

**Deadlines & Misc.**

Second Quarter Estimated Tax Payments are due by Monday, June 17, 2024 - See Page 3.

DEADLINES

July 31 is the deadline for timely filing or extending retirement plan Forms 5500.

Extended Calendar-Year Corporate or Partnership returns are due on or before Monday, September 16, 2024.

September 16 is also the last date for making 2023 plan-year contributions for retirement plans associated with a Corporation or Partnership.

STUDY CLUBS

If you would be interested in having us speak at one of your upcoming Study Club events, we would be happy to do so. We can cover a variety of topics including long-term financial planning, transition planning, tax savings opportunities, and more.

Contact our office for more details. 425.216.1612 or mail@cpa4dds.com

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Helping Dentists Make Smart Decisions about Money

CYBERSECURITY AND RECENT DEVELOPMENTS

You have likely heard of the recent cyberattacks on Change Healthcare and how it is affecting the healthcare industry. In light of that, now is a good time to reassess your security protocols and prevent similar issues from happening to you. While investigations are still ongoing, it is estimated that up to one-third of all Americans may have had some form of sensitive information leaked.

The result of the attack means that users of their systems may experience delays in receiving payments. If you experience a significant delay, you may need to seek outside assistance to help with cash flow before things are back to normal. Contact your bank to see if you can access an emergency line of credit. Patterson Dental and others have provided alternative methods of claims processing. Reach out to them to see if you are eligible for assistance.

The breach was likely due to a lack of multi-factor authentication. MFA is an added layer of protection on top of a simple username and password login. The most common method is having a code sent to a verified cell phone that is required for entry any time someone attempts to login. Most apps and systems with sensitive information have this feature available, but some require you to adjust your settings to implement it.

Cyberattacks are only going to increase, so be extra cautious when opening suspicious emails. Many phishing scams are becoming difficult to spot and may look like official emails from trusted sources.

Read more about some of the specific threats that dental offices face on our website. <https://dentalaccountingpros.com/2024-cyber-security-update/>

ROTH IRA CONVERSIONS AND REQUIRED MINIMUM DISTRIBUTIONS

One of the key differences between a traditional and Roth IRA is that traditional IRAs require minimum distributions each year upon turning 73 years old. These distributions are taxable income, and as the name implies, they must be taken each year, even if you don't need the income.

One planning method is to convert some of your traditional IRA balances to a Roth prior to turning 73. The conversion will trigger a taxable event, but if you start early enough before turning 73, you can likely carve out a smaller amount each year instead of converting all at once and taking a larger tax hit. It could also be beneficial to take advantage now, while tax rates are still relatively low. Absent any Congressional action, the tax cuts enacted back in 2017 are set to expire after 2025, with the highest marginal rate going from 37% to 39.6%.

NON-COMPETE AGREEMENTS UNDER SCRUTINY

The FTC has issued a final ruling that could mean the end of many non-compete agreements. Such agreements have long been used to prevent a potential competitor from working within a geographic area for a specified amount of time. While “final,” the rule is still subject to appeal, but it has a far-reaching impact that will apply to all workers, whether employees or independent contractors.

The rule will prohibit both direct and indirect restrictions, such as requiring liquidated damages in cases where someone subject to an agreement chooses to compete. It will not only prevent new agreements, but it will invalidate those already in existence.

However, there are a few exceptions which will likely apply to dentists. Agreements that prevent someone from soliciting away patients, referral sources, and staff will still be allowed. A purchaser of a business can also enforce a non-compete agreement against the seller of that business.

Pending any appeals, the rule is set to take effect September 4, 2024. Now would be a good time to review any non-compete agreements that you have in place. Once the rule becomes effective, employers will have to notify any workers under an existing agreement that the agreement will no longer be enforced.

SECOND QUARTER 2024 ESTIMATED PAYMENTS

THIS IS ONLY FOR THOSE THAT PAY BY QUARTERLY INSTALLMENTS

We highly encourage that estimated payments be made online at [EFTPS.gov](https://eftps.gov) – this very convenient site allows you to enter multiple payments and dates in advance. Call us if you need help!

However, if you still prefer to mail in a paper check:

If we have prepared your 2023 return, you will find pre-printed estimated tax payment vouchers in your TaxCaddy account or in your folder if we mailed your tax return to you. Otherwise, detach or photocopy the voucher below.

1. Complete the name, address and social security number sections.
2. Fill in amount (call us at 425.216.1612 if you have questions regarding the amount).
3. Address your envelope to:

**Internal Revenue Service
PO Box 802502
Cincinnati, OH 45280-2502**

4. Make your check payable to the **United States Treasury**.
5. Note your social security number and “2024 1040-ES” on the memo line of your check.
6. Enclose the voucher and check in your envelope addressed to the Internal Revenue Service (see above).
7. Mail on or before Monday, June 17, 2024.

Separate here.

Form 1040-ES Department of the Treasury Internal Revenue Service	<h2 style="margin: 0;">2024 Estimated Tax</h2>	Payment Voucher 2 OMB No. 1545-0074	Calendar year – Due June 17, 2024	
File only if you are making a payment of estimated tax by check or money order. Mail this voucher with your check or money order payable to “ United States Treasury .” Write your social security number and “2024 Form 1040-ES” on your check or money order. Do not send cash. Enclose, but do not staple or attach, your payment with this voucher.		Amount of estimated tax you are paying by check or money order.		
Pay online at www.irs.gov/efpay Simple. Fast. Secure.	Print or type	Your first name and middle initial	Your last name	Your social security number
	If joint payment, complete for spouse			
	Spouse's first name and middle initial	Spouse's last name	Spouse's social security number	
	Address (number, street, and apt. no.)			
	City, town, or post office. If you have a foreign address, also complete spaces below.		State	ZIP code
Foreign country name		Foreign province/county	Foreign postal code	

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see instructions.

