



December 2019

Dear Client,

2020 marks the start of a new decade and, quite possibly, the start of a new career for many CPA's. In 2019, we saw the full impact of the new tax law, *The Tax Cuts and Jobs Act*. The effects of the law thrilled some taxpayers, infuriated others, and certainly sent a good portion of our fellow CPA's running for the hills. Never have we received so many phone calls in 2019 from new clients saying their "prior CPA retired"!

Despite the whirlwind of 2019, Diane and Becky are holding fast and have been reminded of a few things for which we are thankful. We are thankful for making it through the storm of 2019 and for our patient clients that bore through it with us. We are thankful for our cozy new office in Livermore and for all of the support and understanding we received in making the transition. Finally, we are thankful to have a full list of wonderful clients to keep our days busy and our minds happy!

TAX CUTS AND JOBS ACT

The Tax Cuts and Jobs Act (TCJA) was signed into law on December 22, 2017 and was rightfully called the most sweeping tax reform since 1986. Fortunately for everyone, there are little changes taking effect for the 2019 tax season (although late Congressional rulings are always possible). As we did last year, we have included a summarized analysis of the most relevant changes for both individuals and businesses and have highlighted the few minor changes that could apply to your 2019 tax returns.

YEAR-END TAX PLANNING TIPS

We have prepared a separate sheet that includes some routine year-end suggestions and general information. Please check our website regularly for any additional details or updates. Contact us to discuss your situation or for a personalized strategy.

TAX PROJECTIONS

A normal income tax projection can be done in either an office consultation, over the phone, or by email. This allows you to plan for tax liabilities, assists in deciding when your taxes need to be paid in order to avoid or reduce penalties, and what alternatives and options you have available to alter the result. This is something that can be prepared at any time during the year and can be updated as often as you desire. We use assumptions and estimates in preparing these projections, so there are no guarantees. However, it is a valuable tool to use when making an informed decision.

OTHER SERVICES

We are available for your entire professional advisory needs. Many times we can offer suggestions before you do something that may save you money. For example, we can assist you in deciding whether to exercise stock options, to purchase or sell a business or real estate and how to calculate the required minimum distributions from retirement plans. For our business clients, we offer on-site personalized QuickBooks training and bookkeeping assistance, either on a routine basis or as a one-time consultation.

PENALTIES

You are required to have a minimum amount of withholding and/or estimated tax payments during the year in order to avoid any potential penalties for underpayment of your tax. As a result, it is important to review your withholding and estimated tax payments for both federal and state income taxes before the end of the year. If you do not meet the minimum amounts you should increase your withholding or make an estimated tax payment as soon as possible.

2019 FILING DEADLINE

This year the filing deadline will be Monday, April 15, 2020.

EXTENSION REQUESTS

We will efile extension requests for all individuals whose tax information is received after **Wednesday, March 11, 2020**. Please note that we must have your information in hand by this date; a postmark of the deadline only works for the government! Any income tax balance due amounts must be estimated and paid by April 15, 2020 to avoid interest and penalties. All information required for us to calculate extension payment amounts must be received by **Wednesday April 1, 2020**. If you do not notify us otherwise or if we do not receive the necessary information for your extension calculation by April 1, 2020, we will automatically efile your extension request with “zero” balance due amounts. Please understand that we are unable to make exceptions to these deadlines.

PERSONALIZED OPTIONS

We can conduct tax interviews over the phone, in person, or via video conferencing (new last year). Tax documents can be uploaded or provided via secure email and completed tax returns can be mailed by FedEx, uploaded to our website or transferred them to a flash drive. Finally, e-file forms can be signed electronically or on paper. We want to make tax return preparation as stress-free as possible, which includes providing flexible options based on each of our individual client’s preferences.

ORGANIZER BY SNAIL MAIL

Your tax organizer will be mailed on or around January 7, 2020. If you have moved, please send your current address to becky@friedmanperrycpas.com as soon as possible.

ORGANIZER BY EMAIL

If you would like your organizer provided electronically, please email Becky. We can provide “E-organizers” which are dramatically different from our standard paper organizers and require a bit of computer skill. Alternatively, we can email your organizer in PDF format; either as a fill-in PDF or as a non-fill in PDF that you can print and fill out by hand.

REMINDER ON OUR NEW OFFICE LOCATION

As a reminder, be sure to call or email us before you drop-off your tax package to confirm someone is available to receive it. Alternatively, you can mail your package to our secure post mail box at 1141 Catalina Drive, PMB 180, Livermore, CA 94550. This is not our physical location, although we learned the friendly staff is happy to put your mail in our mail-box if you happen to accidentally end up there! For our age 60 and over clients, we will continue to offer free pick-up and/or delivery services if you live in Fremont, Union City or Newark.

FIRM UPDATES

After successfully completing a 15 year partner in training program, Becky has been promoted to senior partner. Diane will begin a 3 year “graceful” transition into semi-retirement, still with no intention of completely retiring in the foreseeable future. We are also happy to announce a new addition. Heather has joined us as our part-time front desk assistant.

REFERRALS

We have always appreciated your confidence by referring your friends and family to our firm. However, in order to better service our existing long-term clients, we have currently decided not to take on new clients for the 2020 tax season. We turned down many new client requests this past tax season due to an already full client load and Diane cutting back her hours. We will notify you when we are able to accept new clients again in the future.

HOLIDAY HOURS

We wish you and your families a very enjoyable holiday season and a prosperous new year. Our office will be closed beginning Monday December 23, 2019 to Friday January 3, 2020. However, Diane or Becky will be reachable intermittently, so please feel free to email or call us if you have any urgent matters during this time.

Sincerely,



Friedman & Perry
Certified Public Accountants