

## Monthly Newsletter - November 2021

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### **Coleman Portal Requires Multi-Factor Authentication for Enhanced Security**

Effective this week, there are changes coming to your Coleman Portal.

Our firm partners with Thomson Reuters (TR) to provide the platform for our Coleman Portals (called NetClient CS) and TR is updating the sign-in process to make it more secure by requiring multi-factor authentication (MFA) and reCAPTCHA. MFA and reCAPTCHA add a layer of protection to the sign-in process, increasing your protection against cyber security attacks.

What you need to know:

- You will continue using your current username and password to access your Coleman Portal.
- If you do not already have MFA enabled, you will be prompted to add it.
- Here is a link to a 3 minute video on how to setup your MFA:  
[https://cs.thomsonreuters.com/ua/login\\_security/cs\\_us\\_en/videos\\_hm/video-mfa-netclient-portal.htm](https://cs.thomsonreuters.com/ua/login_security/cs_us_en/videos_hm/video-mfa-netclient-portal.htm)

If you have questions, please call the office to talk to Hannah Crowe or email [Hannah@colemancpas.com](mailto:Hannah@colemancpas.com).

### **Welcome Karen Reid!**

Coleman & Associates recently welcomed a new team member – Karen Reid.



Karen graduated from Wheaton College with a Bachelor of Arts in English. She also holds a Master of Health Administration degree from Rosalind Franklin University. Before joining Coleman & Associates, Karen held administrative roles in a variety of industries, most recently higher education.

Karen has recently returned from New York, having spent the past six years there. She is happy to be back among family and friends. In her spare time, she enjoys spending time with family and friends, reading, and working on her knitting skills.

## **Illinois Department of Revenue Unveils Modernized Websites**

### **Tax.Illinois.gov**

The Illinois Department of Revenue (IDOR) redesigned its website: [Tax.Illinois.gov](https://tax.illinois.gov). The modernized website features intuitive drop-down menus, a virtual assistant to help with questions, and Google Translate to provide information in seven of the most used languages.

### **MyTax.Illinois.gov**

IDOR's free online tax account management program, [MyTax Illinois](https://mytax.illinois.gov), has also been updated. MyTax Illinois now:

- allows users to more easily find accounts and items they are searching for
- provides direct access to the most-used functions
- offers a mobile-friendly, snap-to-fit, screen design that can be used on any electronic device.

The new drop-down menus were designed using website visitor statistics, while other resources are populated in real-time to provide visitors with immediate access to some of the most current inquired-about issues, saving them time. The Google Translate feature provides website translations in Chinese, Filipino, French, German, Italian, Polish, and Spanish.

## **Claiming Unclaimed Property in Illinois**

In Illinois you can search for money owed to you or your business through the State Treasurer's Office Unclaimed Property Division. This list is updated at least annually in November.

### **What is Unclaimed Property?**

Unclaimed property occurs, when a business, financial institution or government entity is holding money that belongs to someone else and the owner has not claimed the money. If the owner does not respond to correspondence sent via the US mail or email, the unclaimed money is reported and remitted to the State Treasurer.

Common types of unclaimed property include uncashed employee paychecks, uncashed vendor checks, insurance premium refunds, utility deposits, rebates, escrows, and similar intangible property.

## Claiming Unclaimed Property

To see if you or your business have unclaimed property to claim, you will need to go to the State Treasurer's [ICASH website](https://icash.illinoistreasurer.gov) (icash.illinoistreasurer.gov) and follow these steps:

Click on the "Get Started" button. Then, use the search form to find potential unclaimed property.

- After clicking "Claim" for the properties for which your entity is the owner, click "Continue To File Claim" at the bottom of the screen.
- On the next page you will need to select the Claimant Relationship.
- Click "File Claim" at the bottom of the page.
- The next page will request contact information and the social security number or the entity's Tax ID number. The email address and Tax ID number are both very important!
- After clicking "Next" the final page requires the claimant to certify under penalty of perjury that the information provided (including that you are the legal owner or representative) is true and correct.
- The final step is to click the "Submit" button.

You should receive an email confirming that your claim has been submitted. In order to prevent fraudulent claims, further documentation may be required including evidence that you have the legal authority to act on behalf of the business, trust, or a deceased relative.

## Tax Moves to Make Before Year-End

There are always moves you can make to reduce your taxable income. Some of these tax-saving moves, however, must be completed by December 31. Here are several to consider:

- **Tax loss harvesting.** If you own stock in a taxable account that is not in a tax-deferred retirement plan, you can sell your underperforming stocks by December 31 and use these losses to reduce any taxable capital gains. If your net capital losses exceed your gains, you can even net up to \$3,000 against other income such as wages. Losses over \$3,000 can be used in future years. Just be sure you do not repurchase the same stock within 30 days, or the loss will be deferred.
- **Max out pre-tax retirement savings.** The deadline to contribute to a 401(k) plan and be able to reduce your taxable income on your 2021 tax return is December 31. See if you can earmark a little more money from each of your paychecks through the end of the year to transfer into your retirement savings accounts. For 2021, you can contribute up to \$19,500 to a 401(k), plus another \$6,500 if you're age 50 or older. Even better, you have until April 18, 2022, to contribute to a traditional IRA and be able to reduce your taxable income on your 2021 tax return.
- **Make cash charitable contributions.** If you're like 90% of all taxpayers, you get no tax benefit from charitable contributions because you don't itemize your personal deductions. On your 2021 tax return, however, you may contribute up to \$300 in cash to a qualified charity and deduct the amount whether or not you itemize your deductions. Married taxpayers who file jointly may contribute \$600. You can make your contribution by check, credit card, or debit card. Remember that this above-the-line deduction is for cash contributions only. It does not apply to non-cash contributions.

- **Bunch deductions so you can itemize.** Are your personal deductions near the amount of the standard deduction for 2021: \$12,550 for singles, \$18,800 for head of household and \$25,100 for married filing jointly? If so, consider bunching your personal deductions into 2021 so you can itemize this year. For most, the easiest way is to bunch two years of charitable contributions into a single year. These can include gifts of appreciated stock where you get to deduct the fair market value without paying capital gains tax.

## **Year-End Tax Planning Ideas for Your Business**

As 2021 winds down, here are some ideas to consider in order to help manage your small business and prepare for filing your upcoming tax return.

- ✓ Identify all vendors who require a 1099-MISC and a 1099-NEC. Obtain tax identification numbers (TIN) for each of these vendors.
- ✓ Consider accelerating income or deferring earnings, based on profit projections.
- ✓ Section 179, or bonus depreciation expensing versus traditional depreciation, is a great planning tool. If using Section 179, the qualified assets must be placed in service prior to year-end.
- ✓ Business meals are 100% deductible in 2021 if certain qualifications are met. Retain the necessary receipts and documentation that note when the meal took place, who attended and the business purpose of the meal on each receipt.
- ✓ Consider any last-minute deductible charitable giving including long-term capital gain stocks.
- ✓ Review your inventory for proper counts and remove obsolete or worthless products. Keep track of the obsolete and worthless amounts for a potential tax deduction.
- ✓ Set up separate business bank accounts. Co-mingling business and personal expenses in one account is not recommended.
- ✓ Create expense reports. Having expense reports with supporting invoices will help substantiate your tax deductions in the event of an audit.
- ✓ Organize your records by major categories of income, expenses and fixed assets purchased to make tax return filing easier.
- ✓ Review your receivables. Focus on collection activities and review your uncollectable accounts for possible write-offs.
- ✓ Make your 2021 fourth-quarter estimated tax payment by January 18, 2022.

As always, contact the office with questions by emailing us at [info@colemancpas.com](mailto:info@colemancpas.com) or calling 773-444-3100. We are here to help.

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