

HUDSON POPE PLLC

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Year End News

As we approach the end of 2018, we 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 for allowing us to serve you.

As a reminder to our business clients, we need to furnish W-2's to employees and the Social Security Administration by the end of January. It is important that we have the correct names, social security numbers and addresses for your employees and would appreciate you furnishing us with the information as soon as possible.

Hurricane Florence – Qualified Disaster Losses and Scam Alerts

While our area continues to recover from the effects of Hurricane Florence on our community, we would like to outline some reminders.

Qualified Disaster Losses are personal casualty losses sustained as a result of a federally declared disaster. You can deduct qualified disaster losses without itemizing other deductions on Schedule A. The disaster year is the year in which you sustained the loss attributable to a federally declared disaster. You generally must deduct a casualty loss in the disaster year; however, there are exceptions. If you believe you have incurred a casualty loss as a result of damage sustained from Hurricane Florence please be prepared to bring documentation to support your loss in with your tax records. To deduct a casualty loss, you must be able to support the deduction amount and provide information on the type of casualty, when it occurred, proof the loss was a direct result of the casualty, proof you were the owner of the property (or if you leased the property, you were contractually liable to the owner for damage) and whether a reimbursement claim exists with reasonable expectation of recovery. You will need to provide your tax preparer with receipts for improvements of each item of personal property that was

REMINDER:

Individual Estimated Income Taxes are due January 15, 2019. If you have been itemizing deductions in the past, you may want to consider paying your North Carolina estimate by December 31, 2018, in order to receive the deduction in 2018.

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 again offer our clients the option of receiving their organizer via e-mail. If you would prefer to receive your organizer by email, please let Wendy Reid know by January 2, 2019 at wendy.reid@hudsonpoppe.com.

damaged as well as the amount of insurance or other reimbursements received.

Scams Related to Natural Disasters. In the wake of Hurricane Florence, the IRS is reminding taxpayers that criminals and scammers try to take advantage of the generosity of taxpayers who want to help victims of major disasters. Fraudulent schemes normally start with unsolicited contact by telephone, social media, e-mail or in-person using a variety of tactics. Bogus websites use names similar to legitimate charities to trick people to send money or provide personal financial information. Some may claim to be working for or on behalf of the IRS to help victims file casualty loss claims and get tax refunds. Others operate bogus charities and solicit money or financial information. To assist taxpayers to donate to legitimate charities, the IRS website, IRS.gov, has a search feature, Tax Exempt Organization Search, that helps users find or verify qualified charities. Contribute using check or credit card. Never give or send cash. Don't give out personal financial information such as social security numbers or credit card and bank account numbers and passwords to anyone who solicits a contribution.

