

HUDSON POPE PLLC

CERTIFIED PUBLIC ACCOUNTANT

310 New Street, New Bern, NC 28560

252-635-1330 Fax: 252-634-2772

Year End News

As we approach the end of 2014, we first would like to take this opportunity to wish all of you and yours a joyous holiday season. It has been our privilege to work with you this year and we thank each of you for your continued support and allowing us to serve you.

We would like to take this opportunity to introduce our new staff accountant, Sarah Flynn. Sarah joined us after Tinka Talbert resigned in October for an opportunity to go cruising with her family for the next 18 months. Sarah is a graduate of the University of Pittsburgh and her husband, Liam, is a Marine stationed at Camp Lejeune. Please join us in welcoming Sarah to our office.

Several of our clients receive tax organizers to help in gathering their information to complete their individual tax returns. This year we would like to offer our

REMINDER:

Individual Estimated Income Taxes are due January 15, 2015. If you have been itemizing deductions in the past, you may want to consider paying your North Carolina estimate by December 31, 2014, in order to receive the deduction in 2014.

clients the option of receiving their organizers via e-mail. If you would prefer to receive your organizer by e-mail, please let Marilyn Reynolds know by January 2, 2015 at marilynHUDSONPOPE@embarqmail.com. If we do not hear from you, we will mail your organizer as usual.

This newsletter will highlight an IRS consumer alert regarding scam phone calls and some IRS tips for year-end charitable contributions. Also please note new office procedures we are implementing this year at the end of this letter.

◀◀ IRS Consumer Alert on Telephone Scams ▶▶

The IRS issued a consumer alert and You Tube video providing taxpayers with additional tips to protect themselves from telephone scam artists calling and pretending to be with the IRS. These callers may demand money or may say you have a refund due and try to trick you into sharing private information. These con artists can sound convincing when they call. They may know a lot about you, and they usually alter the caller ID to make it appear as if the IRS is calling. They use fake names and bogus IRS identification badge numbers. If they don't get an answer, they may leave an "urgent" callback request. The IRS reminds people there are five things the scammers often do but the IRS will not do - all of these are a tell-tale sign of a scam. **The IRS will never:** (1) Call to demand immediate payment, nor will they call about taxes owed without first having mailed you a bill. (2) Demand that you pay taxes without giving you the opportunity to question or appeal the amount they say you owe. (3) Require you to use a specific payment method for your taxes, such as a

prepaid debit card. (4) Ask for credit or debit card numbers over the phone; (5) threaten to bring in local police or other law enforcement groups to have you arrested for not paying. If you get a phone call from someone claiming to be from the IRS and asking for money, here's what you should do: (1) If you know you owe taxes or think you might owe, call the IRS at 1.800.829.1040. The IRS workers can help you with a payment issue. (2) If you know you do not owe taxes or have no reason to believe that you do, report the incident to the Treasury Inspector General for Tax Administration (TIGTA) at 1.800.366.4484 or at www.tigta.gov. (3) If targeted by this scam, you can file a complaint using the FTC Complaint Assistant at FTC.gov. Choose "Other" and then "Imposter Scams". Also remember, too, the IRS does not use unsolicited e-mail, text messages or any social media to discuss your personal tax issue. The You Tube video can be found at this link: <http://www.youtube.com/user/irsvideos>

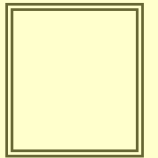
SIX IRS TIPS FOR YEAR-END GIFTS TO CHARITY

Many people give to charities each year, especially during the holiday season. Remember, if you want to claim a tax deduction for your gifts, you must itemize your deductions. Here are six tips from the IRS that you should keep in mind:

1. **Qualified charities.** You can only deduct gifts you give to qualified charities. Use the *IRS Select Check* tool to see if the group you give to is qualified. Remember that you can deduct donations you give to churches, synagogues, temples, mosques and government agencies. This is true even if *Select Check* does not list them in its database.
2. **Monetary donations.** Gifts of money include those made in cash or by check, electronic funds transfer, credit card and payroll deduction. You must have a bank record or a written statement from the charity to deduct any gift of money on your tax return. This is true regardless of the amount of the gift. The statement must show the name of the charity and the date and amount of the contribution. Bank records include cancelled checks or bank, credit union and credit card statements. If you give by payroll deductions, you should retain a pay stub, a Form W-2 wage statement or other document from your employer. It must show the total amount withheld for charity along with the pledge card showing the name of the charity.
3. **Household Goods.** Household items include furniture, furnishings, electronics, appliances and linens. If you donate clothing and household items to charity, they generally must be in at least good used condition to claim a tax deduction. If you claim a deduction of over \$500 for an item it doesn't have to meet this standard if you include a qualified appraisal of the item with your tax return.
4. **Records required.** You must get an acknowledgement from a charity for each deductible donation (either money or property) of \$250 or more. Additional rules apply to the statement for gifts of that amount. This statement is in addition to the records required for deducting cash gifts. However, one statement with all of the required information may meet both requirements.
5. **Year-end gifts.** You can deduct contributions in the year you make them. If you charge your gift to a credit card before the end of the year it will count for 2014. This is true even if you do not pay the credit card bill until 2015. Also a check will count for 2014 as long as you mail it in 2014.

New Office Procedures for Hudson Pope

Due to the complexity of the new tax laws, we have implemented new policies to better serve you, our clients. We are asking that once you have compiled all your 2014 tax documents, please bring your information to our office. At the time you drop off your information, we will schedule an appointment for you if necessary. If, however, it is not customary for you to meet with your CPA in our office, once the CPA has reviewed your 2014 information, they will call you to review our checklist in order to determine if we need further data from you to complete the return. We appreciate your cooperation in getting your documentation to us as soon as possible. We trust these implementations will help us deliver your return to you in a more timely manner.



Customer Name
Street Address
City, ST ZIP Code