


# MedTax Times

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Welcome to the first issue of MedTax Times! In an effort to help our clients stay up-to-date on tax and accounting news, MedTax will now offer a quarterly newsletter. Current and back issues will be available on MedTax.com!

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[www.MedTax.com](http://www.MedTax.com)

## Beware Phishing Scams

**Phishing** is a technique used by identity thieves to acquire personal financial data in order to gain access to the financial accounts of unsuspecting consumers, run up charges on their credit cards or apply for loans in their names. These Internet-based criminals pose as representatives of a financial institution or sometimes the IRS itself and send out fictitious e-mail correspondence in an attempt to trick consumers into disclosing private information. A typical e-mail claims to notify you of an outstanding refund and urges you to click on a hyperlink and visit an official-looking website. The website then solicits a social security and credit card number. It is important to note *the IRS does not use e-mail to initiate contact with taxpayers* about issues related to their accounts. If a you have any doubt whether a contact from the IRS is authentic, you can contact MedTax or call the IRS directly at 800-829-1040 or email [phishing@irs.gov](mailto:phishing@irs.gov).

## Quarterly Estimated Taxes

Estimated tax payments are the bane of an increasing number of Americans. They are expected from people who earn income on investments, run their own businesses or receive any compensation that has not yet been taxed. While most taxpayers meet their tax obligations through paycheck withholdings, the estimated tax system was designed to ensure that taxpayers who have non-withholding income pay into the tax system regularly.

If you're self-employed you must get the taxes on this money to the IRS yourself. The IRS prefers that you figure the total amount of estimated tax you'll owe in April, divide it by four and send in equal payments according to the schedule. Estimated taxes also are due on interest and dividends, profits from investment sales, alimony, rental income and prizes or awards. Contact MedTax with any questions regarding your quarterly estimated taxes— 1.866.992.2475.

Estimated tax due	For income received
April 15	Jan. 1 through March 31
June 15	April 1 through May 31
Sept. 15	June 1 through Aug. 31
Jan. 15	Sept. 1 through Dec. 31

## How Long Should I Keep Tax Records?

The length of time you should keep a tax document depends on the action, expense, or event the document records. Generally, you need to keep your support records until the period of limitations for that return runs out. That is the period of time in which you can amend your tax return or the IRS can audit you. The IRS can audit you for three years after you file your return. In reality, however, most returns are audited within 18 months of filing.

### Tax Return Support Documents:

- Keep tax return support documents for 3 years
- If you file an amended return for a credit or refund; keep your records for 3 yrs from the date you filed the amended return
- Keep employment tax records for at least 4 years after the tax becomes due or is paid
- If you file a claim for a loss from worthless securities or bad debt deduction keep your records for 7 years
- Keep all records relating to property and assets until after the tax year in which the asset was sold or disposed of. For example- homes, cars, equipment, stock, bonds, mutual funds
- **Keep a copy of your annual tax returns indefinitely!**

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