



Robert Goodman, CPA, MBA

January 2017

STRAIGHT TALK ABOUT SMALL BUSINESS SUCCESS

The newsletter designed to keep you on course to build a successful small business



Happy New Year!



Please visit our new updated website: rg-cpa.com
& ask me about a free personal Tax plan!

Welcome to the first issue of the **Straight Talk Newsletter** for 2017. We have included invaluable articles to kick off the new year.

Within, you'll find the article titled; *Follow These Rules For Your IRA*. Being the start of a New Year, everyone makes New Year Resolutions, and this year all I ask is that you make your exit strategy and retirement plan one of them. This article will help you start that process and evaluate your current IRA, if you have one.

In another article, *Turn Failure Into A Positive Force*, we outline six positive ways to view failure. By taking failure with a grain of salt, you are turning it into another step on your road to success.

The rest of the newsletter is jam-packed with informational and light-hearted articles. What are you waiting for? Dig in!

Until next month,

Robert Goodman, CPA, MBA

IRS Changes Filing Deadlines For W-2 And 1099 Forms

This year some changes will be made to filing deadlines for IRS Form W-2 and some types of Form 1099. The changes are the result of **The Protecting Americans from Tax Hikes (PATH) Act** of 2015 signed by President Obama.

If you're an employer, you're probably accustomed to a January

31st deadline by which to provide your employees with three copies of their W-2, and a February 28th deadline for paper filings to be submitted to the Social Security Administration (March 31 for electronic filings).

Beginning with 2016 forms, employers will now have **one** filing deadline for all Federal W-2s: **January 31st**. This is true for both employee and agency copies, whether filing paper or electronic returns.

As for Form 1099-Misc, the new January 31st deadline applies only to certain types of 1099s.

If you're filing Form 1099-Misc and reporting amounts in **Box 7**: Nonemployee Compensation, then you will need to meet the new filing deadline of January 31st.



If you don't have amounts in Box 7, then the deadline remains February 28th for paper filings or March 31st for electronic filings.

With this new deadline, it's important for employers to be well prepared to complete year-end tasks. This means:

- Verifying accuracy of employee information.
- Reporting/submitting any year-end adjustments as soon as possible.
- Reviewing year-end totals for any discrepancies.

If you need to make corrections after sending your file to the Social Security Administration, you can do so by filing Form W-2c, Corrected Wage and Tax Statement.

Many states have also adopted the new deadline of January 31st, beginning with the upcoming filings for 2016 Form W-2. Please call your tax specialist to learn more. ♦



Address Employee Complaints With These Reasonable Questions



Employee complaints are part of every business owner's life. You can't ignore them, but you shouldn't let them take over your day either. Handle them efficiently by asking your employee these questions:

? What is the exact problem? Don't settle for unspecific gripes, like "I've got too much work." Isolate the nature of the problem in concrete terms.

? Who else have you talked to? Just because you're the owner doesn't mean you should be the first person employees turn to for help with every problem. Point out other people who are better equipped to offer immediate help in solving some problems.

? What happened when you talked? If the employee has already gone to another source for help and has not been satisfied, find out why. If people who are supposed to help aren't doing their jobs, you need to know.

? What do you disagree with? The complaint may stem from a disagreement with policy or a particular management decision. You may not be able to make changes that will satisfy the employee, but you should find out if the disagreement is over a legal matter, or perhaps the result of someone not doing their job.

? What's your solution? Find out what the employee wants you to do, in plain concrete language. An acceptable solution may be quite reasonable. If it's not, explain why and try to reach a compromise.

Follow These Rules For Your IRA

Setting up an Individual Retirement Arrangement (IRA) for your retirement can be a good investment, but it's not a simple process. Watch out for these common mistakes from the start:

• **Not getting professional advice.** Don't try to do it on your own. Accountants and financial planners, have studied the complex financial and tax rules for retirement vehicles.

• **Naming the wrong beneficiaries,** or not naming any at all. Making your minor child a beneficiary will require a court-appointed guardian to manage the money until the child turns 18. If you fail to name a beneficiary, it is likely the IRA will become payable to your estate upon your death. This unnecessarily subjects the IRA to estate taxes.

• **Confining yourself to the form.** Most account agreements allow little space in which to name more than one beneficiary. Attach a sheet of paper with the information of all beneficiaries and exactly how you want the account to be distributed.

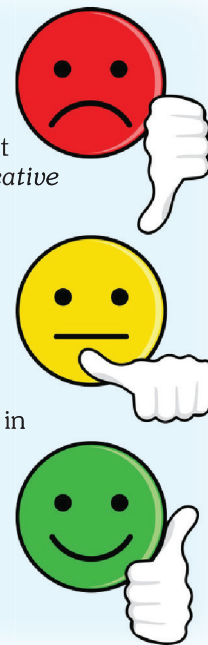
• **Thinking your financial institution keeps records of everything.** In this age of mergers and acquisitions, who knows where your records could be? Keep copies of your account agreement and beneficiary designations, and let your family know how to find them.



Turn Failure Into A Positive Force

Failure can be one more step on your road to success — you just have to learn how to turn it around in a positive direction. Here are some creative ways to view failure:

- Failure can push you harder to succeed.
- Failure can strengthen your determination to overcome obstacles.
- Failure can make you braver in the face of opposition.
- Failure can help you learn what you need to do in order to succeed.
- Failure can teach you what your limitations are — and your strengths.
- Failure can encourage you to change your strategy.



Are You In Need of a Qualified Tax Pro?

If you are not my client and would like to explore whether we might be a good fit, please contact me. As a qualified tax professional, I not only know all the rules, but can also help you deal with the IRS and help you decide how far to push a dispute.



Do You Have A Tough Accounting / Tax Question You Want Answered?

I love hearing from my small business clients and friends who enjoy reading my monthly newsletter. I'm always looking to answer pressing questions you might have relating to small business.

If you have a question, tip or idea, please call me at (617) 964-4766 or email me at bob@rgcpa. Perhaps I'll feature you in a future issue!

Small Business Goes Global



Doing business internationally isn't just for the big players anymore. A survey by the foreign exchange organization USForex found that 58 percent of small businesses have overseas customers these days, and 72 percent expect to expand internationally in 2017. They don't see it as a gamble, either: Approximately 96 percent are confident about their ability to attract customers abroad.

What's driving the move? Businesses cited access to higher quality vendors or suppliers (43 percent), as well as high-quality talent (42 percent).

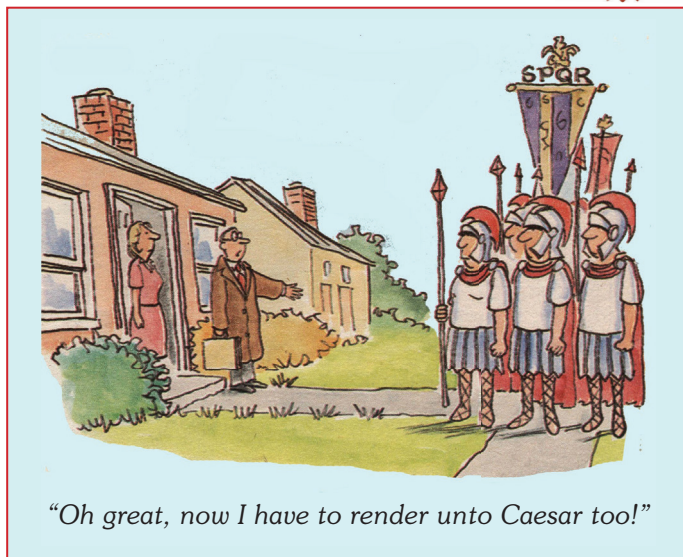
Quotes: *The New Year stands before us, like a chapter in a book, waiting to be written. We can help write that story by setting goals.* — Melody Beattie



Start by doing what's necessary; then do what's possible; and suddenly you are doing the impossible. — Saint Francis of Assisi

The key to winning is poise under stress.
— Paul Brown

There is no failure except no longer trying. — Elbert Hubbard



How To Get A Raise

Pete walked into his boss's office. "Ms. Smith, I'll be straight with you, I know the economy isn't great, but I have three companies after me, and I would like to respectfully ask for a raise."

After a few minutes of haggling, Ms. Smith finally agreed to a five percent boost. When Pete got up to leave, she asked him, "By the way, which three companies are after you?"

"The electric company, the mortgage company, and the phone company."



TAX CORNER

Just Married Or Re-Married? These Tax Tips Are For You

Congratulations, newlyweds! While it may not have been on your registry, we're pretty sure you'll appreciate the gift of these tips to help you avoid trouble at tax time:

Has it Been a Year

Already?

If you were married anytime in 2016, the IRS considers you to be married for the full year, so you both should adjust your tax withholding with your employers. A two-earner couple may end up in a higher tax bracket after the wedding (the so-called marriage penalty) because of the way the tax brackets for couples filing jointly are set. You and your spouse should use the worksheets in **IRS Publication 505, Tax Withholding and Estimated Tax**, to figure the number of allowances you can claim as a couple, which will determine how much money your employers will withhold in taxes from your paychecks.



After you come up with the total number of allowances as a couple, decide how to divide them between the two of you. Then each of you should submit a new **Form W-4** to your employer.

What About a Roth IRA? Your married status may also affect whether you qualify to make Roth IRA contributions. The income limit to contribute to a Roth IRA is \$132,000 for singles, but it's \$194,000 for married couples – so two people who were close to the income limit when single may earn too much for a Roth after they're married. If you've already made a Roth IRA contribution for 2016 and discover that your joint income is now too high, ask your IRA administrator to switch your 2016 Roth IRA contributions – plus all the earnings on that money – into a traditional IRA by **October 15, 2017**.

If you made contributions to the Roth in earlier years, the administrator should calculate how much of the earnings in the account should be attributed to the 2016 contribution. You need to switch only the 2016 contribution and its earnings to a traditional IRA; you can keep any money you contributed to the Roth in previous years in the account.

The Name of the Game. If you change your name, be sure to report the change to the Social Security Administration and get a new Social Security card. Otherwise, any tax refund could be delayed because the IRS will have trouble when it tries to match the names and Social Security numbers on your tax return. File **Form SS-5** at SSA.gov or call Social Security at 1-800-772-1213 for more information. If you move, file **Form 8822** with the IRS to report your change of address.

Questions about anything we've shared with you here? Call your tax specialist for help.



Robert Goodman, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS

“Delivering Value”

1340 Centre Street, Suite 200
Newton Center, MA, 02459
Ph: (617) 964-4766 • Fax: (617)904-1141
Website: rg-cpa.com • Email: bob@rgcpa.com
Member: AICPA, Mass Society of CPAs,
Panalitix, 20/20 Group

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“Successful Business”

Check out Successful Business for great ideas to grow your business.

Tip #32 – Gather Testimonials!

For more great ideas on how to grow your business, call or email us for your free copy of Successful Business.

Resolve To Enhance Your Business In The New Year

On January 1, many of us resolve to get in shape, organize our home, and maybe take that vacation we’ve always dreamed of. How about making some resolutions that will benefit your business?

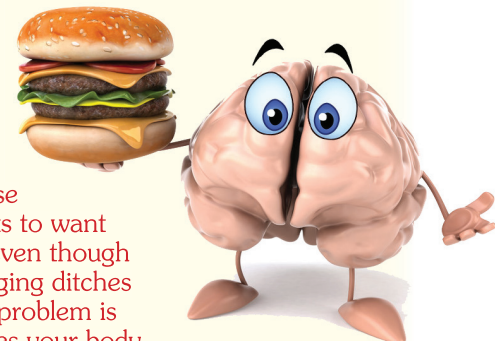
Try these:

- **Meet at least one new colleague a week.** Whether it’s in your own office or in the industry, networking is a great way to make new contacts.
- **Answer your phone.** Everyone expects to reach voicemail these days. Taking calls can be more efficient, and providing a personal touch will impress people.
- **Stop something.** Identify an activity that is no longer useful and speak to your team members about eliminating it.
- **Talk to your customers.** Strive to talk to at least one customer on a regular basis. Ask what you and your company can do to serve them better.
- **Help someone inside your organization.** Look for an employee who could use some advice and mentoring. Helping an employee will boost the organization’s productivity.



Brain Drain: Control Your Appetite After A Long Day At The Office

Ever notice that you can feel starved after a long day at work even though you’ve spent it mainly at your desk? Scientists, as reported by The New York Times, say it happens because your brain, feeling tired, starts to want more fuel to keep going — even though you haven’t exactly been digging ditches for eight or nine hours. The problem is that you’re consuming calories your body doesn’t actually need because your brain is telling you to.



One way around this dilemma is exercise.

In an experiment at the University of Alabama at Birmingham, 38 college students met to discuss what their favorite pizza was. After the discussion, they were allowed to eat as much pizza as they wanted. On another day, they were brought back and given a series of tests from college entrance to graduate-level exams.

Afterward, half the students worked out on treadmills while the rest sat quietly. The entire group was again served all the pizza they wanted, but the treadmill group ate less — about 25 fewer calories than at their previous session. On the other hand, the rest of the group actually ate 100 more calories.

The study suggests that a light workout after a mentally strenuous day may curb one’s appetite — good to know before you sit down to eat.