

Taxpayer News



NEW AND NOTEWORTHY

ACCOUNTING TOOLS


 www.waveapps.com

 www.mint.com

 www.shoebboxed.com

 "Mile Tracker" (iOS/Android)

YOU THINK YOUR JOB GETS MORE CONFUSING...

 When the Tax code was created in 1913 it consisted of 400 pages. By 2012 the tax code was 73,608 daunting pages. That's an average of 732 pages added every year.

DID YOU KNOW?

 In 2011 we began accepting your credit cards. In 2014 we will continue to accept credit cards and we'd like to invite you to visit our NEW WEBSITE!
www.HumphreysTaxService.com

OFFICE HOURS

Sunday/Monday - Closed
Tuesday thru Saturday 10A-5P

Wednesday & Friday
Evening Hours Until 8:30p

Apps for Taxes

As technology marches forward, so does quality of tools you have available for your expense recording. Several services have popped up with the aim to make your accounting burden lighter. Services range from a Netflix-type approach with a fancy blue envelope (www.shoebboxed.com) to mileage trackers that use your cellphone's GPS for recording



business miles traveled. All of the services have annual summaries and printable reports available for your year end tax reporting. Check out the sidebar for some of our favorites. Remember; 1. Recording as you go saves you time and increases accuracy 2. The better records you keep, the less you pay.

New Medical Limits

We hope you had a healthy and prosperous 2013, for a couple of reasons. First, we care. And second, the IRS has raised the medical expense threshold from 7.5% to 10% of your AGI making it harder for most taxpayers to qualify to deduct medical expenses.

New Investment Tax?

Yes it is true. A new investment tax of 3.8% will be levied on unearned income such as interest, dividends,

capitol gains and rent. The good news is that many taxpayers will not exceed the income threshold to have this extra tax kick in. Unless your AGI exceeds \$200,000 as a single or \$250,000 for married filing jointly you will not be subject to the extra tax.



Healthcare and Penalties

There have been many confusing articles about the new *Affordable Care Act*. Allow us to help you set the record straight. The current law requires you to enroll for health care by February 15th for coverage starting March 1st. Penalties for not enrolling will be assessed in one of two ways, whichever way is higher. Either \$95 per person for the year or \$47.50 per child under 18. The maximum per family using this method is \$285. Or 1% your yearly household income up to a cap based on the bronze plan average premium. Fees will increase in 2015 and 2016.

A subsidy is available in the form of a tax credit for individuals who enroll in a qualified plan through the exchange. An eligible individual is someone who does not have access to a qualified plan through an employer and who's income ranges from 100% to 400% of the federal poverty line (\$15,510 for a family of two in year 2013). More info at www.healthcare.gov