

Gwizdala & Associates

CONSULTANTS & ADVISORS SINCE 1984

Happy New Year!!!! We hope you all had a wonderful holiday season and spent lots of time with loved ones. Tax season is now here!

As usual, we do offer a tax organizer to all of our clients. You can either request a paper copy or we can provide a web organizer via your secure online portal. Call or email Mandy at mandy@tenforty.com for details on this. The tax organizer is a tool to help you gather your necessary documents to prepare your tax return. If you do not use the organizer, we are required to have you sign the annual engagement letter and fill out the two page questionnaire, annually, before the preparation of your tax return.

We have worked with many of you for years and years... even decades for some. We value your commitment to the service we provide. We do, however, have a firm finance policy in effect beginning January 1, 2015. Like any other business, we need to be paid for our services before the product walks out the door or is provided to you online. Therefore, we will need to receive payment from all of our clients at tax time either when you pick up your tax return, before we mail a hardcopy, or before we can upload the return to your online portal.

This policy is important because we don't want to pass on any increased fees to our clients who do value our services and engage in an equal exchange for those services. We want to be able to have more time to provide you superior service rather than spending our efforts on collections. We will be enclosing a new finance policy with your other tax forms.

Have you visited our website lately? We work hard to bring you lots of useful information and answer FAQs. You can also connect with us on Facebook or LinkedIn. We can also text appointment confirmations if this is your preferred method of communication. Let us know what works best for you.

Don't let your Kids prepare their own Tax Returns

Please do not let your kids prepare their own taxes especially if they are students. The new Affordable Care Act has made this even more of an issue. Them filing their own return could cost you and them thousands in healthcare penalties / credits. If your child files a simple short form, we can prepare their return for free when we file yours.



Staff Spotlight

Dan Foley is the newest edition to our Gwizdala & Associates family. Dan is a CPA with extensive background preparing tax returns. He enjoys fishing for bass and northern pike along with hiking. He also enjoys playing with his 5 year old son, Charlie, and his Irish terrier, Kira, as much as possible. We are very excited

to have him onboard and eager for him to be a resource and trusted advisor for you. He is a fantastic addition to our team.

Useful Figures

Mileage Rates:

	<u>2014</u>	<u>2015</u>
Business	56 cents	57.5 cents
Medical & Moving	23.5 cents	23 cents
Charitable Organization	14 cents	14 cents

IRA Contributions:

Under age 50	\$5,500	\$5,500
Age 50 or older	\$6,500	\$6,500

SEP Contributions:

Employees	25% of wages
Self Employed	20% of net SE income up to \$52,000

401(k):

Under age 50	\$17,500	\$18,000
Age 50 or Older	\$23,000	\$24,000

Standard Deductions:

Single or Married filing Separate	\$6,200	\$6,300
Married Filing Joint	\$12,400	\$12,600
Head of Household	\$9,100	\$9,250

Healthcare Reform

We have added new health insurance questions to our questionnaire that MUST be answered due to the changes for the Affordable Care Act. We will also need copies of ALL 1095s you receive. The new regulations will increase the preparation time tremendously of most tax returns.

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Winter 2015 Newsletter

How Do You Prefer to Be Informed?

We do our best to keep you informed with the information we think is very important for you to be aware of. We are currently emailing our periodic newsletter to all clients we have an email address for. We will continue to do this, but we may limit or eliminate the paper copies that are sent out. With rising postage and printing costs, mailing these newsletters via the US Postal Service has become very costly and very time consuming especially if many of our clients are not even reading the literature we send out. We will be conducting a brief survey during tax time to find out how we are doing with keeping you informed and how you prefer to be contacted.

Tax Season Hours

White Bear Office
February – April 14th:
Monday – Thursday
8:30am – 7pm
Fridays
8:30am – 3pm
Saturdays
8am – noon
Remember, we have a
locked drop box to the
right of our door.

The Power of Referrals

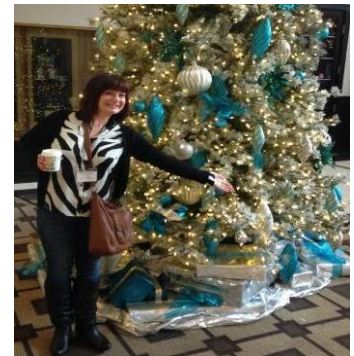
We know that referrals are much more powerful than any marketing campaign which is why we appreciate the thoughtfulness of your referrals to friends and businesses. We want you to know that we also refer our clients to those seeking services that we think will be a good fit. Thank you for your continued support.

Beware of Disallowed Charitable Deductions of Household Goods

A man donated almost \$28,000 worth of household goods, clothing, and electronic equipment to a legitimate charity when his mother passed away. He gathered all donation acknowledgements and prepared a spreadsheet identifying the items and the value. He valued these items using a list he found on the Salvation Army website. The tax court ruled that none of these donations were allowed because the taxpayer did not follow the substantiation requirements of IRC Sec. 170(f)(8) and (11) because evidence showing the item's condition or an appraisal was not provided to support their value.

Telephone Scams Even More Prevalent

We have had many reports from clients of telephone scams claiming to be from the IRS. The calls are targeting taxpayers and immigrants. These calls can be very aggressive. Caller ID even often appears to be legitimately from the IRS and sometimes they send bogus emails appearing to be from an IRS source. The IRS will always send taxpayers a written notification of tax due via the U.S. mail. The IRS will never ask for any credit card information over the phone for payment. These would be tell-tale signs that the calls are bogus. If you are targeted by one of these scams and you know you owe tax, call IRS at 1-800-829-1040. If you know you don't owe tax and you've experienced a scam, call and report the incident to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You should also contact the Federal Trade Commission and use their "FTC Complaint Assistant" at FTC.gov and add "IRS Telephone Scam" to the comments of your complaint. In light of these scams, the IRS has come out with a new YouTube video warning taxpayers to not be fooled by these scams. The video can be viewed at www.youtube.com/watch?v=0y5z0kWGbcM.



What We've Been Up To...

We've been making a lot of changes within our office with a lot of shuffling around to accommodate a growing staff and to create a more efficient workflow. Rick, Stephanie, and Mandy just returned from Chicago for management training and are very excited to put some of the tools that they learned into action. Dick Lidbom helped close out the year with his retirement party. Dick will still be around for client meetings and to help with the preparation of some tax returns before he throws in the towel to enjoy care free days of retirement.