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## Tax Law Changes Ahead? Be Prepared

Significant portions of the current tax code are set to expire at the end of 2025, and while legislation is being considered in Washington, it's unclear what the outcome will be. What is clear is that waiting until 2026 to plan could limit your options.

Now is a good time to begin thinking about how new legislation could affect you—especially if any of the following apply:

- **You expect your income to rise.** A raise, job change, or business growth could put you in a higher tax bracket. Without new legislation, tax rates will increase.
- **You have itemized deductions.** If the recent increased standard deduction is not preserved, more taxpayers may revert to itemizing deductions such as state and local taxes, mortgage interest and charitable contributions.
- **You have a sizable estate.** The current estate tax exemption is historically high, but if the current exemption is allowed to expire, gifting strategies may be worth exploring.
- **You own a business.** The future of certain business deductions is uncertain. Understanding which of these deductions relate to you may be helpful.

While no one knows exactly what the changes will be, proactive discussions can help you prepare.

## It Pays to Have Interest in Your Interest Rates

When interest rates rose due to inflation, banks and credit unions quickly increased rates on credit cards, mortgages, and loans—but were reluctant to reward loyal customers with higher interest on deposits. Review your savings account interest and take necessary action.

- **Understand the impact.** Many savings accounts earn less than 1%, while high-yield options offer 3.5% to 4.8% with FDIC coverage.
- **Fight inertia.** Banks often advertise the best deals to new customers, not loyal ones.
- **Find the right account.** The solution might be a different product at your current bank, or a new institution altogether.
- **Manage your money actively.** Link accounts, monitor balances, and transfer excess funds to maximize your interest income.

Don't let your money sit idle. Make the switch to start maximizing your savings.

## Stem the Rise of Increasing Costs

Many small businesses are still managing the impact of inflation, supply chain disruptions, and now potential tariffs on imported goods. Here are a few strategies to help control rising costs:

### Identify supply chain weaknesses such as:

- Reliance on just-in-time inventory
- Single-source vendors
- Materials or services making up 10% or greater of your cost of goods sold
- Vendors that require long lead times or items that require special shipping or storage needs

### Use strategic offers and boost revenue by:

- Raising prices while offering extended terms to loyal customers
- Upselling services that have a higher value
- Steering buyers toward more efficient delivery methods to lower costs
- Pricing for volume discounts in anticipation of future orders

### Control your costs:

- Audit expenses for savings opportunities
- Compare vendors for better deals
- Create a monthly budget to help you stick to a spending plan

Consult with an Alloy Silverstein advisor and let's review your financials together.



## The Good – and Not So Good – of AI

Technology exists to solve problems and enrich our lives, but progress isn't always straightforward. The rapid rise of Artificial Intelligence (AI) in everyday tools like search engines and chat bots highlights both its benefits and risks. Here's what to know before jumping into ChatGPT.

### The upside of AI: Empowering efficiency

- **Instant access.** Unlike humans who are prone to distractions, emotions, or getting tired, AI runs 24/7 and stress-induced errors are virtually eliminated.
- **Faster data processing.** Large datasets can be analyzed in mere seconds, helping us focus on big-picture thinking and quicker decision-making.
- **Task automation.** AI automates time-consuming and repetitive work, freeing time for more complex tasks.

### The downside of AI: Tread carefully

- **Blends fact and fiction.** AI may sound confident but it might not be based on the latest information and can be inaccurate. Fact-checking cannot be ignored.
- **Limited creativity.** AI's output is based on a library of existing data. It repackages and organizes information, so don't expect innovative and original thinking.
- **Data privacy.** Be cautious on what personal information you share.
- **Not a legal or tax expert.** Continue to rely on the knowledge and experience of a true professional.

**The verdict:** AI has the potential to complement our capabilities but is still far from perfect. Use it as a helpful tool, not a replacement. Like any emerging technology, approach AI with curiosity and caution.

**Note:** AI is complex! Visit our website to view an expanded version of this newsletter article. While there, head over to **AlloySilverstein.com/recordings** to view our "AI and Tech Trends" webinar replay.

## HR Support Made Simple

Managing HR without a dedicated team? There are solutions to help you stay compliant and on track without the overhead. From handbooks to templates, expert guidance to training tools, learn how a simple platform can support your HR everyday tasks. **Explore more at [AbacusPay.com/HR](https://AbacusPay.com/HR).**



## What is Unclaimed Property? How to Reclaim Lost Funds

Did you know billions of dollars are sitting unclaimed? In fact, 1 in 7 people have unclaimed or "abandoned" property in their name.

When money issued by a government, business, or financial institution goes uncollected (think: uncashed checks or forgotten refunds), it's sent to state treasuries and listed in an unclaimed property database.



### Is it taxable?

The claim itself isn't, but interest earned on financial accounts or stocks could be.

### How to claim securely:

Use official state websites or MissingMoney.com. There is never a fee to search or claim. You'll need to provide documentation like your Social Security number.

### What counts as unclaimed property?

Examples of property waiting to be claimed can include lost tax refunds, uncashed stimulus checks, unclaimed wages, matured savings bonds or CDs, old gift cards, insurance payouts, money owed to deceased relatives, and more.

### How much could it be?

The average claim in 2023 was \$1,154, though some are under \$25 and others in the thousands. You may even have multiple claims.

### Avoid scams:

Since unclaimed property is dealing with money and your sensitive information, be wary of scammers:

- Don't trust non-.gov/.org sites (except MissingMoney.com).
- Never click links in unsolicited emails or texts.
- Don't pay to claim your property. You don't need a third-party service to file your claim.

**Over \$4.5 billion was returned to rightful owners in 2024—don't miss out on what's rightfully yours.**

## Ideas to Improve Your Personal Cash Flow

Last issue, we covered business cash flow. With today's economic uncertainty, it's time to apply those principles to your personal finances.

### What is cash flow?

It's the money coming in (wages, interest, benefits) versus what's going out (bills, spending). Irregular billing cycles—monthly, quarterly, annually—can complicate things.

### Start with a cash flow snapshot

- Create a simple spreadsheet and list months across the top, income and expenses along the side.
- Subtotal inflows and outflows monthly, then subtract to find your cash flow. Here you'll see if your cash flow is positive or negative.
- Create a cumulative total for the year under each month to easily spot high- and low-cash months.

### Tips to improve cash flow

- Balance large expenses by spreading them out across the year (vacations, holidays, tax payments, and more).
- Build a reserve during strong months.
- See what monthly expense drivers are in your life. Cut recurring costs like streaming or phone add-ons.
- Shop your current services. Some of your larger bills may create an opportunity for savings. This is especially true with home, rental and car insurance.
- Pay yourself first. This simple technique creates positive cash flow each month and builds an emergency reserve.

You can't make improvements without first knowing where you stand. Visualize your cash flow ins and outs, then identify areas of improvement. After all, better planning today can ease tomorrow's financial stress.



# Alloy Happenings

## Ren Cicalese, CPA, PFS, CGMA

- Named an ROI-NJ Power Influencer for Accounting.

## Ren Cicalese III, CPA, MST

- Spoke as a panelist at the Chamber of Commerce of Southern New Jersey's Cannabis Workshop, February 26.
- Featured in the NJBIZ article "Looming tax law sunset spurs worries in business community," April 7.

## Kelly Raso, CPA

- Named to the ROI-NJ 2025 Top Women in Business Influencer List.

## Angela Venti, Francesca Venti

- Represented Abacus Payroll, Inc. at the PICPA's 128th Annual Meeting in Philadelphia, PA, May 5-6.

## Adrienne Dell'Olio

- Attended the Association for Accounting Marketing's Annual Summit in Phoenix, AZ, May 12-14.

## Welcome

### Rose Stokley, Jean Qi Rovaggi, Nguyen Vo

The newest bookkeepers to join Alloy Silverstein's Small Business Services team.

## Congratulations

**Matt Rosenthal**, for successfully completing all four parts of the CPA examination.

## Happy Anniversary

**Ren Cicalese III, CPA, MST**, celebrating his twentieth year with the firm.

### Thank you to our Spring Alloy Academy guest presenters:

- **Brian Timberman**, of the NJEDA, presented on Loans and Grants for Your New Jersey Business, March 27.
- **Carl Mazzanti**, of eMazzanti Technologies, presented on AI and Tech Trends for Business Owners, April 8.



Alloy Silverstein hosted our first Document Shredding event on May 10. Thank you to all who made the day a success!



## Alloy Spotlight

### Heather Sherrill, Associate Financial Advisor

Heather Sherrill brings over 20 years of experience in finance and financial planning to Alloy Silverstein Financial Services. Originally from the Midwest, she earned her BSBA in Finance and Banking from the University of Missouri-Columbia before settling in New Jersey.

Early in her career, Heather worked as a municipal bond trader and broker. After taking time off to focus on her family, she reentered the financial services field as an Assistant Financial Planner at a South Jersey firm, where she worked for 10 years.

Her passion for education also led her to teach high school business classes and tutor elementary students in English Language Arts. In June 2024, she joined Alloy Silverstein as an Associate Financial Planner and Wealth Management Assistant.

Working alongside Ronald V. Donato, Director of Financial Services, Heather applies her strong customer service, research, and analytical skills to support clients with tax-smart retirement planning, investment strategies, and overall financial wellness. Heather holds FINRA Series 7 and 66 licenses and is licensed in New Jersey for life, accident, and health insurance.

A Mullica Hill resident for 20 years, she enjoys time with her husband of 30 years and their college-aged daughter. In her spare time, Heather loves hiking, cycling, reading, and competing in obstacle course races.

### Join our growing Alloy team!

Now hiring for full-time positions for accountants, payroll, bookkeeping, and financial services. Visit [AlloySilverstein.com/careers](https://AlloySilverstein.com/careers) to apply today!



# Something 2 Consider

## SQUIRREL!

By Ronald V. Donato, Jr., CFP®, MBA

When you look at the news you may have noticed things are moving very quickly. You see headlines focused on immigrants and others about tariffs. You lament that your investments took a hit, and the next day all is well. Everyone wants government waste and fraud cut, but when you read about what's involved, you're not so sure. So here's my advice in this time of fast-paced government action: don't be like a dog in the backyard every time it sees a squirrel. Stay focused on your plan. Here's why that matters.

### Tariffs and Markets

In 2018, during the first U.S.–China 'trade war,' two government shutdowns, Brexit negotiations, and political drama heading into a midterm election—what happened? The world didn't end. What did happen was that the S&P 500 dropped 19.4% from Sept. 20 to Dec. 24, but rose 31.1% in 2019 as trade deals were signed and consumers spent again. We don't know what comes next, but I'm fairly confident deals will be made, and sooner than you think, this will be in the rearview mirror.

### Do Markets Recover?

Typically, equity markets have recovered quickly (see chart). This will continue to be a highly volatile market. However, historically the average 12-month return after a 15%+ decline is 52%. That's why, when clients want to bail during downturns, we urge them to sit tight.

Bear markets average 12 months. Bull markets? About 67 months. Related to the Bull/Bear issue is the idea that a recession is coming. I am not sure this fear is warranted,

but as uncertainty fades—whether through finalized trade agreements, tax policy changes, or maybe even a Fed rate cut—both business and consumer confidence will likely return, promoting growth, profits, and higher stock prices.

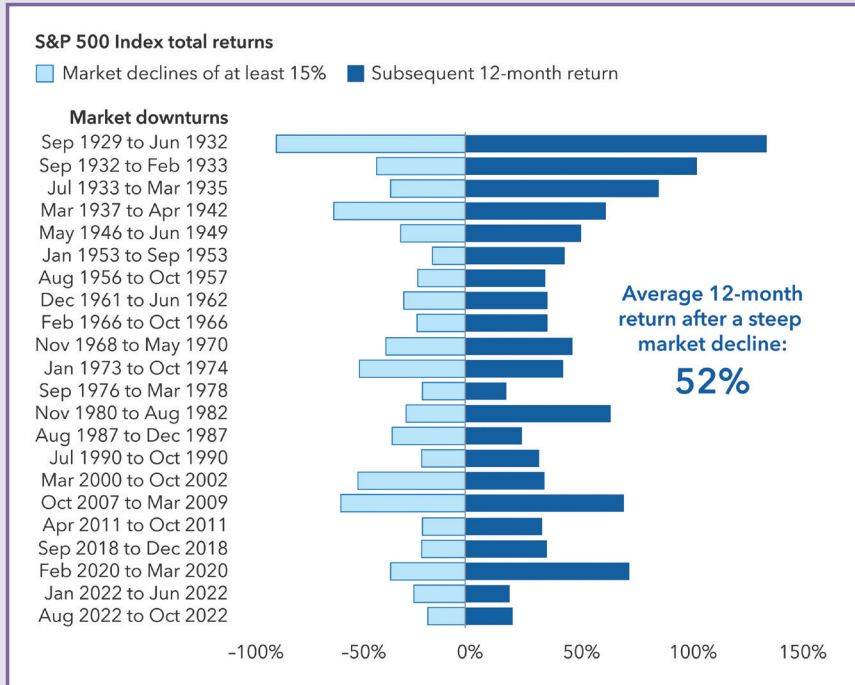
### Waste, Fraud and Abuse, Oh My!

It's no secret that many government programs have faced long-standing concerns over waste, fraud and

abuse. These are entrenched issues that can't be fixed overnight. While headlines may highlight potential changes, what's important is staying informed about how those changes may impact you. Efforts to reduce inefficiencies can help ensure the long-term sustainability of these programs. Don't let the headlines distract you.

### The Bottom Line

If you have a plan and are following it, then don't let the headlines turn your head like a puppy chasing squirrels. Just remember the old newspaper rule: If it bleeds, it leads. Stay focused, stick to your plan, and think five years ahead, not five minutes.



Sources: Capital Group, Standard & Poor's



## Upcoming Webinars

### Summer Bookkeeping Review: Clean Up, Catch Up, and Plan Ahead

Wednesday, June 25, 11:00AM

### Understanding and Planning for Long Term Care

Wednesday, July 23, 11:00AM

[Register at AlloySilverstein.com/Events.](https://AlloySilverstein.com/Events)

## Tax Deadlines



### June 16, 2025

- Second quarter 2025 individual estimated tax payments are due.

### July 31, 2025

- Due date for filing 2024 retirement or employee benefit plan returns (5500 series) for calendar year plans.

### September 15, 2025

- Third quarter 2025 individual estimated tax payments are due.
- Extension deadline for 2024 S-Corporation and partnership returns.

### This Summer

- Be proactive with your finances and check with your CPA or advisor for a tax and financial review to go over your personal or professional goals.



## What the IRS is Up to

### Beneficial Ownership Information (BOI) – Done for Good?

Immediately following the publication of our Spring newsletter, a final ruling and update from FinCEN officially eliminated BOI reporting requirements for U.S. Companies and U.S. individuals. Unless Congress steps in, only foreign companies will have to supply BOI to FinCEN, and no further action is required at this time for U.S. business owners.

### NJ: New Streamlined Property Tax Relief Application

Introducing Form PAS-1, a new unified property tax relief application form for New Jersey residents. Seniors aged 65+ can now apply for Senior Freeze, Stay NJ, and their ANCHOR rebate on a single online or paper application. The deadline to file is October 31, 2025. Be prepared to setup a login using ID.me if you file online. Younger homeowners and renters eligible for the ANCHOR program will receive application information later in the year.

### Phasing Out Paper Checks

A March 2025 Executive Order requires the IRS and federal agencies to cease issuing and accepting paper checks as of September 30, 2025. Exceptions and accommodations are noted, but the majority of taxpayers should prepare for direct deposit and digital payments when transacting with the IRS. More information is expected.

This newsletter is issued quarterly to provide you with an informative summary of current business, financial and tax planning news and opportunities. Do not apply this general information to your specific situation without additional details. Be aware that the tax laws contain varying effective dates and numerous limitations and exceptions that cannot be summarized easily. For details and guidance in applying the tax rules to your individual circumstances, please contact us.