



Your IRS Tax Relief Team!

April 2014

Newsletter

(770)939-7710

HOW MAY WE HELP?

The Gartzman Law Firm, P.C.
2851 Henderson Mill Road
Atlanta, Georgia 30341

**Knowledgeable, Determined & Experienced
IRS & State Tax Problem Representation
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**Atlanta-based Tax Attorney & CPA serving clients throughout
Georgia and nationwide since 1982!**

Attorney Spotlight



Jeffrey S. Gartzman
Serving clients
throughout Georgia and
nationwide for over 30 Years!

Attorney Spotlight



Judson Mallory
Associate Attorney

See end of newsletter for Special \$50.00 Discount Opportunity!

Dear Norma,

Read warning from IRS regarding a sophisticated phone scam targeting taxpayers in the first article of this Newsletter.

Did you know we prepare tax returns? If you would like a Tax Organizer for your 2013 Tax Return call and we will be happy to send you one. We would like the opportunity to prepare your 2013 Tax Returns!

If you have been putting off filing back tax returns or have outstanding balances due to the IRS or state we can help you get it straightened out. And, we can help set you on the path of planning properly for 2014. We at The Gartzman Law Firm want to remind you we are here to help with all your tax needs and would consider it an honor to handle your tax matters.

If you have been pleased with our service one of the greatest compliments you can give us is to recommend us to your friends and family!

Sincerely,
Jeffrey S. Gartzman
The Gartzman Law Firm, P.C.
(770)939-7710

WASHINGTON - The Internal Revenue Service today warned consumers about a sophisticated phone scam targeting taxpayers, including recent immigrants, throughout the country.

Victims are told they owe money to the IRS and it must be paid promptly through a pre-loaded debit card or wire transfer. If the victim refuses to cooperate, they are then threatened with arrest, deportation or suspension of a business or driver's license. In many cases, the caller becomes hostile and insulting.

"This scam has hit taxpayers in nearly every state in the country. We want to educate taxpayers so they can help protect themselves. Rest assured, we do not and will not ask for credit card numbers over the phone, nor request a pre-paid debit card or wire transfer," says IRS Acting Commissioner Danny Werfel. "If someone unexpectedly calls claiming to be from the IRS and threatens police arrest, deportation or license revocation if you don't pay immediately, that is

Testimonials

Attorney Gartzman was able to resolve my legal issues with a good outcome. I appreciated the knowledge he shared to help me understand the complex tax problem, coupled with the professionalism and advice given to me through establishing the trust was priceless. Trusting someone to provide legal service is a very hard commodity to discover today and is a big deal to me. Last but not least Attorney Gartzman's staff had such a warm and pleasant smile every time I have gone to the office without a doubt made me felt welcome. I absolutely recommend this law firm to anyone.

a sign that it really isn't the IRS calling." Werfel noted that the first IRS contact with taxpayers on a tax issue is likely to occur via mail.

Other characteristics of this scam include:

- Scammers use fake names and IRS badge numbers. They generally use common names and surnames to identify themselves.
- Scammers may be able to recite the last four digits of a victim's Social Security Number.
- Scammers spoof the IRS toll-free number on caller ID to make it appear that it's the IRS calling.
- Scammers sometimes send bogus IRS emails to some victims to support their bogus calls.
- Victims hear background noise of other calls being conducted to mimic a call site.
- After threatening victims with jail time or driver's license revocation, scammers hang up and others soon call back pretending to be from the local police or DMV, and the caller ID supports their claim.

If you get a phone call from someone claiming to be from the IRS, here's what you should do:

- If you know you owe taxes or you think you might owe taxes, call the IRS at 1.800.829.1040. The IRS employees at that line can help you with a payment issue - if there really is such an issue.
- If you know you don't owe taxes or have no reason to think that you owe any taxes (for example, you've never received a bill or the caller made some bogus threats as described above), then call and report the incident to the Treasury Inspector General for Tax Administration at 1.800.366.4484.
- If you've been targeted by this scam, you should also contact the Federal Trade Commission and use their "FTC Complaint Assistant" at [FTC.gov](https://www.ftc.gov). Please add "IRS Telephone Scam" to the comments of your complaint.

Taxpayers should be aware that there are other unrelated scams (such as a lottery sweepstakes) and solicitations (such as debt relief) that fraudulently claim

CPA Spotlight



Laura McAllister
Associate CPA

Staff Spotlight



Norma J. Padilla
Associate Case Manager

Staff Spotlight



Tabitha Relota-
Client Service Manager &
Legal Assistant

From our Staff...
Thank you for the opportunity to serve you this past year. Your business is appreciated, and your referrals are welcome.

Please mention our

to be from the IRS.

The IRS encourages taxpayers to be vigilant against phone and email scams that use the IRS as a lure. The IRS does not initiate contact with taxpayers by email to request personal or financial information. This includes any type of electronic communication, such as text messages and social media channels. The IRS also does not ask for PINs, passwords or similar confidential access information for credit card, bank or other financial accounts. Recipients should not open any attachments or click on any links contained in the message. Instead, forward the e-mail to phishing@irs.gov.

Note These Dates For Your 2014 Calendar:

Tuesday, April 15, is the deadline for filing certain returns and taking certain tax-related actions. Here are the major deadlines.

- Filing 2013 income tax returns for individuals. If you cannot file your return by this deadline, be sure to file an extension request by April 15. The automatic extension (you don't need to explain to the IRS why you need more time) gives you until October 15, 2014, to file your return. An extension does not, generally, give you more time to pay taxes you still owe. To avoid penalty and interest charges, taxes must be paid by April 15.
- Filing 2013 partnership returns for calendar-year partnerships.
- Filing 2013 income tax returns for calendar-year trusts and estates.
- Filing 2013 annual gift tax returns.
- Making 2013 IRA contributions.
- Paying the first quarterly installment of 2014 individual estimated tax.
- Amending 2010 individual tax returns (unless the 2010 return had a filing extension).
- Original filing of 2010 individual income tax return to claim a refund of taxes. Some taxpayers have tax refunds due them for prior years, and unless a return is filed to claim the refund by the three-year statute of limitations, the refund is lost forever.

Pay Attention To Your MAGI To Qualify For Tax Breaks?:

name to friends and business associates who may need our services.

Team Spotlight



The Gartzman Law Firm Team!

Take a look at your 2013 tax return after it's prepared. How close to the edge did you come to losing tax benefits due to tax phase-outs? As you begin your 2014 tax planning, consider the effects of these benefit-limiting provisions, many of which are based on modified adjusted gross income, or MAGI. Knowing how close you are to the "edge" can help you preserve tax breaks for 2014.

A caution: Since the definition of MAGI as applicable to individual phase-outs varies, you might have to choose between conflicting opportunities. For instance, if you have a child in college this semester, the American Opportunity Credit and the Lifetime Learning Credit may be on your mind. Both benefits are education-related, yet the qualifying requirements differ - including the MAGI threshold.

- Education benefits. The American Opportunity Credit is a partially refundable, dollar-for-dollar reduction of your tax bill, with a maximum of \$2,500 per student. This year the credit starts to shrink when your MAGI reaches \$160,000 and you're married filing jointly (\$80,000 when you're single). It disappears completely when your MAGI is greater than \$180,000 for joint returns, and \$90,000 when your filing status is single.

For 2014, the Lifetime Learning Credit begins to phase out at \$108,000 when you're married filing a joint return and \$54,000 when you're single. Once your MAGI reaches \$128,000 (married) or \$64,000 (single), the credit is no longer available.

Other education benefits, such as the above-the-line tuition and fees deduction, also have MAGI limitations. If you qualify, you can claim the maximum annual limit of \$4,000 when you're married filing jointly and your MAGI does not exceed \$130,000 (\$65,000 if you're single). The deduction phases out completely when your income reaches \$160,000 (\$80,000 for singles).

- Retirement plans. Phase-outs affect retirement planning too. The deduction for contributions to your traditional IRA is limited when you are eligible to participate in your employer's plan and your MAGI exceeds \$96,000 (\$60,000 when you're single).

And while Roth IRA contributions are not tax-deductible, the amount you can contribute for 2014 begins to phase out when your MAGI reaches \$181,000 (\$114,000 if you file single).

In addition, the federal "saver's" credit for making contributions to retirement plans phases out when your 2014 modified adjusted gross income is more than \$60,000 and your filing status is married filing jointly (\$30,000 for singles).

- Other phase-outs. Finally, the exclusion of social security benefits from taxable income also has a phase-out calculated on the amount of your MAGI over the base amount of \$32,000 when you're married and \$25,000 when you're single.

Other phase-outs affecting your 2014 federal tax return reduce personal exemptions, itemized deductions, and the alternative minimum tax exclusion.

Contact our office for guidance in managing income for maximum tax breaks.

Financial Tips For 20-something Generation:

The earlier you start, the easier it will be to get ahead financially. Here are some recommendations for those in their early twenties.

Pay yourself first. Every time you get paid, put something aside in a savings or investment account.

As a general rule, save 10% of your income. Even smaller amounts add up over time.

Watch your plastic. Credit cards are an expensive form of debt, and it's easy to lose control of them. Try to pay your entire credit balance every month, even if it's a stretch. If you've been carrying a balance, buy nothing more on credit until the balance is zero.

Keep a clean credit record. If you plan to own a home, buy a car, or start a business, you're going to need squeaky-clean credit. Keep all of your financial obligations current, and never make a financial commitment that you can't keep. If you fall behind on any obligation, talk to the creditor immediately to make alternative arrangements.

Make sure you have adequate medical coverage. You may not see a doctor even once this year. But if you do need medical care, it could be for something serious and expensive. Anything less than a good major medical policy could ruin you financially.

Watch your expenses. At this point in your career, you may not receive large or frequent pay raises, but you can achieve the same effect by cutting expenses. Shop before you buy. Very similar - and sometimes identical products - are sold at widely varying prices. Wise shopping can be the equivalent of having a good-paying second job.

For assistance with financial strategies suitable for your particular age and situation, give us a call.

NOTE: This newsletter includes general legal and tax topics of interest for a broad range of readers. It is not legal or tax advice that readers may rely on as a recommendation for their particular situation nor is it a promise or guarantee of a particular outcome or result.



About Our Firm:

Atlanta tax attorney and CPA Jeffrey S. Gartzman has been helping individuals and businesses with tax solutions for over 30 years. Having a local [Atlanta tax attorney](#) and CPA on the pulse of current IRS laws and regulations will save you time, stress and money.

Jeffrey S. Gartzman bolsters his down-to-earth demeanor with a background in the big leagues - serving his clients with a practical, professional and effective approach to solving tax problems large and small. We are here to help!

The Gartzman Law Firm, P.C.

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