



Key Practice Management and Accounting Updates

UPCOMING DEADLINES

October 31, 2016 –

Distribute a notice of eligibility to all eligible employees (SIMPLE Plans)

Personal Property and Real Estate Tax Payments due to the County

November 1, 2016 –

Unclaimed Property Filing due to State of Washington

December 1, 2016 –

Distribute a notice of eligibility to all eligible employees (for 401k Plans)

January 31, 2017 –

Deadline for all 1099 filing including e-file

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IRS ISSUES WARNING REGARDING FAKE EMAILS

The IRS has issued an alert to taxpayers and tax professionals to be on guard against fake emails purporting to contain an IRS tax bill related to the Affordable Care Act.

Form CP2000 is used when income reported by third parties, such as an employer, does not match income reported on a taxpayers return. Scammers are sending a fraudulent version of CP2000 notices for tax year 2015 via email. The IRS notes the following characteristics of the scam notices:

- An email that includes the fake CP2000 as an attachment;
- The notice appears to be issued from an Austin, Texas, address;
- The underreported issue is related to the Affordable Care Act;
- The payment voucher lists the letter number as 105C;
- The notice includes a payment request that taxpayers mail a check made out to "I.R.S." to the "Austin Processing Center" at a Post Office Box address.

Taxpayers who receive this scam email should forward a copy to phishing@irs.gov and to Dental Group and then delete it from their email account.

Remember, the IRS will never contact taxpayers via email or any social media platform. When you receive notices mailed through the United States Postal Service forward them promptly to our office! We recommend you never contact the IRS or respond to them unless we have reviewed the notice first.

QUICKBOOKS

QuickBooks Pro 2017 is now available for purchase. If you currently use QuickBooks 2015 or older, you should upgrade to QuickBooks before the end of the year. Order early to take advantage of discounts!

RETIREMENT PLAN LIMITS

401(k)

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

SIMPLE

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

IRA

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

The 2016 maximum total contribution to a defined contribution plan (401k/Profit Sharing, SEP) is \$53,000 or \$59,000 with an over 50 catch-up contribution.

AUTO MILEAGE RATE

The standard reimbursement rate for automobiles is 54.0 cents per mile for 2016.

S CORPORATIONS & PARTNERSHIPS – SELF EMPLOYED HEALTH INSURANCE

In order for a partner or shareholder to deduct the premiums paid for their health insurance on their Form 1040, the premiums must be paid by the entity (Partnership or S Corporation). If you are personally making the payments throughout the year, then be sure to have the entity write you a reimbursement check before year-end. The deduction is only allowed if it is paid or reimbursed by the entity.

In addition, if you are an S Corporation, the total premiums paid must be reported as wages on Form W-2. In the next few weeks we will be providing all S Corporation clients with resources to properly report this.

FORMS 1099 & 1096

Now is the time to start thinking about Forms 1099 for your vendors. The penalty for failure to file is increasing so be sure you are in compliance in this regard. Update your QuickBooks file for any new vendors. We are no longer sending packages of forms but will provide resources and support for those choosing to file electronically for the first time.

If you need help with e-filing or understanding 1099s and who you need to issue them to give us a call!

Most 1099 forms are due to vendors by January 31, even if you electronically file them.

ADA ANNOUNCEMENT REGARDING HIPAA RANDOM AUDITS

The American Dental Association recently announced random HIPAA audits are happening. The first area being audited is whether you have taken a HIPAA Risk Assessment.

In an effort to help Dental Group clients with this requirement, we have been working with PCIHIPAA who is offering you a complimentary HIPAA risk assessment and review (a \$599 value).

The assessment takes just 5 to 10 minutes and we highly recommend you take advantage of this offer.

In addition, once you complete your risk assessment, PCIHIPAA is also providing a 30 minute review of your results.

More information and contact names for this valuable offer will be sent out soon!

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