

InThe Loop

Your magazine of personal finance

March–April | 2023



Back taxes 101

5 business trends for 2023 | Safe and sound remote workspaces
Reaping referrals | Luck of the Irish | Celebrities sowing seeds

Look ahead to anticipate change

With the chaos of the holidays behind us, we can finally begin to settle into 2023. It's time to start looking ahead at what this year could bring. You may find yourself living a more passive come-what-may lifestyle, but we're challenging you to live proactively this year.

Tax season is here and back taxes are a friend to no one. We have the scoop on what you can do if you owe taxes and cannot pay with our guide to IRS notices, fines and penalties...and we also have the steps you can take to resolve them.

The business landscape is forever changing, and it can take time to keep up with every new trend. That's why we've rounded up the five biggest trends small businesses can expect to see this year. And while you're selecting the business trend that could be your best friend, be sure to check out our cybersecurity tips to keep your business—and remote workspace—safe and secure.

As you take on the challenge to live proactively, you'll want to include the goal of obtaining business reviews and referrals. We offer six steps to help you boost the number of customers singing your praises, so you can see your business ranking soar online and help bring in new and returning customers throughout the year.

If you're looking for a place to celebrate St. Patrick's Day, or just want your chance at some of that Irish luck, peruse these destinations with an Irish flair—both domestic and abroad. Take in the sights or enjoy a pint!

For some, springtime brings the joy of planning a garden and indoor seeding. But did you know there are several red-carpet celebrities who are avid gardeners themselves? Find out who shares a love of digging in the dirt with our celebrity garden trivia. They may inspire you to sow seeds of your own.

Good luck in your efforts to live proactively!

Your trusted advisors

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Back taxes 101



If the phrase “back taxes” sends a shudder down your spine, you’re not alone. Unpaid taxes aren’t uncommon, but disregarding back taxes can put you at risk for increased liabilities and accrued penalties, which can be detrimental to your finances. Knowing where to start can be the hardest part, so let’s dive into what you can do if you owe taxes and cannot pay.

Back taxes defined

Simply put, back taxes are local, state and/or federal taxes that have been partially or fully *unpaid* in the year they’re due. This can happen when taxpayers file a return but don’t pay the tax liability, fail to report all income earned during the tax year or neglect to even file a tax return.

In the case where a return isn’t filed, there is a failure-to-pay¹ penalty of 0.5% of the amount due. This applies every month or part of a month until the tax is paid in full, or until the penalty reaches 25% of the original tax balance owed.

The IRS also considers back taxes to be the equivalent of a loan, so they charge interest (yes, in addition to the penalties you pay) on the amount due. Not only that, but they change the interest rate every three months by calculating the federal short-term rate² plus 3%.

It’s in your best interest to pay back taxes as quickly as possible...before the IRS uses aggressive collection tactics to recoup what they’re owed.

IRS tax notices

If you don’t pay your taxes in full when you file your tax return, you’ll first receive a bill from the IRS for the amount you owe. This bill starts the collection process until your account is paid in full or until the IRS can no longer legally collect the tax (i.e., when the time or period for collection expires).

The first notice you’ll receive will be a letter that explains the balance due. It will also demand payment in full, which includes the amount of the tax, plus any penalties and interest accrued from the date the tax was due. It’s important to

remember that legitimate tax notices will arrive via mail and no other delivery method (e.g., text, email or phone call).

If you believe your notice was issued in error or if you have questions³, you can write to the IRS office that sent the letter within the timeframe provided or call the number listed on the notice for assistance.

Options for payment

While it's best to pay your balance in full if you're able to do so, there are a few options available to you when you owe back taxes and can't pay the balance immediately.

1 Installment agreements⁴

The IRS allows taxpayers to set up a payment plan within an extended timeframe if they'll be able to pay their taxes in full within that timeframe. A short-term payment plan allows taxpayers to pay the amount owed within 180 days. A long-term payment plan allows taxpayers to set up a monthly payment plan. It's important to note that there may be fees to set up payment plans, and penalties and interest will continue to accrue until the balance is paid in full.

2 Offer in compromise⁵

This option allows you to settle your tax debt for less than the full amount owed if paying your full tax liability will create a financial hardship. Taxpayers must meet several eligibility requirements

¹"Topic No. 653 IRS Notices and Bills, Penalties, and Interest Charges," IRS, January 3, 2023. <https://www.irs.gov/taxtopics/tc653>

²"Applicable Federal Rates (AFRs) Rulings," IRS, August 9, 2022. <https://www.irs.gov/applicable-federal-rates>

³"Understanding Your IRS Notices," IRS, January 30, 2023. <https://www.irs.gov/individuals/understanding-your-irs-notice-or-letter>

⁴"Additional Information on Payment Plans," IRS, August 25, 2022. <https://www.irs.gov/payments/payment-plans-installment-agreements>

⁵"Offer in Compromise," IRS, July 29, 2022. <https://www.irs.gov/payments/offer-in-compromise>

and apply for an offer in compromise. The IRS recommends exploring all other payment options before submitting an offer in compromise.

3 Currently not collectible status

For taxpayers needing more time to pay, a request to delay collection of payment and report their account as "currently not collectible" is an option. The IRS will ask you to complete a Collection Information Statement (Form 433-F, Form 433-A or Form 433-B) and may temporarily delay collection until your financial condition improves. Under this option, the debt doesn't go away and will continue to accrue penalties and interest until the debt is fully paid.

IRS collection tactics

If back taxes continue to go unpaid, the IRS will become more aggressive in collecting a debt, including filing a tax lien, issuing a levy or garnishing wages.

- **Liens** allow the government to make a legal claim against your property, like real estate, personal property and financial assets. It can also include future assets acquired while there's a lien against you.
- **Levies** permit the legal seizure of your property (e.g., retirement accounts, bank accounts, physical assets, pending wages) to satisfy your debt.
- **Wage garnishment** allows the IRS to direct your employer to deduct a predetermined amount from each paycheck to be sent directly to the IRS. This garnishment also applies to bonuses, tax refunds and unexpected funds.

Resolve back taxes...quickly

Receiving a notice about back taxes can be alarming, but the most important thing to remember is to pay that debt quickly. If you have questions or concerns about a tax notice, contact a tax professional to determine the best option for your situation. ■



5 business trends for 2023

The business landscape has changed over the last several years and will continue to do so in 2023. Businesses have dealt with supply chain issues, rising inflation and the Great Resignation. As we continue into 2023, here are five trends small businesses can expect to see.

Recession preparation

According to the recent AICPA® & CIMA® Economic Outlook Survey,¹ 40% of business executives—including chief executive officers, chief financial officers, controllers and other certified public accountants in the US—say the economy is already in a recession. Not only that, but another 40% believe we'll see a recession occur within 2023.

That's why you'll see businesses start to prepare for a recession by proactively planning for a slow-down in sales and profits. Strategies to make it through the downturn will focus on the biggest and most important customers, partners and

investors...and on strengthening those relationships. Raising prices for products and services may also be necessary.

Staffing revitalization

It's no secret that the Great Resignation did a number on businesses across the nation. Companies struggled to find and retain top talent due to the demands, and it appears that 2023 will be no different in that aspect. Considering that hiring and training costs are highest in small businesses, staffing will remain a concern.

Expect to see businesses work to engage with and motivate their current employees by going

beyond offering typical benefits, like a competitive salary and benefits package. The focus will shift to maintaining an environment that promotes work-life balance, flexibility, career development training, perks such as paid maternity and paternity leave or paid time off for volunteering, and support for mental health awareness.

Digital readiness

When the pandemic hit, many businesses had to quickly adopt technology and start making their processes go digital. Since then, technology has expanded quite a bit, and *automation* is the buzzword. Going back to paper processes is antiquated and only slows your business down.

We'll start seeing more companies adopting "super apps" that will allow them to use a single sign-on (SSO) to access all their technology in one virtual location. Businesses will invest in tech that makes their processes and workflows more efficient, enhances collaboration internally and externally, and automates manual tasks to streamline production.

Cybersecurity fortification

While it may seem like cybercriminals are focused on large companies, the truth is that small businesses are often the most targeted. According to a recent survey by Barracuda², the average employee of a small business with fewer than

100 employees will receive 350% more social engineering attacks (e.g., phishing, smishing, malware) than an employee of a larger enterprise.

Many small business owners will continue investing in and creating cybersecurity policies to keep their company's data—and their clients' and customers' data—safe. We'll continue to see the adoption of multifactor authentication, enhanced protection of PII (personally identifiable information), data encryption on all devices, employee security awareness training and the use of SSO to reduce the risk of accessing third-party applications.

Sustainability reinforcement

Sustainability has been a buzzword for a few years now, but many consumers are beginning to adopt more sustainable lifestyles...and they expect the companies they do business with to do the same. Research from IBM and the National Retail Federation³ shows that half of US consumers are willing to pay more for sustainable products.

Companies need to measure the impact their businesses makes on the environment and society, as well become more transparent and accountable to their customers. We can expect to see businesses begin to focus on reducing waste, using sustainable and eco-friendly packaging, and committing to diminishing negative environmental impacts.

Start trending

Small businesses may meet several challenges in 2023: staffing downturns, a rise in cyberattacks and an impending recession, just to name a few. While we'd normally tell you to be unique and march to the beat of your own drum, our advice in this case is to pick a trend—or trends—and get moving. ■ #YouGotThis

¹"AICPA Business and Industry Economic Outlook Survey," AICPA & CIMA, December 2022. <https://www.aicpa.org/professional-insights/download/4q2022-aicpa-business-and-industry-economic-outlook-survey>

²"Spear Phishing: Top Threats and Trends," Barracuda, March 2022. <https://assets.barracuda.com/assets/docs/dms/Spear-phishing-vol7.pdf>

³"Consumers want it all: Hybrid shopping, sustainability, and purpose-driven brands," IBM, National Retail Federation, January 2022. <https://www.ibm.com/downloads/cas/YZYLMEV>



Safe and sound: 9 tips to keep your remote workspace secure

Although some companies are making the call for all workers to return to the office, many are still embracing the hybrid or fully remote work environment and allowing employees to work from home. But with the remote workspace here to stay, keeping your business's data safe has never been more important, not to mention the data of your clients or customers. That's why we've rounded up nine tips to keep your remote workers (and your business) safe and sound.

1 Implement a remote work policy

To keep your remote (or hybrid) team safe and secure, create a cybersecurity policy that outlines standards for working remotely. The policy should outline the requirements for working from home (or remotely) and any required network security tools to detect and prevent unauthorized access or data breaches.

2 Use strong passwords

Ensure employees use strong passwords for all devices and logins that include at least 16 characters and require special characters, numbers and letters. Passwords should be changed every 90 days. If possible, use a password manager to store and create unique passwords.

3 Set up multifactor authentication

For applications that contain sensitive information, use multifactor authentication (MFA). MFA requires more than one distinct authorization (i.e., entering a code or receiving a phone call) to access an application upon login to help prevent unauthorized access.

4 Secure home routers

Employees working from their home offices should change the default password on their routers to prevent cybercriminals from accessing a vulnerable (i.e., using the default password) router. If possible, employees should also use a separate password-protected Wi-Fi signal for work-related activities to prevent inadvertent access to sensitive information from family or guests using the at-home Wi-Fi.

5 Use a VPN

A VPN (virtual private network) creates an encrypted environment over a public network and should be used in public settings, such as the local coffee shop, airports or hotels, to safeguard data. Even when working from home with a secure Wi-Fi connection, a VPN offers an additional layer of protection to keep data secure.

6 Encrypt all devices

Turning on encryption for all devices helps reduce the security risk in case a device is lost or stolen. It helps prevent unauthorized users from accessing the data on your devices without the password, PIN or—in some cases—biometrics.

7 Invest in antivirus software

While many devices come with antivirus software installed, it's imperative to make sure that all devices being used for work-related activities (e.g., laptops, tablets, phones) are protected. Antivirus software includes protection from malware, viruses and other cyberthreats and may also provide additional protection, like firewalls, password managers and secure browsers.

8 Require continued security training

New threats emerge every day, which is why it's important that all employees (remote, hybrid or in-house) enroll in continuous security awareness training. This helps keep employees hyperaware of the possibility of cyberattacks through phishing, vishing and smishing, and can help prevent sensitive information from falling into the wrong hands.

9 Keep physical workspaces secure

Hybrid and remote employees should treat their remote workspace just as they would their in-office space by making sure their physical workspace is secure. Laptops should be set up to prevent prying eyes in public places (i.e., backs facing windows), and devices should be locked even when only stepping away for a moment is a must-do. Also, family members and friends should not be using an employee's work devices—ensuring further control over access to sensitive data.

All employees must stay vigilant when it comes to security, whether they're working in the office, at home or at the local coffee shop. Use these nine tips to make sure your team—and your business—is always safe and secure. ■



Reaping referrals: 6 steps to get more online reviews

According to research by Brightlocal,¹ 98% of consumers read online reviews for local businesses. Not only that, but 87% won't even consider a business with less than a three-star review. Now, more than ever, obtaining genuine and relevant feedback is important. And we have the steps you can take to level up your online reviews and referrals.

STEP ONE Provide a stellar product or service

This should go without saying, but if you want to garner positive reviews from your customers or clients, the product or the service you provide needs to be top-notch. While it may not seem like it, Brightlocal's research uncovered that only 6% of consumers leave negative reviews and 37% leave positive reviews. Most people understand that no business is perfect, so if they're unhappy with their experience and you take the time to listen to their feedback and make adjustments, you may just win over new customers in the process.

STEP TWO Optimize your online business profiles

If you haven't set up your online business profiles, such as your Google Business Profile or your Yelp business page, it's best to get that going as soon as possible (read: yesterday). Both profiles are free—all you have to do is claim them and you'll control the information that visitors see (e.g., contact information, list of services, business description).

You want your online business profiles to help potential customers do three things: 1) find your business easily, 2) read glowing reviews, and 3) convince them to purchase your products and services.

STEP THREE

Invest in a reputation management solution

It may seem daunting to stay on top of online reviews, but there are tools that can help you with this. Applications like Grade.us or Birdeye gather reviews from multiple sites and put them in one easy-to-access place for you to review and respond. These tools can also send review requests to your customers automatically, so it becomes part of your workflow without even thinking about it.

STEP FOUR

Ask customers for reviews

One of the hardest parts of getting customer reviews is asking for them. But consider this fact from Brightlocal's survey: 81% of consumers are "likely" or "highly likely" to leave a positive review if

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they feel the business went above and beyond to ensure an exceptional experience. And while 35% of consumers would leave a review for a negative experience, only 6% do so. There are several ways you can ask for reviews:

- Send a request via email after purchase.
- Contact customers or clients directly and ask for feedback.
- Include feedback boxes at the close of online chat sessions.
- Ask if you can use and share a customer's positive experience.
- Use your reputation management software to automate the "ask."
- Make it easy by providing a template for customers to use.

STEP FIVE

Respond to all reviews—both good and bad

While it's easy to respond to good reviews (and you need to do this), it can be more difficult to respond to negative ones. But the truth is, it's better to respond than to let negative reviews go untouched. Potential customers will see that you've ignored the review (even if it was inadvertent) and feel that you don't care that someone received subpar service.

Respond to negative reviews to thank customers for their honesty and provide the next steps to resolve the situation. This provides transparency and shows that you care about the level of service you provide and want to work toward resolution. These reviews can also provide valuable feedback to your team so you can improve your products and services. Never, ever remove a negative review—it's dishonest and consumers will see right through it.

STEP SIX

Boost referrals with a rewards program

If your customers are leaving positive reviews, chances are that they'll also refer your business to their friends and family. All you have to do is ask...and sweeten the pot by offering a reward for referrals. Many people are motivated to provide referrals if they'll receive payment, gift cards or special discounts in return.

Start reaping reviews

Now that you have these six steps in hand, make it a goal to put a review plan into action. It may take a little time for reviews to start rolling in, but making sure that you're providing fantastic products and services is the best first step to get that review ball rolling. ■

¹"Local Consumer Review Survey 2023," Brightlocal, February 7, 2023.
<https://www.brightlocal.com/research/local-consumer-review-survey/>

Luck *of the* Irish



Whether you travel abroad or domestically, follow the rainbow to these Irish-inspired destinations and you may find yourself blessed with the luck of the Irish...and that elusive pot of gold.

BOSTON, Massachusetts

Along Boston's Irish Heritage Trail, tourists can walk in the footsteps of Irish immigrants and their descendants. Take a self-guided tour and learn about Irish-American politicians, poets, veterans and sculptors as you explore Boston's rich history.

SYRACUSE, New York

Located on the west side of Syracuse, the Tipperary Hill Neighborhood is home to Irish pubs, restaurants and bars, showcasing its Irish roots. Also known as Tipp Hill, this area is family friendly with picnic areas, athletic fields and even the Rosamond Gifford Zoo.

PHILADELPHIA, Pennsylvania

The City of Brotherly Love boasts its own rich Irish history. From Old St. Mary's Church and the Irish Memorial to the Rosenbach Museum and the Commodore John Barry Club, you're sure to learn the impact that Irish settlers made in Philadelphia.

CHICAGO, Illinois

Like the green Chicago River on St. Patrick's Day, Irish culture flows strongly throughout the city. Attend the annual "Irish in Parade," a 10-day event featuring Irish music and dance. Tour the Old St. Patrick's Catholic Church, and close the day with a pint (or two) from Shinnick's Pub.

DUBLIN, Ohio

This Midwestern city that shares a name with the capital of Ireland is a must-visit for Irish-inspired activities. Stop by the three-day Dublin Irish Festival, featuring seven stages of performances by internationally acclaimed Irish musicians and dancers. And make your way through the food and bar scene for some fine scotch and shepherd's pie.

DUBLIN, Ireland

For the most realistic Irish experience, the city of Dublin, Ireland, is as real as it gets. Venture down cobblestone streets and tour Ireland's oldest university, Trinity College Dublin, or the magnificent St. Patrick's Cathedral. Head to the Temple Bar district for live music and scrumptious eateries—and be sure to visit the Guinness Storehouse for a behind-the-scenes look at a working brewery and to enjoy a freshly poured pint. ■



Mellows Bridge – Dublin, Ireland

Celebrities sowing seeds

While these celebrities may get gussied up to walk the red carpet, did you know they also sport green thumbs and like to dig in the dirt?



“You get a garden! And you get a garden! Everyone gets a garden!”

Yes, that's right. It may surprise you that the famous talk show host, Oprah Winfrey, was raised on a farm in Mississippi. This upbringing inspired her to transform 16 acres of her property in Maui into an organic farm to produce over 145 pounds of food per week for the people on the island.

All the King's gardens

Not only does King Charles III reign over England, but he also reigns over 15 acres of organic gardens at Highgrove House in Gloucestershire. The king has also implemented many sustainability measures, such as solar panels and rainwater (see what we did there?) collection.

“What? Like it's hard?”

Southern-born Reese Witherspoon enjoys gardening with her children by her side. At her ranch in California, they grow cucumbers, tomatoes, lemons and herbs (just to name a few) to promote a healthy and green lifestyle.

“Just a girl...standing in front of a garden...”

It may come as a surprise that the “Notting Hill” and “Pretty Woman” star, Julia Roberts, has quite a passion for gardening and green living. She even does her own composting, starting with food scraps from her kitchen.

Just like heaven...on earth

Trading the Hollywood Hills for the Catskills, Mark Ruffalo lives on a 50-acre piece of land in upstate New York with his wife and children. There, he lives simply with his own vegetable garden and an eco-friendly guest house.

Taking the Mysterio out of gardening

When he's not facing Spider-Man in the movies, Jake Gyllenhaal is an ambassador for The Edible Schoolyard Project, which is centered around educating children to grow and cook their own food, so they can lead a healthy lifestyle.

“Who's that [garden] girl?”

The blue-eyed actress, singer and songwriter, Zooey Deschanel, started The Farm Project to help people grow their own food and work directly with farmers in their communities. She also maintains her own organic vegetables and promotes a sustainable, hydroponic system to reduce carbon footprints.

An octopus's garden

While his song weaves the tale of a garden under the sea, Beatles drummer, Ringo Starr, was inspired to begin gardening by fellow band-mate, George Harrison. He grows both flowers and vegetables in his own garden and frequents The Chelsea Flower Show.

Where the garden is hers and hers and his...

Even though she found her fame from “Three's Company,” Suzanne Somers remains fully grounded through gardening. She lives and promotes an organic lifestyle by growing her own vegetables and keeping her home and diet both chemical- and pesticide-free.

Drop some of this celebrity garden knowledge with your friends as you begin to prepare (or admire) this season's flower and vegetable gardens. And the award for the best garden goes to... ■



Time is running out...

The tax deadline is approaching fast—
have you filed yet? Take advantage of
our convenient, paperless process.

But hurry—time is short!