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September 2024

Dear Friends,

It's that time of year again! Our 2025 calendar is now open for booking your tax appointment. If you usually have an in-person appointment, we ask you to call right away to get your appointment. The most popular times are the weeknight appointments at 7pm and Saturdays, so call our office to set up your appointment and do it sooner rather than later. If you are dropping off, mailing, or uploading your tax return information to SmartVault, you do not need an appointment. Our tax season drop off/pick up hours are Monday – Friday 8:30 am – 9:00 pm and Saturday from 8:30 am – 4:00 pm. For virtual and phone appointments with John, you can call now to make that appointment, but we will need your documents in our office 10 days – 2 weeks prior to that appointment. Your virtual appointment will have to be rescheduled if we do not have your documents in advance.

John Remote Office Update: For those of you that have John prepare your tax returns, you know he has not been in the office for a few years and works remotely now. As of June 2024, John has now relocated to Myrtle Beach, SC. He is still working remotely so that has not changed. What has changed is the process for those of you that mail your data in for John to prepare your tax return. We request that you now mail your documents directly to John at his SC address rather than our Waterloo Road office in NJ. John's new SC address is below:

Kulawiak Financial Services
1000 S. Commons Dr.
Suite 103 Box 394
Myrtle Beach, SC 29588

If you upload your documents to SmartVault for John, that process will not change. If you drop off your documents for John at our Waterloo Road office, we can scan those in for John to prepare your return. We request that you provide just the tax documents and a summarized sheet of any other relevant information to prepare your return. Do not include the receipts for medical expenses, charitable donations, business expenses, etc. A categorized total and breakdown will suffice.

Extensions & Estimated Taxes: The extension deadline for completing your 2023 tax return is October 15, 2024. For those of you currently on extension, we need to have all your data in our office no later than Friday, September 13 to give us enough time to process the returns and get them back to you prior to the deadline. We cannot guarantee completion of a tax return if the data is dropped off after September 13, 2024, and you may be subject to late filing penalties and interest charges.

Third quarter personal estimated tax payments are due by September 16. Please get us your data as soon as possible to give us enough time to calculate those payments. The final personal estimated tax payment covers the period of September 1, 2024, to December 31, 2024, and is due on January 15, 2025.

NJ Anchor Rebate: The State of NJ will be automatically filing many of the Anchor rebates this year. NJ is mailing letters to homeowners and renters that have filed in the past. Be sure to read the letter to see if you need to take any action or if NJ has your proper information on file. This Anchor Rebate is based on your home ownership status as of October 1, 2021. If you have never filed the Anchor Rebate in the past and/or you do not receive a letter or application from NJ in the mail, you may have to go through identity verification through ID.me to obtain an ID and Pin number to file the Anchor. Here is the link to the NJ Anchor online page which also has an FAQ section that can guide you on how to file, https://www.nj.gov/treasury/taxation/anchor/index.shtml.

New Scam: We want to make you aware of a new telephone scam. There has been a recent increase in imposter scams where a call is made from a criminal impersonating a government agency or a company such as Amazon. The call leads you to believe you are a victim of fraud. The imposter creates a sense of urgency, and the goal is to make you panic and give up personal information or send them large amounts of cash. Please know that the FBI, FTC, CIA, or any other government agency will never request you send them cash for any reason. Also, watch for fake pop ups on computers or anyone wanting access to your computer to remotely fix it for you. Here is a good article on these scams, https://www.aarp.org/money/scams-fraud/info-2024/latest-amazon-impostor-scams.html?intcmp=AE-FRDSC-MOR-R2-POS3.

Documents for your tax return: In an attempt to cut down on the amount of documents and paper in the office, we are again requesting that you not include receipts with your tax documents. We do not need receipts for your medical expenses, charitable donations, or work expenses. They can be categorized and totaled and given to us. You only need to provide receipts if the IRS or a State Department of Taxation audits or questions these items. To prepare your return, we only need the tax documents, copies of closing statements for property sales/purchases, and your categorized expense totals. These can be done on paper, Word, Excel, or other computer software. You can upload these items to your SmartVault portal or include them if you mail in or drop off your information.

Commonly Missed Deductions & Credits: Over the past few years we have noticed a few deductions and credits that are frequently overlooked, and we are continually asking for these items and additional information when completing your tax return. Below is a list of those items and the additional information required when taking these deductions/credits.

- **Childcare Credit** – If you have a child that receives childcare, before or after care, or attended a summer day camp, you may be entitled to a credit. To claim the credit, we need the name, address, and tax id number of the childcare provider as well as the amount paid for each child.
- **College Tuition Credits** – In order to claim the college tuition credit on your return, we will need the 1098-T from the college, the bursar statement/student

account statement from the school, and the total cost of books. The 1098-T and account statements are sent to the student and posted on the student's online student account. The IRS requires us to reconcile the 1098-T with the statement.

- **Medical Expenses** – Any amount paid out of pocket for prescriptions, doctors, dentists, hospitals, chiropractors, specialists, labs, and eye care are all includable as a deductible medical expense. It is difficult to deduct them on the federal return, but many state tax returns have lower thresholds, and the medical expenses can be enough to deduct on your state return and lower your taxable income. Your pharmacy can provide a printout of the yearly prescriptions, so you do not have to keep those receipts during the year.
- **Residential Energy Credit** – A credit is available for energy efficient improvements to your home. New windows, exterior doors, A/C systems, heating systems, insulation, and hot water heaters all qualify. We do not need receipts, just the amount spent on each energy-saving improvement.
- **Charitable Contributions** – A record must be kept of all contributions and any single contribution of $250 or more must have a receipt or letter from the charity that meets three requirements. These three requirements are: identifying the amount of the contribution, include a statement that no goods or services were received for the contribution, and the receipt or letter must be received by the taxpayer prior to filing their tax return. Again, we do not need receipts or copies of checks, just a total of the cash/check contributions.

Our next newsletter will be sent out in early January, and we will include our annual checklist to help you organize your documents. We will also require the completed Drop Off/Mail In form to be included with your documents when dropping off, uploading, or mailing. You can complete the form and include it with your documents when submitting them or we will have them at the office for you to complete when dropping off. We will not start working on your return until we have a fully completed form in your file.

Best Regards,

Ed, John, Carrie, & Michele

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Carrie: carrie@nkinctax.com Michele: michele@nkinctax.com

For investment related questions, please e-mail Ed at edwin.kulawiak@ceterafs.com and John at john.kulawiak@ceterafs.com.