

## Important Tax Date



Individuals with interests in, signature or other authority over one or more bank, securities or other financial accounts in a foreign country may need to file an FBAR by June 30.

## Writing Off Your Cell Phone



According to the Pew Research Center Internet Project Survey, as of January 2014, 90 percent of American adults have a cell phone and 58 percent of those phones are smartphones. No doubt, many Americans use their smartphone to check work email and take business-related phone calls. Considering a cell phone is ordinarily (common and accepted) used in your line of work—and necessary—the business use portion of your phone should be considered a business expense.

When an employer provides an employee with a cell phone primarily for noncompensatory business reasons, the business and personal use of the cell phone is generally nontaxable

to the employee. The IRS will not require recordkeeping of business use in order to receive this tax-free treatment.

However, if you're an employee and you purchase the phone yourself and are not reimbursed, you must keep diligent records of business use in order to deduct unreimbursed business expenses. Unreimbursed business expenses are reported on Schedule A, *Itemized Deductions*, and are subject to a 2 percent limitation. Use your call logs to determine the number of business calls compared to personal calls to determine the percent of business use. Better yet, have a separate cell phone to use exclusively for business.

If you are a small business owner, you'll also have to determine the percentage of business use; however, this will be deducted on your business return and not subject to the limitation. Remember to keep good records.

## Did You Know?

In 2013, the average U.S. wireless consumer paid taxes and fees of 17.18 percent; state and local charges averaged 11.36 percent.

## Quote Corner

**"The way to get started is to quit talking and begin doing."**

**~Walt Disney**