



Key Practice Management and Accounting Updates

UPCOMING EVENTS

May 12, 2017 –
**Mid-Career to Life After
 Dentistry Series**
 - Bellevue Club
 - 8AM – 2PM

May 19, 2017 –
UW Ortho Presentation
 - Orthodontic Practice
 Finance 301
 (UW Grad Students)
 - UW School of Dentistry
 - 1:15 PM – 4:15 PM

June 15 - 17, 2017 –
PNDC
 - Bellevue Hyatt Regency
 - Over 150 exhibits will be
 included in this 3 day
 trade show. Make sure
 to stop by our booth!
 - Register for continuing
 education topics and
 earn up to 23.5 CE
 credits.
 - Come see us in Booth #1
 Just outside the Exhibit
 Hall Entrance!

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UPDATE PAYROLL AND BENEFITS FORMS

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 2017 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 provider if terminated employees are still listed on your timesheet forms provided by Paychex, ADP or any other payroll provider. If you do not know the exact termination date, just give an estimate.

QSE-HRA HEALTHCARE REIMBURSEMENT

QSE-HRA (qualified small employer health reimbursement arrangements) are an optional benefit that employers with fewer than 50 full-time equivalent employees can use to reimburse employees for qualified medical expenses. The qualified medical expense must be on the IRS's list of approved expenses. Employers can define a narrower list but not a broader one.

Signed into law December 2016, QSE-HRAs are also governed by the Employee Retirement Income Security Act (ERISA), so employers must give employees a summary plan description describing their benefits under the plan.

Employers are encouraged to work with counsel or another trusted advisor to determine eligibility to offer a QSE-HRA and ensure they meet other requirements under the act, including funding requirements, reimbursement limits, and employee eligibility.

AUTO RATE MILEAGE

The standard reimbursement rate for automobiles is 53.5 cents per mile for 2017 down from 54.0 cents in 2016.

QUICKBOOKS UPDATE

After May 31, 2017 QuickBooks 2014 will no longer be supported. Plan to upgrade to QuickBooks 2017 soon!

Have you considered QuickBooks Online? Advantages are that you will have 24/7 access anywhere you have internet and you will not have to send us copies of your QB files!

RETIREMENT PLAN LIMITS

401(k) Limits

| Year | Max Deferral | IF 50+ |
|------|--------------|----------|
| 2017 | \$18,000 | \$24,000 |

SIMPLE IRA Limits

| Year | Max Deferral | IF 50+ |
|------|--------------|----------|
| 2017 | \$12,500 | \$15,500 |

IRA Limits

| Year | Max Contribution | IF 50+ |
|------|------------------|---------|
| 2017 | \$5,500 | \$6,500 |

RECORDS RETENTION

Ready to clear out some of that old paperwork or purge your electronic filing? 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 placed in your secure client portal for the 2016 tax filing season. If you need assistance accessing your portal please give us a call!

PLANNING FOR 2017

It is highly likely that we will have a change in tax policy in 2017 and such change could take effect retroactively or be phased-in over some time period based on prior tax policy overhauls. Nothing is a given here – legislation is always a complex process and tax legislation is no exception. At this point, pundits believe that it will be at least August before a bill could be passed or perhaps not until 2018.

What do we expect? The House Republicans Tax Reform Task Force document has much in common with the President's proposals made on the campaign trail. Here are a few bullet points:

- Reduce current 7 tax brackets to just three and reduce the rates to 33%, 25% and 12% respectively
- Elimination of the "Marriage Tax Penalty" which impacts two-earner married couples
- Eliminate personal exemptions but expand the child tax credit
- Eliminate most itemized deductions, but maintain the deductions for mortgage interest and charitable donations
- Eliminate the Federal Estate Tax and/or replace with a Capital Gains tax.

We will continue to monitor the various proposals and keep you posted accordingly.

Questions? Please email us at mail@cpa4dds.com or call us at 425.216.1612