



Quote of The Day

"I hire people brighter than me and then I get out of their way"

~ Lee Iacocca (former chairman of Chrysler)

Improving Our Services

We express our gratitude to clients for consistently referring new clients to us. However, in order to continue to improve our services to you, we need your input. Any idea/suggestion will be appreciated. And, we'd like to hear what services from your accountant are important to you.

DOING BUSINESS IN ISRAEL

Click [here](#) for our new business guide, now presented on the PrimeGlobal website

Is Accounting Alien To You?

". . . . By actual survey, it is proven that about 80% of business owners do not understand what their CPA or Accountant is telling them."

"They want to understand those figures and financial items that rule their businesses."
Harry Kafka, NDK Consultants Ltd.

Well, dear clients, we too want you to understand what we are saying and what is happening in your taxes or business. So let's get together now and ensure that we understand one another.

New Income Tax Voluntary Disclosure Procedure

The I.T.A. has published the new Voluntary Disclosure Procedure for income not reported previously in Israel.

Important comments relating to the Tax Amnesty Guidelines:

- Effective immediately until 31 December 2019.
- Anonymous applications may be made until 31 December 2018.
- Provides immunity from criminal proceedings. Information included in rejected applications will also enjoy immunity (criminal and civil). Application must include disclosure of all relevant information and must be done in good faith.
- Interest, linkage and certain penalties will be added to the amount of taxes payable.
- Simplified filing for applications that include up to NIS2,000,000 of unreported assets and unreported income of up to NIS500,000.
- Amnesty will not apply (usually):
 - Where the ITA or other government agency has specific information or has initiated investigation procedures.
 - When income is from illegal activities.

We are available to assist with applications for voluntary disclosure and clarifications.

Wills and Estate Planning

Since this topic is not accorded the attention it deserves, may we once again stress the importance in planning your personal affairs, of periodic review of your last will and testament, and giving thought to the manner in which you have planned your investments, life insurance and cash resources, bearing in mind the needs of your family.



Forget-Me-Nots for 2018

- Annual payroll reports (Form 0126) by April 30th (electronic plus signed confirmation thereafter).
- Annual withholding tax reports (Forms 856, 857, etc.) on payments to subcontractors, suppliers of services, rental of premises, interest, etc. – by April 30th (electronic plus signed confirmation thereafter).
- 10% tax ‘route’ on residential income for 2017 to be reported and paid by January 30, 2018, thereafter subject to interest.
- Annual Company and Registered Partnership License renewal fees – payable by the end of February; non-receipt of renewal vouchers does not exempt you from timely payment. Payment may also be expedited on the Internet.
- Interest and linkage on tax debts – not charged (on 2017 debts) if paid by 31.01; end of February, 50% reduction; end of March, 25%.
- New withholding tax certificates and interim tax payments (mikdamot) dealt with by March.
- Annual Vat reports by exempt dealers – Osek Patur – must be submitted by January 31st.
- Financial and accounting material for preparation of personal and corporate income tax returns for 2017 - to be submitted to our office by March 31st, 2018.(Early preparation and submission)

2017 Personal income tax return checklist

With the Income Tax season now underway, [Click Here](#) for the firm’s Income Tax checklist for 2017, which we request you follow closely and submit the relevant documents and information to us without delay.

REPORTING ON 2017 RENTAL INCOME For Immediate Attention

For those who prefer, or have elected (and are legally entitled to do so), to pay taxes on residential income according to the 10% “route”, you will require special tax payment vouchers.

The tax payable is based on your gross rental income for 2017, and must be paid by January 30th in order to avoid paying interest and linkage on late payments.

[Click Here](#) for our summary on rental income reporting



Compulsory Pension for Self-Employed

1. As of 2017 self-employed persons – under the age of 55 – are legally required to deposit a minimum amount in a pension savings plan.
2. Such minimum amount is fixed at 4.45% of taxable income that is less than half the “average salary”, and thereafter at 12.55%, but not exceeding taxable income of NIS 9,673 per month (NIS 116,076 per annum).
3. These provisions do not apply to a person in the first 6 months of activity as self-employed.
4. These amounts are required to be deposited by December 31st each year, including 2017.
5. These deposits will be added to pension funds tax benefits.
6. Funds may be used under certain conditions as unemployment compensation.