

SMALL BUSINESS GROUP

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CONTACT



JUNE 2014

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6/16

- Payroll tax deposit due if liability is over \$2500
- 2nd installment of 2014 estimated tax due

6/20

- Sales tax reports due

7/3

- **Office is Closed for Independence Day**



OFFICE HOURS:

Monday - Thursday
8 am to 5 pm

CLOSED FRIDAYS
(May through December)



Semi-Weekly 941 Deposit Due Dates

Payroll Check Date:	Deposit is Due on:
May 28-30	Jun 4
May 31-Jun 3	Jun 6
Jun 4-6	Jun 11
Jun 7-10	Jun 13
Jun 11-13	Jun 18
Jun 14-17	Jun 20
Jun 18-20	Jun 25
Jun 21-24	Jun 27
Jun 25-27	Jul 2
Jun 28-30	Jul 7



GEAR UP FOR NEW OBAMACARE WAITING-PERIOD RULES



Despite recent delays in enforcement of the health insurance mandate under Obamacare—officially titled the Patient Protection and Affordable Care Act (PPACA)—employers still must comply with other rules in the health insurance law.

Alert: The Treasury Department recently issued new final regulations on the 90-day waiting-period rule for employers. The new regs expand on earlier proposed regulations and clarify certain other issues.

Here's a brief recap of some of the high points relating to the 90-day waiting period. Under the PPACA, an employer's health insurance plan can't impose a waiting period of more than 90 calendar days before coverage is available to employees. This rule applies to new hires and other employees who are first becoming eligible for health insurance coverage. The 90-day waiting period applies to plans of all employers regardless of size. It also covers plans that are grandfathered under other provisions of Obamacare as well as self-insured plans.

This PPACA provision went into effect for plan years beginning in 2014 or after, but the final regulations technically apply to plan years beginning on Jan. 1, 2015, or after. For 2014, your firm may choose to rely on earlier proposed regulations or the new final regulations. The new regs explain that an employer only has to offer coverage to all "otherwise employees" after 90 days. For example, part-timers may be excluded. Also, eligibility may be based on hours worked if the required time doesn't exceed 1,200 hours. This is intended to be a one-time eligibility requirement.

Furthermore, the final regulations say that the 90-day waiting period includes all calendar days, including weekends and holidays. The

period begins when "substantive eligibility conditions" are met, such as being in an eligible job class, meeting any licensing requirements detailed in the plan and satisfying a reasonable and bona fide orientation period.

If a former employee is rehired, the rehire may be treated as being newly eligible for coverage. Therefore, he or she may be required to meet the plan's eligibility requirements and satisfy the 90-day waiting period.

What's the penalty if an employer doesn't observe the rules? Failure to comply with the 90-day waiting period for eligible employees could result in retroactive eligibility and premium payments to keep the plan in place.

The final regulations can be read in their entirety at www.dol.gov/opa/media/press/ebsa/20140220-redfeg1.pdf.

Small Business Tax Strategies — May 2014

John V.R. Williams



For those who haven't heard the news yet, we received word that John Williams passed away on Saturday, May 24, 2014. John was the original owner of Small Business Group, Inc., and was very active in the community. He will be missed. Our thoughts and prayers are with his wife, Judi, the kids and grandchildren.



MAIL CALL

Notify IRS of address change

Q I'm having my disabled mother's mail sent to me. Should I send the IRS a change of address?

A Yes. If the address was changed after filing your mother's return, notify the post office that services the old address. Because not all post offices forward government checks, simply arranging for mail to be forwarded by the post office doesn't ensure you'll receive a refund check. To change your address with the IRS, complete Form 8822, *Change of Address*. Send it to the IRS address shown on the form.

Tip: Don't forget to also change your mother's address for state income tax purposes.

Small Business Tax Strategies — May 2014



THE TAX TICKER

Spot monster tax scam. The Treasury Inspector General for Tax Administration (TIGTA) is warning taxpayers to watch out for a massive tax scam. Typically, you receive a phone call from someone claiming to represent the IRS. The caller will threaten you with loss of your driver's license, steep fines or even jail time if you don't pay via a pre-paid debit card or wire transfer. "This is the largest scam of its kind that we have ever seen," said TIGTA Inspector General J. Russell George. TIGTA reports over 20,000 contacts since the 2014 tax filing season began with thousands of victims collectively defrauded out of more than \$1 million. Note: The IRS contacts taxpayers by mail and doesn't ask for payments over the phone.

IRS posts Data Book. On March 21 the IRS released the 2013 IRS Data Book, a summary of agency activities for the last fiscal year. (IRS News Release IR-2014-34) Here are some highlights:

- The IRS collected almost \$2.9 trillion in federal revenue and processed 240 million returns.
- Out of the 146 million individual income tax returns filed, almost 83% were e-filed.
- More than 118 million individual filers received a tax refund, totaling almost \$312.8 billion.
- The IRS examined less than 1% of all tax returns filed and about 1% of all individual income tax returns.
- Of the 1.4 million individual tax returns examined, over 39,000 resulted in additional refunds.

View an electronic version of the 2013 Data Book at www.irs.gov.

Small Business Tax Strategies — May 2014

GROW our Business

HELPUS

Do you KNOW an Entrepreneur?

Refer them to Small Business Group & they will receive a one-on-one consultation... FREE!

If they sign up with SBG, YOU could receive a credit on next year's client engagement.

Contact SBG at 731-2221



Save Those Receipts

One of the most important things a business owner can do is to keep good records throughout the year. If the IRS examines your tax return, any expense you failed to document could be disallowed.

Be sure to keep all receipts to verify exactly what was purchased and when. Keep credit card receipts, credit card statements and bank statements (along with cancelled checks) to verify that the money was actually spent. Designate a spot in your office specifically for expenses and go through them periodically. You can group similar expenses together and total them. Good recordkeeping will give you a better idea of the types of expenses you are incurring and what your bottom line will be. An added benefit is that, when it comes time to file your tax return, you'll be more prepared.

QuickBooks Corner: Protect yourself from fraud

As a business owner, it is important for you to keep an eye on your checking account to be sure an employee is not misappropriating funds. How can you do this? Periodically, obtain check copies from your bank and match them to your QuickBooks bank reconciliation report to make sure the payee in QB is the same as the one written on the check itself. Most banks will give you the option of receiving check images with your statements. If you would like more information on how you can protect yourself from fraud, contact SBG at 731-2221 or sbg@smallbg.com.

Do a home inventory



Take photos of your home or, even better, make a video showing the contents. Describe the items, their acquisition dates and their costs or approximate values. Then store it in a safe-deposit box. This is the best proof you can have if the property is ever damaged by a natural disaster. Casualty loss deductions are limited to the damage sustained, minus insurance reimbursements, in excess of 10% of your AGI (after subtracting \$100 per event).