



## Key Practice Management and Accounting Updates

### UPCOMING EVENTS

May 13, 2016 –

- Burkhart Day of Experts
- Seattle Yacht Club
- 8AM – 2PM

June 16 - 18, 2016 –

- PNDC conference
- Bellevue, WA
- Don't miss this opportunity to attend 3 days of continuing education topics and earn up to 23.5 CE credits.
- Over 150 exhibits will be included in the trade show. Make sure to stop by our booth!

### SPRING CLEANING TIME

Getting tired of all the paper? Consider buying a scanner and keeping your records digitally – just be sure to have a good back-up system in place.

Ready to throw some of it out? Give us a call if you need our resource on how long to keep important legal, tax and financial data.

Be sure to maintain a copy of the digital tax return we mailed to you for the 2015 tax filing season. The password will be either your social security number (if a personal return) or the tax ID number of the business (if a partnership or corporate return).

### STANDARD AUTO MILEAGE RATE

The standard reimbursement rate for automobiles is 54.0 cents per mile for 2016 down from 57.5 cents in 2015.

### RETIREMENT PLAN LIMITS

#### 401(k) Limits

Year	Max Deferral	IF 50+
2016	\$18,000	\$24,000

#### SIMPLE IRA Limits

Year	Max Deferral	IF 50+
2016	\$12,500	\$15,500

#### IRA Limits

Year	Max Contribution	IF 50+
2016	\$5,500	\$6,500

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## **IRS CORRESPONDENCE and ID THEFT**

Don't delay in forwarding any correspondence you receive from the Internal Revenue Service to us immediately. Even if no action is required, we may need that information to prepare your return accurately in the future.

If a response is required, a timely and well-crafted response will often resolve most matters quickly and may minimize interest and penalties.

If the correspondence is related to ID Theft, it is very important that we take action quickly, so do not delay in forwarding that to us.

And remember, the Internal Revenue Service will never call you at your home. If you get such a call, do not give any information to the caller.

## **PAYROLL AND BENEFITS**

Best practice is to obtain a new W-4 as well as retirement plan deferral authorization form each year from each employee. Even if an eligible employee chooses to not defer into your retirement plan, we recommend you get a signed form from the employee to evidence that you in fact offered the benefit to them.

Make sure you have updated your payroll tax rates for 2016 in QuickBooks or with your payroll provider. Payroll taxes are the responsibility of the employer and it is wise to regularly verify that the required deposits have been made to your tax account. Call us if you have questions about how to do this.

Notify your payroll service if terminated employees are still listed on your timesheet forms provided by Paychex, ADP or any other provider. If you do not know the exact termination date, just give an estimate.

## **HUMAN RESOURCES**

Do you have an employee manual? Many important policies and benefits are covered in a company's employee manual and you want to be sure this document is kept current with regard to changes in staffing and benefits. Put an annual review reminder on your calendar so that this is not forgotten.

Another important document is the Summary Plan Description. The US Department of Labor requires employers with group health plans to provide SPDs to all employees. This is not the same as the summary provided by your health insurer. The SPD explains insureds rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). The document does not recap specific coverage but rather the general plan overview, coverage information, administrative information and rights under ERISA, HIPPA and COBRA.

## **PLANNING FOR 2016**

Now that you have historical numbers for your practice, is it time to make a plan for the remainder of this year and the next few years? Is it time to consider new equipment? Time to address some financial planning questions? Let's schedule some time to discuss these items in the next couple of months.

Questions? Please email us at [mail@cpa4dds.com](mailto:mail@cpa4dds.com) or call us at 425.216.1612