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How to use your 2017 tax return to save more in 2018

- The IRS anticipates receiving more than 155 million tax returns this year.
- This is the last year under the old tax rules, but you can still plan ahead for 2018.
- Tax withholding at work, charitable giving and saving for retirement are top priorities.

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This spring, don't just stuff your completed tax return into a drawer. Go through it for savings opportunities you can seize right now.

More than 94 million tax returns have been filed as of March 30, still a long way from the more than 155 million returns the IRS expects to receive this year.

If you've already turned in your paperwork and received a refund — or a tax bill — take a moment to comb through your return.

This is especially important because your 2017 return marks the last time you'll be filing under the old tax regime.

Your 2018 taxes will be subject to the Tax Cuts and Jobs Act, which includes a slate of changes ranging from your tax withholding at work to a higher standard deduction to the loss of certain itemized deductions.

"Leading up to the changes all the way through the tax season, clients are more tuned into the taxes than they have ever been," said Joseph Perry, a CPA and national tax and business services leader at Marcum LLP.

"Going into 2018, our plan is to help them individually understand where they will be this year, whether now, in six months or close to the end of the year," he said.

Here are the key areas of your 2017 return that could help you save on your 2018 taxes.

Withholding on wages

Whether you received an outsized refund or a surprise bill, the first place you should look is on your tax withholding at work – that is, your Form W-4.

This key document indicates to your employer how much federal income tax you ought to have withheld from your paycheck based on the number of dependents you have, whether you itemize deductions and whether you have multiple sources of income.

The calculus of arriving at the right number for withholding has changed in 2018, thanks to the Tax Cuts and Jobs Act. Personal and dependent exemptions are out, and fewer people are expected to itemize deductions on their 2018 tax return because the standard deductions have doubled.

That means it's time to review your W-4 and see whether you ought to withhold more or less tax under these new circumstances.

"Some taxpayers are not having enough withheld," warned Debbie Freeman, director of financial planning at Peak Financial Advisors in Denver. "They'll end up with a horrible surprise this time next year."

Itemized deductions

If you itemized deductions this year, take a peek at your taxes and get a sense of whether you'll still be able to do so next spring.

With the standard deductions going up to $12,000 for singles and $24,000 for married-filing-jointly, taxpayers who fall just short of those thresholds might want to bunch their charitable deductions so that they can continue to itemize.

That means that you'll stuff two years' worth of charitable giving into one year. "Maximize your charitable deductions if you're able to itemize," said Lisa Greene-Lewis, a CPA at TurboTax.

Lost tax breaks

If you're no longer able to itemize for the 2018 tax year, then it's time to assess what that means for you and your finances.

Remember, some breaks are out for good, including the ones you can take for investment management fees, unreimbursed employee expenses and tax prep.

"We have seen investors who pay a large amount of investment management fees see a tax increase because of this lost deduction," said Freeman.

Further, in 2017, you were able to borrow against your home and deduct the interest paid on loans of up to $100,000, regardless of how you used the money.

That won't be the case in 2018: Filers can only take the break on home equity loans if they put the money toward buying or improving the home that secured the loan.

"If you didn't use that home equity line of credit for acquisition or a substantial home improvement, it's now non-deductible," said Freeman. "Reassess it and pay it off."

Savings gimmes

Here's a two-for-one deal in 2018: Increase your contributions to your 401(k). This way, you save for retirement on a tax-deferred basis while reducing your taxable income.

In 2018, you can save up to $18,500 in your 401(k) plan, plus $6,000 more if you're 50 and over.

For IRAs, savers can sock away $5,500 in 2018, plus a catch-up contribution of $1,000 if they're 50 and up.

To sweeten the deal, the IRS grants a savers' credit to individuals who put money away in retirement accounts. The credit phases out fully for single filers whose adjusted gross income exceeds $31,500 (the limit on AGI is $63,000 for married joint filers).

Finally, don't neglect your health savings account in 2018: You can deduct the contributions you make to this tax-advantaged account. An individual with self-only coverage under a high deductible plan can save up to $3,450 in 2018, while an individual with family coverage can kick in up to $6,900.

"These are normal things we do every year, maximizing your 401(k) plan contributions and taking advantage of your medical benefit plans," said Perry of Marcum.