

Volume 2016  
Issue 1



**The Log:**  
A Werner, O'Meara  
& Co Newsletter

# Estate and Gift Tax Changes are Coming

The IRS has recently issued proposed regulations that, when finalized, will put an end to “discounting” in the valuation of family-owned businesses. The word is that the regulations will be finalized sometime in early January, 2017 and that they will not be applied retroactively. This means that you have an opportunity to make discounted gifts before the end of this year.

Under the current laws, when an interest in a closely held business is transferred to a family member, the donor is able to claim significant valuation discounts for lack of marketability and lack of control. These discounts can significantly reduce the gift tax cost and the transferred

interest is no longer in the estate, which can reduce estate taxes as well.

We have until the end of 2016 to use the existing discounting rules. If your assets are of a size that they are likely to generate estate tax at the time of your death, you might want to consider making discounted gifts while you still can.

If you would like to know more, give us a call at (425) 774-8888!



Barbara Carney, CPA

# Are You Ready for A Rainy Day...or Worse?

What would happen if you became incapacitated or died suddenly? Who would make your medical decisions? How would the bills get paid? Where do you keep your passwords? Can someone access them in an emergency?



## **PERSONAL FINANCIAL PLANNING**

If you don't know the answers to these questions, consider making an appointment with me for financial planning. Financial planning is about more than measuring net worth. Financial planning encompasses estate, tax, retirement, insurance, investment, education, and life planning. Your financial plan can be geared to cover only the areas that are concerning to you right now, or can be crafted as a comprehensive plan that not only covers areas of importance now but also anticipated needs of the future.

## **ADVANCE HEALTH DIRECTIVE**

Our country's medical privacy laws prevent states from freely sharing information with your loved ones when you have had an emergency. While your spouse, parents, or children may eventually be granted permission to make your medical decisions, it takes time for that to happen. All adults over the age of 18 should have an advance health care directive completed so their designee can make decision on the spot if it ever becomes necessary.

As a certified Personal Financial Specialist (PFS), I can help guide you through the process to of getting your financial and life documents in order.

✎ Aliina Anton-Erik, CPA/PFS

*Referrals* from wonderful clients like you are  
the greatest compliment you can give us!

# Welcome Oksana Davidson, CPA and Charlie Meyerson, CPA

Please join us in welcoming Oksana Davidson and Charlie Meyerson to the Werner, O'Meara team!

**OKSANA** began her public accounting career as an IRS Certified Volunteer providing Volunteer Income Tax Assistance (VITA) at the local library. In 2006, Oksana graduated with a Masters of Professional Accountancy degree from Central Washington University and went on to earn her CPA license in 2011. Before coming to Werner, O'Meara & Co. she worked at another local firm for nine years. She specializes in small to medium sized business.



Oksana loves to travel with her husband and daughter to different parts of the world. She likes to cook healthy meals for her family, and is also refreshing her piano playing skills obtained from seven years of music school during her youth.



**CHARLIE** joined our firm in November 2015. He graduated with a BS in Accounting from Central Washington University in 2011 and received his CPA license in the summer of 2016. Charlie's willingness to learn from other accountants and his easy-going nature has led to an immediate fit to our team. He is a great addition to our team and we look forward to more years of productivity and growth from him.

If the weather is cooperating, you will likely find Charlie outside doing something: fly fishing, hiking, golfing and BBQing. He also enjoys fantasy football where his love for numbers and sports is combined.

# IRS Deadline Change

If you run a business, you should be aware of the new filing deadlines the IRS has designated for copies of 1099 forms for non-employee compensation. The new deadlines will take effect beginning January 1, 2017.

Employers will be required to file the IRS 1099 copies by January 31st, which is a month earlier than the current February 28th deadline. This deadline will also apply to W-2s for employees. Only the final four digits of Social Security numbers need to go on the employee's 1099 and W-2 copies. The full number will have to be listed on the copy sent to the IRS.

Having these forms earlier will help the IRS identify tax ID theft and fraudulent refunds more quickly.

✎ Sharie Landsverk, CPA

**W***erner*  
**O***'Meara & Company* PLLC  
CPAs and Consultants

PO Box 2037  
19109 36th Ave W Suite 213  
Lynnwood, WA 98036

Phone: 425.774.8888  
Fax: 425.774.4834  
Email: [admin@werner CPA.com](mailto:admin@werner CPA.com)

Visit us on the  
Web!  
**[werner CPA.com](http://werner CPA.com)**