

Accu-Facts

By Accu-Tax, Inc.

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What is your Social Security Retirement Age?

Remember that back in 2000 SS raised the full retirement age and now only those people born before 1938 got to retire at 65.

I mention this because you need to apply for your Medicare Benefits 3 months before age 65 regardless of the SS retirement age.

There is a penalty for NOT getting your Medicare benefits timely.

The cost of Part B goes up 10% for each 12 month period the taxpayer COULD HAVE had Part B but didn't take it.

You can place a delay on it if your employer is paying your insurance but they have to know that. Do NOT wait till age 66 + 8 months when you apply for your SS.

Below is a link to a table for you to see when SS says your benefits start.

<http://www.ssa.gov/oact/progdata/nra.html>

3rd Party Evidence

For any clients who use the standard mileage deduction for business miles I want to remind you that you might have to prove those miles someday.

Even if you save \$2 a can by changing your oil yourself – the odom reading the repair shop takes when you bring the car in for an oil

change or tire rotation is cheap insurance for the day you are required to prove the miles taken. That you'll have a disinterested 3rd party providing that documentation that yes, you did put 35K miles on the car that year will be worth it.

Department of Labor Seeks Fines on Employers

A while ago I was telling you about the Department of Labor and Wage and Hour coming in to do spot audits and fining employERS for everything from soup to nuts.

This is in addition to any complaint a former EE might make.

To recap: Even us small Mom & Pop operations need to have the DOL posters regarding safety, minimum wage, EE rights, equal opportunity, UCT-83, etc. posted on the premises. Go to:

www.floridajobs.org

The new hires need to get either the "Yes we have Health Insurance" or "No, we don't have Health Insurance" letters I told you to add to your EE Handbooks.

Both hourly and salaried EEs need to sign their time-cards.

This last one is a real shocker and yet, it seems that I have understated the ramifications of these signed time-cards.

DOL's position is that even with a signed time-card in the form of a spreadsheet or yellow tablet – the EE could have only signed the form so he could get his paycheck

but still be forced to return to work after 5PM.

ABSURD! I know!

I am told, however, by an HR professional that the burden of proof switches to the EE if you use a time-card machine or an electronic machine. Also a fingerprint is acceptable for a signature. I don't get it – because the EE could say that he was forced to timeout on the machine and return to work just as easily as using a simple scrap paper but THAT is the bureaucratic mind at work – n'est pas?

Premium Credits Need Updating

If you are getting the premium credit from insurance purchased on the Exchange/Market Place, these credits are based on your financial data. If you get married or divorced and your situations changes – you need to let them know so they can slack off the credit or increase the credit.

Remember that I have to be the bearer of bad news when these credits are not adjusted and I have to use your refund to pay back the credit already advanced you.

Reimbursed Premiums May not Work

Another thing that is going to be checked – and I know that I just told you that this is acceptable and am now revising that – for ERs who reimburse their EEs health insurance premiums it is still

allowed B U T Department of Labor will be looking at if it's discriminatory. This not IRS now, it's Department of Labor looking for fines.

EX: If George goes to the Market-place for his insurance and it's \$400/mo and Sam goes online and his premium is also \$400 but he qualifies for the credit so his out of pocket is only \$80/mo; then reimbursing these two EE is going to be a head ache to the ER.

George is getting more money as compensation than is Sam.

So in this situation the ER has to reimburse all EEs \$80/mo or increase Sam's wages by the difference, which means higher payroll taxes to the company.

It has to be a level playing field. The amount reimbursed has to equal.

The exception to this level playing field is the officers'

insurance premiums. DOL know that the premium is going to be considered part of the officers' compensation no matter what.

I F your company is using this reimbursement plan and you make sure the reimbursement is level for all staff, the officer MUST also get his insurance from the market place.

Enrollment

The Marketplace is open now through February 15th 2015

That's funny: 2/15/20-15

For your newly graduated and employed kids, you may try getting them insurance on the Exchange. It might be cheaper....

Sign of the Times!

We were told that IRS has determined that businesses that take bitcoin as payment are still

subject to SS & Med on the bitcoin value in dollars.

That raised another issue and an attendee told us about what happened to her client:

Through a computer virus the client's business data was "kidnapped". He was instructed to pay a ransom in bitcoin to an account (probably offshore). He paid the ransom through his attorney, got a password and could then access his own data. The attendee was asking if she could 1099 the extortionist?! LOL So T H A T's happening out there ...

Flex Plan News

Ask your HR department if your Flex plan was amended to include the \$500 grace period or carryover of unused funds.

