

Tax & Financial Guide

Business and Personal ACCOUNTING, TAX,
SOFTWARE & FINANCIAL PLANNING SERVICES

Tips On Donations

If you make noncash donations to charities, you need a lot of information to take a deduction on your tax return:

- The name and complete address of the organization you donated the items to.
- Your list of the items donated and the value of them when donated.
- The date of the donation.
- Your cost for the items.

The Goodwill and Salvation Army have listings on their website of the market

value of many items. This is a good resource to use.

Goodwill also has a new system where you can go online and list your items and they put a value on them. You can print it out and get most of what you need to take your legitimate tax deduction.

It is always better to have more donations of smaller amounts than one big donation. It is also easier to clean out your house as you go along instead of trying to do it all at once.

Beware The Con

There are a lot of con artists targeting people, especially the elderly. They call claiming to be a relative in need of money. Or claim there is a problem with your computer or a virus on your computer, and they can fix it for you if you give them computer access.

I had one of those call my office. They insisted they were the people who support my computer. I assured them I knew who supported my computer. They continued to insist they needed to fix my computer. They were very aggressive and wouldn't take no for an answer. Imagine your older friends or relatives going through

that.

There are also the scammers who call "from the IRS". I get calls almost every day from clients concerned that the IRS is on their way to arrest them. They aren't coming!!!! Don't get sucked in by these people!!!

Don't give them any information. Don't give them access to your computer. Make sure your parents, grandparents, friends, neighbors, etc. don't get conned by them. Make sure everyone you know is aware of these con artists. The last thing you want is your parents or grandparents or friends losing money to these nefarious creatures.

Review Withholding

The IRS advises taxpayers to review their withholding during the year. You may need to adjust for changes like: marriage, divorce, starting a new job, collecting unemployment, buying or selling a business or rental property, retirement.

The IRS also cautions that it may take more time to receive your tax refunds because more returns will be reviewed before sending refunds in order to catch more fraudulent returns.

Millions of tax refund dollars are sent to taxpayers each year based on fraudulent returns. Since most of that money is deposited to prepaid bankcards, the IRS can't recoup that money.

Instead of refusing to credit prepaid bankcards with tax refunds, the IRS thinks it is wiser to spend more time reviewing a larger amount of accurate tax returns.

If you normally get a large tax refund and your income and deductions are similar to last year, you could change your withholding to reduce the refund amount so you will have more of that money without the extra wait.

Third quarter tax estimates are due September 15, 2016.

If you want us to prepare them for you, we need your income, deductions and withholding amounts in our office by September 9, 2016.

Please call our office to discuss any of the items in this newsletter that may pertain to you.



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*If you misplace your
newsletters, or your
information sheets
that I have given you
(i.e. contributions,
enrolled agents, etc.),
you will be able to
find them on the
web site.*

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PRIVACY POLICY

We do not disclose any non-public personal information about our clients or former clients to anyone, except as instructed to do so by such clients, or required by law. We restrict access to non-public personal information only to IRS or state authorities and we maintain physical, electronic, and procedural safeguards to guard your personal non-public information.

IRS Cuts Don't Help

Congress is continuing to cut the IRS budget. You may think this is good because they do less audits and review fewer tax returns. But if people decide that makes it easier to cheat, it could mean those who pay will pay more taxes.

And because of cost-cutting, if you call the IRS and actually get to talk to someone within 40 minutes, you are incredibly lucky. I was told by an IRS agent that waiting on hold for two hours is the norm.

If you get correspondence from the IRS, we can try to get it taken care of by phone or we can send them a letter. With letters, it may take three before they even look at it. Unfortunately, most of

Added Income?

Another reason to review your withholding is more people are adding extra income from opportunities like Uber, Lyft, Airbnb, etc., business endeavors that give you income with little expense. Since you will receive tax documents at the end of the year, make sure

the letters they send are looking for money.

Many taxpayers just pay the money because they are tired of waiting on hold forever, waiting forever and finally getting through to someone who can't answer the questions, or having their correspondence ignored.

The IRS will get extra money because taxpayers are resigned to never having their situation remedied. Some people just decide they might as well cheat since the IRS is not doing its job. Just be thankful that you don't have the job of contacting and corresponding with them on a regular basis. It gets very infuriating.

you're prepared for taxes on this added income.

If you owe too much tax on your tax return, you can incur penalties. If you don't pay the total amount due by April 15, you will owe interest. A small amount of planning can save you money in the end.

Thanks For Your Support And Patience

I want to thank everyone for their patience and support during my mother's illness and death.

I know there were people I promised a timely finish to their tax returns but needed to put them on extensions. Without everyone's patience this would have been an even harder situation to deal with.

Thank you for everything. It is much appreciated.

If anyone has an interest, or knows of anyone interested, in an inexpensive 4 bedroom single family home on 28th & National, please let me know.

It has great room sizes, energy efficient windows, newer furnace and central air conditioner, 2 ½ floors and a full basement. It is in an area where a buyer can get \$15,000 of home improvement money.



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