

If you don't know where you are going, you'll end up someplace else.

-Yoggi Berra

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TAX DEDUCTIBLE MOVES

- If you make a work related move...start a new job or work at the same job in a new location...you may be able to write off your expenses if you meet 3 simple tests:
 1. Your move must relate to the start of your new job. You have one whole year for this test and to collect these expenses. Especially helpful for those late in the year job moves.
 2. Must meet distance test. This is the 50 mile rule. Your new job must be 50 miles farther from your FORMER home than your old job.
 3. Time on the new job must be at least 39 weeks.
- Moving costs include: Travel (while moving), transport of household goods, utility connect and disconnect costs...just to name a few.

IDENTITY THEFT ON THE RISE

- Topping the IRS's "Dirty Dozen" list, identity theft is quickly becoming a top priority for IRS. Ways you can protect yourself:
 - **Phishing** schemes posing as IRS contact - the IRS NEVER SOLICITS BY E-MAIL. Don't open it. Go ahead and forward to: phishing@irs.gov
 - **Banking** verifications through your e-mail. Unless you are doing online bank...don't open.
 - **Invoice confirmations** through your e-mail are ways real sounding companies get data from you they don't deserve.
 - **Shopping** on the Web? Make certain it is a secure site - visit the Federal Trade Commission's website for more information.
- Contact your tax advisor or IRS if you have fallen victim. Form 14039 should be filed with IRS.

PART OF OBAMA CARE ALREADY IN PLACE

- **3.8% Medicare surtax** is already in place for those filing as Married-joint making more than \$250,000...all other filers making more than \$200,000 will be paying the extra 3.8%.
- Deductible Medical for 2013 - **must be over 10%** of your adjusted gross income (up from 7.5% for 2012).

FAQ's Corner:

Well...another tax season is **almost** over. Most of you met the April 15th deadline, but a select few are still gathering information until our next October 15th deadline. So many questions are asked each year. Just a few to share with you:

Question: When I get a letter from the IRS...is that from a person or a computer?

- ✓ Computers are the first stop with complex logarithm analysis. If you get a letter from an **individual**...chances are you are on your way to an audit.

Question: How much charitable gifting can I use as a write off?

- ✓ You can gift to charities as much as 50% of your adjusted gross income. If you gift over that amount, there is a carryover provision to future years.

Question: Is there a limit on the number of dependents I can claim?

- ✓ There really isn't a limit on the number of "qualifying dependents." However, the larger the family the more likely you will pay Alternative Minimum Tax.

Question: If I earn money in different states, do I file a tax return in each state?

- ✓ You bet. Every state needs to hear from you on their allocable share of your tax hide.

Question: My dog barks when anyone comes close to the house. Is that a security system or home improvement?

- ✓ If your house is also a business with inventory at risk unless guarded (think of a junk yard or a storage center) your dog is part of a security system...otherwise...your dog costs are part of life with no tax assistance.

Question: Is there a limit on how much I can sell on E-bay or Amazon and not pay taxes?

- ✓ Online selling should be reported as gross business income (on a Schedule C for a sole proprietor) with a cost of sale. Any net income (above your overall cost) is reported as taxable.

Question: What position did Yogi Berra play?

- ✓ Considered one of the best catchers in baseball history, Yogi Berra played his entire professional career for the Yankees.

Remember: Taxes don't have to be a surprise.