

ELK POINT



FEBRUARY NEWSLETTER

One month down. Year end reporting is out and it is now tax season, along with the Super Bowl, Valentines Day and Mardi Gras. Here are a few important items to keep in mind this month.



Tax Season Appointments

Do you need to meet with a Tate & Associate tax preparation professional this year? We schedule all tax appointments on Mondays, so that we may use the rest of the week to prepare and submit your tax return. Please call our office to schedule your 30 minute appointment. If you do not need an appointment, drop by Monday through Friday to drop off your information.

Change to Mileage Rates

The Internal Revenue Service issued the 2016 optional [standard mileage rates](#) used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes. Beginning on Jan. 1, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- 54 cents per mile for business miles driven, down from 57.5 cents for 2015
- 19 cents per mile driven for medical or moving purposes, down from 23 cents for 2015
- 14 cents per mile driven in service of charitable organizations

Payroll Tax Reminder

As we have completed quarter 4 payroll tax filings we wanted to remind all employers that it is your responsibility to pay payroll taxes to the appropriate agency. Employers cannot avoid this responsibility by transferring to another party, employee or agent.

Wellness Programs no longer voluntary Ginny's Small Business Tax Tip

Bloomberg recently published an article on Wellness Programs. More businesses are making them a requirement to keep their health insurance costs lower. Check out the article [here](#) for more details.

Always use a separate bank account for business. If you co-mingle personal and business expenses it opens the door for the IRS to expand the audit beyond your company and right into your home.

Hawley Troxell Labor Law Highlights

If you missed the Labor Law Seminar from Hawley Troxell on January 22nd here are a few key items that we took away from the seminar and what you may want to prepare for in the coming year.

- Unlike criminal cases, in employment law cases the burden of proof is on the employer, not the employee.
- Expect an increase in the minimum salary from \$23,660 to \$50,440 per year.
 - This breaks down from \$455 per week to \$970 per week.
 - Also, expect an increase of some sort in the Federal and State minimum wage. It is going to happen, no matter what the Presidential Candidates say.
- Department of Labor Audits are targeting those that are trying to categorize employees as contractors.
 - Construction, Healthcare and Transportation Industries are the biggest targets.
- The business utilizing a temporary employee is identified as the employer, not the temporary agency.
 - If utilizing temporary employees make sure you have an agreement with the agency, not the employee.



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