



The JPTFS Newswire

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Advisory • Tax • Accounting

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● **FIVE QUESTIONS TO ASK YOUR CPA BEFORE THE END OF THE YEAR**

Your to-do list is probably pretty full at this time of year. While the thought of adding one more task may feel overwhelming, it's one that can help put your mind at ease this New Year's Eve: Talk to your CPA. These last couple of months of the year are the perfect time to get your financial house in order.

<http://www.moneymattersnj.com/story.cfm?SID=15832>

Source: e-CPA, November 2013

● **DON'T MAKE THESE FIVE ONLINE SHOPPING MISTAKES**

Online shopping can be a great convenience, but there are steps you should take to ensure a safe and satisfying experience. With the holiday shopping season about to begin, here are five mistakes to avoid.

<http://moneymattersnj.com/story.cfm?SID=15829>

Source: e-CPA, November 2013

● **DECIPHERING THE HEALTH INSURANCE REQUIREMENTS**

You can't put it off any longer: As of January 1, 2014, the Affordable Care Act (ACA) requires all Americans to maintain a minimum level of health coverage or face a tax penalty. While some people are flocking to healthcare.gov to research and purchase their insurance, others are unsure how to proceed.

<http://www.moneymattersnj.com/story.cfm?SID=15830>

Source: e-CPA, November 2013

● **TAKE CONTROL OF HOLIDAY SPENDING**

This is clearly a time of year when people dig deep into their pockets to pay for holiday gifts and celebrations, but that doesn't have to put a dent in your budget. Here's some advice on how to make smart spending plans.

<http://www.moneymattersnj.com/story.cfm?SID=15834>

Source: e-CPA, November 2013

● **SHOULD YOU BUY OR LEASE YOUR NEXT VEHICLE?**

Are you deciding between buying or leasing your next vehicle? Leasing a vehicle used to be commonplace only for businesses because of the tax write-off. But now with deals like zero money down, low monthly payments or zero-percent interest, leasing has become a popular option for the general public.

<http://www.moneymattersnj.com/story.cfm?SID=15826>

Source: e-CPA, October 2013

● **PUMP UP YOUR CREDIT SCORE**

Are you looking for a surefire solution that will lower the interest you pay on your mortgage, car loans, credit card accounts and other debt? If so, there's one easy answer: Raise your credit score. Get the lowdown on why your credit score is important and how it can affect your financial life.

<http://moneymattersnj.com/story.cfm?SID=15828>

Source: e-CPA, October 2013

● **FIVE SMART FINANCIAL TIPS FOR YOUNG PEOPLE**

A whopping 70 percent of college students will graduate with student loan debt. This is one of the many sobering realities for young people just beginning higher education or starting a first job, and one of the reasons why it's such a good idea to get a firm grip on money management basics.

<http://www.moneymattersnj.com/story.cfm?SID=15827>

Source: e-CPA, October 2013

● **QUESTIONS TO ASK BEFORE YOU VOLUNTEER**

Americans love to volunteer their time to a worthy cause. But before committing to a new volunteer opportunity, first think about these questions.

<http://www.moneymattersnj.com/story.cfm?SID=15825>

Source: e-CPA, October 2013

● **HOW TO MOVE YOUR SOLE PROPRIETORSHIP, LLC OR CORPORATION TO A NEW STATE**

Are you moving to a new state and wondering how to re-establish your business there? Wondering how to make a seamless transition for your sole proprietorship, LLC or corporation in a new location? Here's some essential information about relocating your business.

<http://www.sba.gov/community/blogs/how-move-your-sole-proprietaryship-llc-or-corporation-new-state>

Source: Small Business Administration, 11/3/13

● **NJ HOMESTEAD BENEFIT APPLICATION DEADLINE EXTENDED**

State Treasurer Andrew Sidamon-Eristoff has announced that the deadline for filing 2012 Homestead Benefit applications has been extended to December 31, 2013.

<http://www.state.nj.us/treasury/news/2013/p11202013a.pdf>

Source: NJ Division of Taxation, 11/21/13

● **NEW JERSEY 2014 TAX CALENDARS**

Listings of due dates for New Jersey taxes in 2014 can be found in the following link:

<http://www.state.nj.us/treasury/taxation/njtaxcal14.shtml>

Source: NJ Division of Taxation, 10/18/13

● **IRS WARNS OF POSSIBLE SCAMS RELATING TO RELIEF TO TYPHOON VICTIMS**

The IRS issued a consumer alert about possible scams taking place in the wake of Typhoon Haiyan. On Nov. 8, 2013, Typhoon Haiyan – known as Yolanda in the Philippines – made landfall in the central Philippines, bringing strong winds and heavy rains that have resulted in flooding, landslides, and widespread damage.

Following major disasters, it is common for scam artists to impersonate charities to get money or private information from well-intentioned taxpayers. Such fraudulent schemes may involve contact by telephone, social media, email or in-person solicitations. The IRS cautions people wishing to make disaster-related charitable donations to avoid scam artists by following these tips:

- To help disaster victims, donate to recognized charities.
- Be wary of charities with names that are similar to familiar or nationally known organizations. Some phony charities use names or websites that sound or look like those of respected, legitimate organizations. The IRS website at IRS.gov has a search feature, [Exempt Organizations Select Check](#), through which people may find legitimate, qualified charities; donations to these charities may be tax-deductible. Legitimate charities may also be found on the Federal Emergency Management Agency (FEMA) website at fema.gov.

- Don't give out personal financial information — such as Social Security numbers or credit card and bank account numbers and passwords — to anyone who solicits a contribution from you. Scam artists may use this information to steal your identity and money.
- Don't give or send cash. For security and tax record purposes, contribute by check or credit card or another way that provides documentation of the gift.
- If you plan to make a contribution for which you would like to claim a deduction, see [IRS Publication 526, Charitable Contributions](#), to read about the kinds of organizations that can receive deductible contributions.

Bogus websites may solicit funds for disaster victims. Such fraudulent sites frequently mimic the sites of, or use names similar to, legitimate charities, or claim to be affiliated with legitimate charities in order to persuade members of the public to send money or provide personal financial information that can be used to steal identities or financial resources. Additionally, scammers often send e-mail that steers the recipient to bogus websites that appear to be affiliated with legitimate charitable causes.

Taxpayers suspecting disaster-related frauds should visit IRS.gov and search for the keywords "[Report Phishing](#)." More information about tax scams and schemes may be found at IRS.gov using the keywords "scams and schemes."

Source: IRS Newswire 11/19/13

● **IN 2014 VARIOUS TAX BENEFITS INCREASE DUE TO INFLATION ADJUSTMENTS**

For tax year 2014, the IRS has announced annual inflation adjustments for more than 40 tax provisions, including the tax rate schedules, and other tax changes. The tax items for tax year 2014 of greatest interest to most taxpayers include the following dollar amounts:

- The tax rate of 39.6 percent affects singles whose income exceeds \$406,750 (\$457,600 for married taxpayers filing a joint return), up from \$400,000 and \$450,000, respectively. The other marginal rates – 10, 15, 25, 28, 33 and 35 percent – and the related income tax thresholds are described in the revenue procedure.
- The standard deduction rises to \$6,200 for singles and married persons filing separate returns and \$12,400 for married couples filing jointly, up from \$6,100 and \$12,200, respectively, for tax year 2013. The standard deduction for heads of household rises to \$9,100, up from \$8,950.
- The limitation for itemized deductions claimed on tax year 2014 returns of individuals begins with incomes of \$254,200 or more (\$305,050 for married couples filing jointly).
- The personal exemption rises to \$3,950, up from the 2013 exemption of \$3,900. However, the exemption is subject to a phase-out that begins with adjusted gross incomes of \$254,200 (\$305,050 for married couples filing jointly). It phases out completely at \$376,700 (\$427,550 for married couples filing jointly.)
- The Alternative Minimum Tax exemption amount for tax year 2014 is \$52,800 (\$82,100, for married couples filing jointly). The 2013 exemption amount was \$51,900 (\$80,800 for married couples filing jointly).

- The maximum Earned Income Credit amount is \$6,143 for taxpayers filing jointly who have 3 or more qualifying children, up from a total of \$6,044 for tax year 2013. The revenue procedure has a table providing maximum credit amounts for other categories, income thresholds and phaseouts.
- Estates of decedents who die during 2014 have a basic exclusion amount of \$5,340,000, up from a total of \$5,250,000 for estates of decedents who died in 2013.
- The annual exclusion for gifts remains at \$14,000 for 2014.
- The annual dollar limit on employee contributions to employer-sponsored healthcare flexible spending arrangements (FSA) remains unchanged at \$2,500.
- The foreign earned income exclusion rises to \$99,200 for tax year 2014, up from \$97,600, for 2013.
- The small employer health insurance credit provides that the maximum credit is phased out based on the employer's number of full-time equivalent employees in excess of 10 and the employer's average annual wages in excess of \$25,400 for tax year 2014, up from \$25,000 for 2013.

Details on these inflation adjustments and others not listed can be found in [Revenue Procedure 2013-35](#).

Source: IRS Newswire 10/31/13

IRS ANNOUNCES 2014 PENSION PLAN LIMITATIONS

The IRS has announced the following regarding pension plans in 2014:

- The elective deferral (contribution) limit for employees who participate in 401(k), 403(b), most 457 plans, and the federal government's Thrift Savings Plan remains unchanged at \$17,500.
- The catch-up contribution limit for employees aged 50 and over who participate in 401(k), 403(b), most 457 plans, and the federal government's Thrift Savings Plan remains unchanged at \$5,500.
- The limit on annual contributions to an Individual Retirement Arrangement (IRA) remains unchanged at \$5,500. The additional catch-up contribution limit for individuals aged 50 and over is not subject to an annual cost-of-living adjustment and remains \$1,000.
- The deduction for taxpayers making contributions to a traditional IRA is phased out for singles and heads of household who are covered by a workplace retirement plan and have modified adjusted gross incomes (AGI) between \$60,000 and \$70,000, up from \$59,000 and \$69,000 in 2013. For married couples filing jointly, in which the spouse who makes the IRA contribution is covered by a workplace retirement plan, the income phase-out range is \$96,000 to \$116,000, up from \$95,000 to \$115,000. For an IRA contributor who is not covered by a workplace retirement plan and is married to someone who is covered, the deduction is phased out if the couple's income is between \$181,000 and \$191,000, up from \$178,000 and \$188,000. For a married individual filing a separate return who is covered by a workplace retirement plan, the phase-out range is not subject to an annual cost-of-living adjustment and remains \$0 to \$10,000.
- The AGI phase-out range for taxpayers making contributions to a Roth IRA is \$181,000 to \$191,000 for married couples filing jointly, up from \$178,000 to \$188,000 in 2013. For singles and heads of

household, the income phase-out range is \$114,000 to \$129,000, up from \$112,000 to \$127,000. For a married individual filing a separate return, the phase-out range is not subject to an annual cost-of-living adjustment and remains \$0 to \$10,000.

- The AGI limit for the saver's credit (also known as the retirement savings contribution credit) for low- and moderate-income workers is \$60,000 for married couples filing jointly, up from \$59,000 in 2013; \$45,000 for heads of household, up from \$44,250; and \$30,000 for married individuals filing separately and for singles, up from \$29,500.

Source: IRS Newswire 10/31/13

● **IMPORTANT DATES - MARK YOUR CALENDAR**

The IRS Tax Calendar for Small Businesses and the Self Employed is follows:

➤ **NOVEMBER 2013 (remainder)**

11/27/2013

- Deposit payroll tax for payments on Nov 20-22 if the semiweekly deposit rule applies.

➤ **DECEMBER 2013**

12/2/2013

- Deposit payroll tax for payments on Nov 23-26 if the semiweekly deposit rule applies.
- File Form 730 and pay tax on wagers accepted during October.
- File Form 2290 and pay the tax for vehicles first used during October.

12/4/2013

- Deposit payroll tax for payments on Nov 27-29 if the semiweekly deposit rule applies.

12/6/2013

- Deposit payroll tax for payments on Nov 30 - Dec 3 if the semiweekly deposit rule applies.

12/10/2013

- Employers: Employees are required to report to you tips of \$20 or more earned during November.

12/11/2013

- Deposit payroll tax for payments on Dec 4-6 if the semiweekly deposit rule applies.

12/13/2013

- Deposit payroll tax for payments on Dec 7-10 if the semiweekly deposit rule applies.

12/16/2013

- Corporations: Deposit the fourth installment of your 2013 estimated tax.
- Deposit payroll tax for Nov if the monthly deposit rule applies.

12/18/2013

- Deposit payroll tax for payments on Dec 11-13 if the semiweekly deposit rule applies.

12/20/2013

- Deposit payroll tax for payments on Dec 14-17 if the semiweekly deposit rule applies.

12/26/013

- Deposit payroll tax for payments on Dec 18-20 if the semiweekly deposit rule applies.

12/30/2013

- Deposit payroll tax for payments on Dec 21-24 if the semiweekly deposit rule applies.

12/31/2013

- File Form 730 and pay tax on wagers accepted during November.
- File Form 2290 and pay the tax for vehicles first used during November.

Source: IRS Calendar Connector

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