

SCHULTZ & MOLEPSKE, LLC

Certified Public Accounting Firm

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TAX SEASON OFFICE HOURS

By appointment or

Monday - Friday
8:00 a.m. - 5:00 p.m.

Saturday
9:00 a.m. - 2:00 p.m.
(beginning Feb. 7, 2015)

IMPORTANT DATES

01/15/15
4th quarter 2014 federal & state individual estimated tax payments due

01/31/15
Forms W-2 and 1099 to recipients due

03/01/15
Personal Property Statement due

03/16/15
"C" & "S" corporate income tax returns due

04/15/15
Individual, Partnership & Fiduciary income tax returns due

1st quarter 2015 federal & state individual estimated tax payments due

06/15/15
2nd quarter 2015 federal & state individual estimated tax payments due

09/15/15
3rd quarter 2015 federal & state individual estimated tax payments due

01/15/16
4th quarter 2015 federal & state individual estimated tax payments due

Taxing Solutions

A periodic newsletter for the clients and friends of Schultz & Molepske, LLC

Winter 2015

FROM SCOTT'S DESK



Happy New Year! Another year has come and gone. I want to thank each and every client for allowing us the opportunity to serve you this year.

One of our areas of concern this year are scams that are targeting innocent taxpayers. Hopefully you will come away with

some useful information in the article below regarding scams and identity theft. Don't be a victim!

For more information and guidance as you begin sorting out your tax situation for 2014, contact our office. We are always ready to answer any questions you may have!

Scott

TAXPAYER BEWARE!

With the start of the tax season approaching, we would like to make you aware of tax-related scams that proliferate during this time of year.

IRS-Impersonation Telephone Scam:

Callers pretend to be from the IRS in hopes of stealing money or identities from victims. These phone scams include many variations, ranging from instances where callers say the victims owe money or are entitled to a huge refund. Some calls threaten arrest or threaten a driver's license revocation. Sometimes these calls are paired with follow up calls from people saying they are from the local police department or the state motor vehicle department. Scammers use fake names and IRS badge numbers and may spoof the IRS toll-free number on caller ID to make it appear it's the IRS calling. They sometimes send bogus IRS emails to victims to support their bogus calls. If you get a call from someone claiming to be with the IRS and you believe it may be a scam, you should report the incident to the Treasury Inspector General for Tax Administration at 800-366-4484.

Phishing Scam:

Phishing is a scam typically carried out with the help of unsolicited email or a fake website that poses as a legitimate site to lure in potential victims and prompt them to provide valuable personal and financial information. Armed with this information, a criminal can commit identity theft or financial theft. If you receive an unsolicited email that appears to be from the IRS, report it by forwarding the email to phishing@irs.gov. Do not open any attachments or click on any links in a suspicious email.

Identity Theft:

Identity theft occurs when someone uses your personal information, such as your name, SSN or other identifying information to commit fraud or other crimes. In many cases, an identity thief uses a legitimate taxpayer's identity to fraudulently file a tax return and claim a refund. Taxpayers who believe they are at risk of identity theft due to lost or stolen personal information should contact the IRS immediately so the agency can take action to secure their tax account. You can call the IRS Identity Protection Specialized Unit at 800-908-4490.

Note that the IRS will NEVER:

- Call to demand immediate payment, call about taxes owed without first having mailed you a bill, or demand that you pay taxes without giving you the opportunity to question the amount.
- Require you to use a specific payment method for your taxes, such as a prepaid debit card.
- Ask for credit or debit card numbers over the phone.
- Threaten to bring in police or other law-enforcement groups to have you arrested for not paying.
- Initiate contact with taxpayers by email, text messages, or social media channels to request personal or financial information.
- Ask for personal identification numbers (PINs), passwords, or similar confidential access information for credit card, bank or other financial accounts.

The IRS always initiates contact by mail first! If in doubt, please contact us for assistance.

TAX EXTENDER BILL

On December 19th, 2014, the President signed the "Tax Increase Prevention Act of 2014" (TIPA). This new law extends the so-called "tax extenders" retroactively for one year (through 2014) and created ABLE savings accounts.

Some of those items retroactively extended through December 31, 2014 include:

- \$250 Teachers' Classroom Expense Deduction
- State and Local General Sales Tax Deduction
- Mortgage Insurance Premium Deduction
- Charitable Distributions From IRAs
- Tuition and Fees Deduction
- Nonbusiness Energy Property Credit
- 50% First Year Bonus Depreciation
- Section 179 Limit of \$500,000 with a \$2,000,000 Overall Investment Limit
- Research Tax Credit and Work Opportunity Credit

Note that as of January 1, 2015, the above extenders are no longer valid unless Congress once again passes them.

One other notable achievement of the new law was the creation of ABLE (Achieving a Better Life Experience) savings accounts. These are tax-favored savings accounts for individuals with disabilities. Contributions of up to \$14,000 can be made into an ABLE account for 2015 to cover qualified medical expenses, education, transportation, and housing. Distributions for nonqualified expenses would be subject to tax and penalty.

TAX SEASON INFORMATION

- Please use our PO Box rather than our street address when mailing anything to our office:
 - Schultz & Molepske, LLC
 - PO Box 72016
 - Cedarburg, WI 53012
- Bring us your signed engagement letter (mandatory for us to complete your returns), your filled out tax information sheet, and all supporting documentation. If you would like to meet with us to go over your information, call us at 262-376-2100 to schedule an appointment.

UPCOMING FOR 2015

Social Security wage base will increase from \$117,000 to \$118,500.

Traditional and ROTH IRA contribution limits will remain at \$5,500 \$6,500 if born before 1966.

401(k) and 403(b) contribution limits will increase to \$18,000 \$24,000 if born before 1966.

Simple plan contribution limits will increase to \$12,500 \$15,500 if born before 1966.

Maximum HSA contribution will be \$3,350 Individual; \$6,650 Family; \$1,000 55 or Older Catch-up.

Standard Mileage Rate for business miles will increase to 57.5 cents.

Gift Exclusion will stay the same at \$14,000.

2014 & 2015 MILEAGE RATES

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

CLIENT REFERRALS

New clients are always welcomed! We appreciate your kind referrals and thank you for your confidence in us!