

# Accu-Facts

What I learned at the seminar ....

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## NEW Hires' forms

Last Oct. 1st, I gave you one of two forms to make sure your employ-EEs got the notification re: Obamacare ... Remember that this form should also go to any new hires from here on out.

So, new Hires will complete a W4 (stays in their file unless they choose 10 or more dependents). An I-9 (stays in their file with 2 forms of ID for immigration), FL DOR New Hire (allows FL to find deadbeat moms & dads- fax to # - keep in file, and now the Obamacare Notification. (either the Yes we have coverage or the No we don't notice). Remember to have the EE sign off on coverage should they choose to go on their spouse's or are covered by Medicare etc. I'd have a statement right on the notice and have them sign one copy and return to you and keep the other.

There are links on my web site to get to these forms or download directly.

## Over the Counter Meds

2013 has seen the rise in the threshold of deductible medical expenses.

It used to be that the first 7 1/2% of your income amount was thrown by the wayside and any medical expenses after that were allowed. That % has increased to 10% if you're under 65. Over 65 get to keep the 7 1/2% threshold. Thanks to AARP!

You still need a Rx for over the counter meds... If you can use it then make sure you get the Rx. Drs are clued in so they'll expect the call.

Flex acct no longer allow over the counter meds - so don't bother for them.

## Small ERs Discrimination Benies

Even though the ER mandate doesn't start till 2015 and even though we've calculated that as an ER with less than 50 EEs you are not REQUIRED to offer health insurance to your staff, some of you are getting hlth ins for your officers only. The Affordable Care Act is now holding ALL businesses to a non-discrimination requirement. You must offer the health benefit to ALL EEs of the firm and are not allowed to discriminate by class.

If the benefit is offered to full-time EEs after their 3 mo trial period then not only the officers qualify. You may be open to substantial monetary penalties . . . .

## Get ready for NEXT year

I do NOT need them this tax season but - next year I will need to see the children's tax returns as they will go to your Income level to see if you qualify for tax credits for hlth ins or the penalty of you don't.

So those of you who do the kids' EZ form get ready to bring them in NEXT year.... not this year...

## New Home Office Flat Rate

Around the water cooler you'll hear that IRS has made the home office deduction sooo simple this year. Ya, well - - remember that phrase: I'm from the IRS I'm here to help you???

Here we go again. Do NOT change the way we've been doing the home office for all these years. We will continue to deduct the % of exp as usual.

There is a new wrinkle this year. For those employ-EEs who take the home office, IF, you are audited on this point, you will have to get a letter from the employ-ER stating that it is necessary for you to have this off-site office. - - word to the wise...

## 1099K - and here we go ...

IRS has deleted the line on all the forms for Sales/Income where the 1099K from Visa,Paypal & Ckcash was supposed to go b u t - - they have not given up the cross-referencing of the 1099K with your sales amount. Be ready to answer the question asto why the 2 don't match. IRS has 4 new letters of inquiry that will go out in 2014 on this issue.

Paypal's number will include sales tax, TIPS and no adjustment for returns. So they will NEVER match our tax return.

Further, IRS will perform a ratio analysis of your cash vs your credit card sales and compare that to other similar businesses in the same zip code. They're getting VERY clever!

## Revised Use It or Lose it Rule

Employees who are part of an F S A may get up to \$500 refunded to them of unused amts. at the year's end. This refunded amt is to used for out of pocket medical exp. Not blown on the ponies! Ask HR if they made this change to their plan or not for 2013.