

Tax & Financial Guide

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

New IRS Rules On Fraudulent Returns

The IRS has decided to change its policy regarding fraudulently filed tax returns. Previously, it refused to provide copies of the fraudulent returns to the actual taxpayer (whose social security number was illegally used). They are in the process of determining how and when they will provide copies of these criminal tax returns.

Knowing that we will be able to get copies of the tax returns filed with our social security number will help us determine if there are any additional steps we should take to make sure our credit and identity are secure. We will let those taxpayers affected by this know once the IRS determines what they are willing to do regarding this issue.

Scam IRS Agents Increasing

The IRS scam in which con artists telephone people and pretend they are IRS agents is getting worse. The “agents” calling give people their name, badge number, and are very aggressive.

They tell taxpayers whoever did their tax returns didn’t know what they were doing. As a result the IRS is going to take everything they own including their houses, cars, and money. Even people who were told this is a scam

had been very intimidated because the “agents” were so convincing.

If you are contacted by these scam artists, please give us any information you get from them (name, badge number, telephone number, etc.). The government is trying to catch more of these people. They may have arrested the person who started the scam but there are many people who were trained to proceed with the scam.

Canceled Debt?

If you are going through property foreclosure or canceled debt of any kind (i.e. credit cards, mortgages, loans) please call our office. Most of these have tax implications.

Debt collectors are not

required to explain the tax effects of canceled debts when they arrange settlement options. If we have the necessary documentation, we may be able to reduce taxes due on some of these cancellations.

Child Care Tax Credit

Did you pay day camp fees for your children under the age of 13 while you were working? Sports camps, art camps, computer camps, theatre camps, or other day camps can be included in child care for a tax credit.

This does not include summer school or tutoring programs. You will need the name, address, and federal ID number of the organization. Do not miss out on this day care deduction.



Provide Delayed 2014 Details

If you haven’t filed your 2014 tax returns yet, make sure you get your information to us by the end of September or the additional fees to Murphy Financial Services will increase one more time. Since the tax returns are due October 15, we are all running out of time to get them filed.

Third quarter tax estimates are due September 15, 2015.

If you want us to prepare them for you, we need your income, deductions and withholding amounts in our office by September 6, 2015.

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



Sharon L. Murphy, EA

5911 W. Vliet Street
Milwaukee, WI 53208

Phone: 414/453-8655
Fax: 414/453-6396

Email: sharon@murphyea.com
Web site: www.murphyea.com

Murphy Financial Services, Inc. web site is at www.murphyEA.com 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.

Please note that our e-mail address is: sharon@murphyea.com.

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.

Sometimes Planning Is Critical

There are certain times it's important to contact us to do proper tax planning so you do not get unpleasant surprises when you have your tax returns prepared. These situations are: getting married, getting divorced, changing jobs, buying or selling a business or rental property, retiring, taking early distributions from retirement funds, and taking extra distributions

from retirement funds after retirement.

Each year, we have clients that bring in their tax records only to notify us then that things changed and we then notify them of their tax amounts due. It is much better to plan ahead and prepay your tax liability so you don't need to pay additional penalties and interest.

Major Penalty For Not Filing 1099

When you pay a person, or a business that is not a corporation, \$600 or more during the year for personal or rental property business, you need to file a 1099 by January 31 of the following year.

Previously, the penalty for

not issuing a 1099 was \$50. Now the penalty is \$500 for each 1099 not issued!

If you need us to prepare the 1099s for you, provide us with the pertinent information by January 18, 2016.



Benefits In Refinancing?

What is your mortgage interest rate? Should you consider refinancing your mortgage? Do you have equity in your home?

The interest rates could be increasing but more importantly, are you paying a higher rate than you should be? These are things you should think about and, if you have any questions, contact our office.



Check Facebook

Murphy Financial Services has a Facebook page. We can post items on our Facebook page quicker than sharing the information any other way. If you are on Facebook, LIKE our page and you will be notified when we post information to our page.



5911 W. Vliet Street
Milwaukee, WI 53208

414/453-8655