



Your monthly tax news & updates

Dear Clients and Friends:

We are days away from tax return filing deadlines. Individual and C Corporation returns not filed by April 15 can be extended until October 15. Trust returns due April 15, 2019 can be extended until October 1, 2019. We recommend filing your returns as soon as possible and if your 2018 return is complete, it may be time to start looking at 2019.

We're here to help you achieve your financial goals throughout the year, not just at tax time. An important part of your tax preparation and planning this year is identifying how changes in the tax law will affect your 2019 tax liability.

If you need clarification on tax changes or help developing the best tax strategy for your unique situation, please let us know.

Regards,
Rebecca Luers, CPA and Jan Dyer, CPA



If you any questions about the information in this newsletter, [contact us](#). We appreciate you forwarding this newsletter to associates and friends who would benefit from the monthly news we provide and are looking for tax preparation and planning resources from a CPA firm.

Tax Filing Reminders:

April 15:

- Individual tax returns due
- C corporation tax returns due
- First-quarter 2019 estimated tax due
- Six-month filing extension

May 15

- Nonprofit tax returns due



Tax Day is Here!

5 Big Questions People Are Asking

The individual tax deadline of **April 15** is fast approaching. Do you have all your tax arrangements in order? Here are five important questions that people are asking.

- 1. What happens if I don't file on time?** There's no penalty for filing a late tax return after the deadline if you are set to receive a refund. However, penalties and interest are due if taxes are not filed on time or a tax extension is not requested AND you owe tax. To avoid this problem, file your taxes as soon as you can because the penalties can pile up pretty quickly. The failure-to-file penalty is 5 percent of the unpaid tax added for each month (or part of a month) that a tax return is late.
- 2. Can I file for an extension?** If you are not on track to complete your tax return by April 15, you can file an extension to give you until Oct. 15 to file your tax return. Be aware that it is only an extension of time to file - not an extension of time to pay taxes you owe. You still need to pay all taxes by April 15 to avoid penalties and interest. So even if you plan to file an extension, a preliminary review of your tax documents is necessary to determine whether or not you need to make a payment when the extension is filed.
- 3. What are my tax payment options?** You have many options to pay your income tax. You can mail a check, pay directly from a bank account with IRS direct pay, pay with a debit or credit card (for a fee), or apply online for an IRS payment plan. No matter how you pay your tax bill, finalize tax payment arrangements by the end of the day on April 15.
- 4. When will I get my refund?** According to the IRS, 90 percent of refunds for e-filed returns are processed in less than 21 days. Paper filed returns will take longer. 24 hours after you receive your e-file confirmation (or 4 weeks after you mail a paper tax return), you can use the **Where's My Refund?** feature on the IRS website to see the status of your refund.

5. **Oops, I forgot a tax document. Now what?** The first thing to do is determine the impact the new information has on your filed return. For example, if you claim the standard deduction and then receive a mortgage interest statement that does not bring your expenses above the deduction threshold, there's nothing more you need to do. Simply file the statement with your other tax documents. If, on the other hand, you receive something like a Form 1099 with additional income, you will need to amend the tax return to claim the income. In cases like this, please call in order to review your situation and the timing of the correction.
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Don't Let Disaster Befall Your Favorite Charity

A crucial deadline is approaching and you can help!

The filing deadline for most non-profit organizations is **May 15**. Missing this deadline results in penalties that can devastate the organization's budget, or worse, strip them of their non-profit status and make your donations non-tax deductible! Here's what you can do to help them:

- **Check the charitable status online.** The IRS has a master list of charitable organizations recognized as non-profits in good standing. Here you can see the current status of your favorite charities and even view past tax returns to get an idea of where they stand.
- **Remind the organization.** Many small non-profits, like youth sporting groups and local school booster clubs, often forget to file their annual report because officers are constantly rotating in and out of the organization. Each transition of responsibilities increases the likelihood that important data, like a filing requirement, will get lost. A simple reminder from you might be what they need to get back on track.
- **Get involved.** Learn how the organization operates and see if there is anything you can do to help. Oftentimes, one individual is juggling multiple roles within the organization. Your skill set, whatever it may be, might be exactly what they need to free up someone else to properly handle the annual filings.
- **Tell them to get help!** A simpler filing option may be available to them. If

they have less than \$50,000 in gross receipts, filing is much less complex with the Form 990-N e-Postcard. Larger organizations must fill out Form 990 or Form 990-EZ.

Take action now! The implications of losing the non-profit status are vast. Please call if your favorite charity needs help filing their non-profit tax return.



Don't Leave Your Business Exposed

5 Insurance Tips to Protect Your Assets and Your Bank Account

Have you conducted a business insurance review lately? Changes in your business equipment, real estate holdings, the amount of inventory, and the number of employees are all good reasons to review your insurance. Here are a few policy review tips to consider:

- 1. Keep in regular contact with your insurance company.** Keep your insurance agent apprised of what you are doing in your business. Try to meet with your agent throughout the year, and conduct a detailed annual review of your insurance needs.
- 2. Understand how business changes affect your policy.** Figure out how your policy covers common changes, as well as other changes you know are happening soon. This involves understanding the limits and terms of your policy. You can start by asking if you're properly insured for property damage, liability coverage, health and disability, and life insurance.
- 3. Conduct a competitive review.** Periodically conduct a competitive review of your insurance needs. Bring in at least two other insurance providers, as well as your current provider. The frequency of the review will be driven by changes in your business, the stability of your current insurance provider, and the need to understand the evolving landscape of business liabilities. A review will keep your premiums competitive, as well as help you learn about coverage holes in your current policy.
- 4. Identify evolving coverage risks.** As the business climate evolves, so should your insurance coverage. Think about what's on the horizon. Who

would have anticipated the need to cover cyber attacks and identity theft 10 years ago?

- 5. Review safety plans and company policies.** This goes hand-in-hand with a business insurance review. Make sure your team is adhering to established employment and operations policies. Getting an insurance claim approved and maintaining reasonable premiums often depend on specific factors you can reinforce through these policies.

Finding the right level of coverage for the right price is possible, but it takes some preparation and planning. Invest some time now to review your insurance policies to save a lot of potential pain and money down the road.



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