



BROIDE & CO.
Certified Public Accountants (Isr.)

TAX ALERT

Last-Minute Tax Planning for 2017

Do give these your very close attention!

- ❖ **Capital Gains/Losses on Securities** arising in 2017 may be offset against income from dividends and interest on bonds in 2017. (This may include dividends from private companies.); such losses may also be set off against capital gains.
- ❖ Capital gains may be reduced by realized capital losses; assets/investments that reflect paper losses, and are unlikely to rise in value in the very near future, may be suitable candidates for review.
- ❖ **Optimise (don't increase!) expenses/deductions** - These include: *Local and foreign travel *Gifts *Entertainment *Advertising *Depreciation (on assets) *Finance charges *Professional fees *Management charges (investments) *Various others – all within the legal parameters.
- ❖ **Charitable Contributions** – In order to enjoy the Income Tax credit, charitable contributions must be made and received before December 31st. Do ensure that receipts are originals and have Section 46 approval. The tax credit is 35% of the amount contributed for individuals, and for companies, currently 24%.
- ❖ Check your 2016 asset and depreciation schedules for items no longer in use or obsolete: these may be fully depreciated in 2017 if the above applies.
- ❖ Review inventory closely with a view particularly for dead/ obsolete items – will reduce closing inventory and taxable income.
- ❖ **Pension (Gemel) and Training (Hishtalmut) Funds** -Contributions must be made before December 31st.
- ❖ **Trusts** – The paragraphs dealing with capital gains/losses and expenses/deduction are relevant for trusts.

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