holiday in the District of Columbia.

**Change in tax rates.** For 2018, most tax rates have been reduced. The 2018 tax rates are 10%, 12%, 22%, 24%, 32%, 35%, and 37%.

**Standard deduction amount increased.** For 2018, the standard deduction amount has been increased for all filers. The amounts are:

- Single or Married filing separately—\$12,000.
- Married filing jointly or Qualifying widow(er)—\$24,000.
- Head of household—\$18,000.

**Personal exemption suspended.** For 2018, you can't claim a personal exemption deduction for yourself, your spouse, or your dependents.

**Increased child tax credit and additional child tax credit.** For 2018, the maximum child tax credit has increased to \$2,000 per qualifying child, of which \$1,400 can be claimed for the additional child tax credit. In addition, the modified adjusted gross income threshold at which the credit begins to phase out has

increased to \$200,000 (\$400,000 if married filing jointly).

**New credit for other dependents.** If you have a dependent, you may be able to claim the credit for other dependents. The credit is a nonrefundable credit of up to \$500 for each eligible dependent who can't be claimed for the child tax credit. The child tax credit and credit for other dependents are both figured using the Child Tax Credit and Credit for Other Dependents Worksheet and reported on line 12a. See *Who Qualifies as Your Dependent* for more information.

**Social security number (SSN) required for child tax credit.** Your child must have an SSN valid for employment issued before the due date of your 2018 return (including extensions) to be claimed as a qualifying child for the child tax credit or additional child tax credit. If your child doesn't qualify you for the child tax credit but has a taxpayer identification number issued on or before the due date of your 2018 return (including extensions), you may be able to claim the new credit for other dependents for that child.

**Qualified business income deduction.** Beginning in 2018, you may be able to deduct up to 20% of your qualified business income from your qualified trade or business, plus 20% of your qualified REIT dividends and qualified PTP income. The deduction can be taken in addition to your standard deduction or itemized deductions. For more information, see the instructions for line 9 and Pub. 535.

**Changes to itemized deductions.** For 2018, there have been changes to the itemized deductions that can be claimed on Schedule A. See the Schedule A instructions for more information on these changes and a complete list of changes.

These changes include:

- Your overall itemized deductions are no longer limited because your adjusted gross income is over a certain limit.
- Your deduction of state and local income, sales, and property taxes is limited to a combined, total deduction of

\$10,000 (\$5,000 if married filing separately).

- You can no longer deduct job-related expenses or other miscellaneous itemized deductions that were subject to the 2%-of-adjusted-gross-income floor.

**Alternative minimum tax (AMT) exemption amount increased.** The AMT exemption amount is increased to \$70,300 (\$109,400 if married filing jointly or qualifying widow(er); \$54,700 if married filing separately). The income levels at which the AMT exemption begins to phase out have increased to \$500,000 (\$1,000,000 if married filing jointly or qualifying widow(er)).

**Section 965 deferred foreign income.** If you own (directly or indirectly) certain foreign corporations, you may have to include on your return certain deferred foreign income. You may pay the entire amount of tax due with respect to this deferred foreign income this year or elect to make payment in eight installments or, in the case of certain stock owned through an S corporation, elect to defer payment until the occurrence of a triggering event. See the instructions for Line 11a; Schedule 1, line 21; Schedule 5, line 74; Form 965; and Form 965-A for more information.

**Global intangible low-taxed income (GILTI) under section 951A.** If you are a U.S. shareholder of a controlled foreign corporation, you must include your GILTI in your income. If you own an interest in a domestic pass-through entity that is a U.S. shareholder of a controlled foreign corporation, you may have a GILTI inclusion related to that interest, even if you are not a U.S. shareholder of the controlled foreign corporation. See [IRS.gov/Form8992](https://www.irs.gov/Form8992) and Form 8992 and its instructions for the latest information regarding GILTI and domestic pass-through entities.

**Domestic production activities deduction.** The domestic production activities deduction has been repealed with limited exceptions. See the instructions for Schedule 1, line 36, for more information.

**Expired tax benefits.** At the time these instructions went to print, some tax benefits had expired. These include the deduction for qualified tuition and fees, the

mortgage insurance premium deduction, and the nonbusiness energy property credit. To find out if legislation extended any of these provisions so you can

claim them on your 2018 return, go to [IRS.gov/FormsUpdates](https://www.irs.gov/formsupdates) or [IRS.gov/Form1040](https://www.irs.gov/Form1040).