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August 2024

Scammers are always scheming up new ways to steal your money. At the same time, the altruistic IRS is trying to protect you by staying one step ahead of the fraudsters. In this month's newsletter, read about the latest scams flagged by the IRS that you should be on the lookout for this summer.

Also in this edition, find out how to avoid the back-to-school shopping trap, tips to increase the worth of your most valuable asset, and a list of buzzwords that can help expand your professional vocabulary.

As always, feel free to pass this information on to anyone that may find it useful and please call if you have any questions or concerns.

Upcoming dates:

September 2

-Labor Day

September 16

-Filing deadline for 2023 calendar-year S corporation and partnership tax returns on extension

-Due date for 3rd quarter installment of 2024 estimated income tax for individuals, calendar-year corporations, and calendar-year trusts & estates

Beware of Scammers Targeting Your Tax Info, Warns IRS

Social media is an easy way for scammers and others to try encouraging people to pursue *some really bad ideas, and that includes ways to magically increase your tax refund.*

– IRS Commissioner Danny Werfel

Tax scammers continue to become more sophisticated, which means it's more important than ever to pay attention to any person or message asking you to provide confidential information. Here are several of the more prevalent scams to be on the lookout for, according to the IRS.

- **Phishing and smishing.** Taxpayers continue to be bombarded with email and text scams from fraudsters attempting to lure you into providing valuable personal and financial information that can lead to identify theft. Phishing involves fraudsters sending emails claiming to come from the IRS, while smishing uses text messaging and alarming language such as **Your account has now been put on hold!**

  What you can do: Never respond to phishing and smishing messages, and never click on a link! Report all unsolicited emails, including the full email headers, claiming to be from the IRS to phishing@irs.gov.
- **Online help to create an IRS account**. A scammer may offer to help you set up an online account on www.irs.gov. While the IRS's online account tool can provide convenient access to your tax information, it's also a valuable source of information for identity thieves who use information from your account to submit fraudulent tax returns using your name in order to get a big refund.

  What you can do: Schedule an appointment with someone you trust if you need help creating an online IRS account.
- **Fake charities asking for donations.** Scammers masquerading as charitable organizations try to lure you into making a contribution after natural disasters and other publicized tragedies. Scammers also use fake charities to swipe personal and financial information from you, in addition to targeting certain groups such as senior citizens.

  What you can do: Visit www.irs.gov, then search for Tax-Exempt Organization Search Tool. Use this tool to confirm that a charity to whom you want to donate is a legitimate organization registered with the IRS.
- **Fake tax advice and AI tools.** Social media routinely circulates inaccurate and misleading tax information. These articles and videos share wildly inaccurate tax advice, including some that involve urging people to misuse common tax documents such as Form W-2 or Form1099. They will make is especially convincing by using AI as a buzz word.

What you can do: Don't turn to the internet for tax advice. Remember, AI-generated ideas can also pull in inaccurate information as well!

It's easy to fall victim to tax scams. So stay vigilant and if you see a scam, let everyone know. It's with increased awareness that we can decrease the number of scam victims.

5 Little-Known IRA Opportunities You Should Know About

IRAs can be a powerful tool to lower your taxes while helping you save for retirement. Here are 5 little-known opportunities about IRAs that can help you and other family members save even more when contributing your IRAs.

- **A nonworking spouse can have an IRA.** If your spouse doesn't work, you may still be able to open and contribute to an IRA for your spouse, assuming that you work and file a joint tax return. This can be a great way to help reduce your taxable income each year.
- **Even children can have IRAs.** If your child has earned income, you can open and contribute to an IRA. Just make sure you can document the earnings. While your child can contribute their own earnings, many parents will help keep track of things like babysitting money, then match those earnings in either a traditional or Roth IRA. Often the Roth IRA is preferred, because the future earnings could be tax free! Your child's IRA is managed by an adult until the child is old enough for the account to be transferred into their name.
- **You may still contribute to an IRA if you have a 401(k) or similar program at work.** As long as you do not exceed the income limits, you can have both an IRA as well as other types of retirement savings plans.
- **Non-deductible contributions may be made.** If you exceed certain income levels, contributions to your IRA won't be able to reduce your taxable income for the year. But you may still want to make after-tax contributions to a non-deductible IRA, as the earnings can still grow tax-deferred.

- **It's not just for retirement.** With traditional IRAs, if you withdraw funds before the age of 59 1/2 you may be subject to income tax AND an early withdrawal penalty. But there are exceptions to this rule, including withdrawals for a first time home purchase, major medical bills, college costs, birth and adoption expenses, and others. However, it is important to know the rules *BEFORE* you withdraw the funds.

Tax rules surrounding IRAs are vast and complex. But within the rules are numerous situations that if you know they exist, can help you plan for a more tax-efficient future.

The Busy Business Owner: Get Back 15 Minutes a Day

Meetings, phone calls, emails, text messages, and water cooler conversations with your employees constantly bombard you as a business owner. Freeing up 15 minutes a day could dramatically improve both your workflow and peace of mind.

Here are some ideas for getting back 15 minutes every day:

- **Use your phone.** Whenever possible, use your phone instead of email. Oftentimes talking with someone directly is more efficient than spending the time to compose an email. Plus, email chains can fill your inbox and require precious minutes to read and decipher. Using the phone can also help avoid potential misunderstandings, as a person’s tone of voice conveys information that may be lost or misinterpreted when shared via a written message.
- **Be brief with emails.** Many tech entrepreneurs are known for their brief emails that consist of only several words. In situations where you do use email, consider crafting a response that is only several words in length. And remember the golden rule of emails: send fewer emails to receive fewer emails.
- **Plan your meetings.** Face-to-face time with colleagues, vendors, and customers is often productive and essential for growing a business. On the other hand, meetings can be a huge waste of time if not properly planned. Establish clear goals for a meeting in advance so your team can focus on priorities and get back to work.
- **Minimize distractions.** Business owners enjoy developing a rapport with their employees. These personal conversations, however, need to have boundaries so

that both you and your employees can stay on task. Tell your team if there's a day you don't have time for small talk. Consider putting an old-fashioned *Do Not Disturb* sign on your door when you need to get things done.

- **Delegate when possible.** If you're a small business owner who built a company from scratch, you may be reluctant to relinquish control over day-to-day operations. But failure to delegate can sap time from more important tasks like planning, building relationships with key vendors, and growing your customer base. So develop a plan to train your employees to assume more responsibility over time.

Fifteen minutes may not seem like much, but a busy business owner can work wonders with just a little more time every day.

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