



ELK POINT

JULY 2015 NEWSLETTER

Return from the ACFE Conference

Our staff from FAI International attended the International Association of Certified Fraud Examiners Annual Conference in Baltimore during the month of June. The staff has come away with a ton of useful and new information in the fraud prevention field.

Elk Point President, Virginia Tate was a session presenter during the conference. She discussed the topic of Time Management for business owners. Ms. Tate has presented on several fraud related topics for numerous organizations over the years.

Did you hear the news . . .

Well, if you have not been paying attention you may have missed several judicial rulings from the Supreme Court over the last few weeks.

The Justices of the Court have ruled that the Affordable Care Act is perfectly legal. Whether we like it or not, we appear to be stuck with it.

Following up the ACA ruling the Justices ruled that Gay Marriage is now legal. In the tax world this means that gay couples that are now legally married will be filing a married filing jointly or a married filing separately tax return if married in 2015.

Independence Day Reminder

Just a reminder our offices will be closed over the July 4th weekend.

Disability—Tax Payment Changes

Do you have an ex-spouse that receives a portion of your disability payments due to a domestic relations order? The IRS has determined that those payments are taxable.

Amnesty for late 5500EZ Forms

The IRS is providing relief for plans that cover business owners and a spouse. You may file for relief by filing your delinquent forms and paying the fee. Fees range between \$500 for each late return and max out at \$1500.

Real Estate Development Tax

The IRS is closing a long exploited loophole in regards to Real Estate development. Profits from later sales are now viewed as ordinary income, not capital gains.

The trend has been for a land owner to sell a development to a home building company and share the profits. The IRS views this as income obtained during the course of business for tax purposes and will be receiving the ordinary income treatment.

CDA Chamber Fundraiser

Duane and Lola Hagadone have donated the use of their lakefront home and gardens to the Chamber of Commerce for an event on July 29th. Get your tickets at cdachamber.com.

Are Interest Rates Rising?

Crowell, Weedon & Co (a division of DA Davidson & Co) recently released their 2015 edition newsletter entitled “The Impact of Rising Rates”.

The Federal Reserve has kept interest rates at an all time low since the recession of 2008. It is inevitable that rates will start to rise again, especially as the economy continues to show signs of recovery.

A rise in the interest rates generally cause bond prices to fall. This may lead to a greater price volatility in the financial markets. This may also impact non-traditional income products such as preferred stock, closed-end funds, REITS and bond funds.

You may want to schedule a visit with your financial advisor to determine how this may affect your portfolio.

HR Department Identity Crisis

The role of Human Resources appears to be changing. Instead of being the source of health benefits and payroll many organizations are picking up the Google model and making the HR Department the Office of Corporate Culture.

This position is designed to nurture a culture of creativity for employees. It appears to have moved to a role of office party planner instead of being a sounding board for workplace problems.