

## **NOVEMBER 2015**

### **ROTH IRA CONVERSION**

If your taxable income is lower this year than past years it may be a good time to convert or move some funds to a Roth IRA. The amount of the conversion will be taxable in 2015 yet there are advantages to performing this action. Withdrawals from a Roth IRA, including earnings, will be tax-free if you

- have held the account at least 5 years, and
- are age 59.5 or older, disabled or deceased.

### **NEED MORE DEDUCTIONS?**

If you itemize deductions and are looking for additional write-offs, one of them could be paying that second installment of your property taxes before 12/31/2015. However, a word of caution – if you paid Alternative Minimum Tax (line 45) in 2014 and your income is about the same this year as it was last year then this deduction may not be beneficial.

You may also want to review your list of charitable contributions and find one or more of your favorite recognized U.S. charities to which you'd like to contribute. Go to [www.irs.gov](http://www.irs.gov) and in the Search box enter "Recognized U.S. charities" and follow the link.

### **NOT WAITING ON CONGRESS...**

We are recommending to taxpayers over age 70.5 who are interested in contributing their RMD to charity to go ahead and set that up. The limit is \$100,000. Congress may not renew legislation until late this year. If Congress fails to renew this provision, you will be treated as having received your RMD and also making a charitable donation.

### **IDENTITY THEFT**

According to the National Taxpayer Advocate, Nina Olson, this has become one of the fastest growing problems in our nation. If you have been a victim or think your identity may have been stolen, contact us, the IRS and the Federal Trade Commission. There are well written articles at [www.irs.gov](http://www.irs.gov) about what to do if you're a victim.

### **REMEMBER**

The IRS will never contact you by phone or e-mail or ask for identifying information from you through either of these actions. If there is a tax issue with your account, you will receive a notice through the U.S. mail service. Contact us if you receive any communication from the IRS or from someone saying they are from the IRS.

If you have a question about any item in this newsletter, please contact either Tina ([tina@reddelltax.com](mailto:tina@reddelltax.com)) or Don ([don@reddelltax.com](mailto:don@reddelltax.com)).

### **HAVE A WONDERFUL THANKSGIVING**