

- ▶ Building Generational Wealth Starts with Conversation
- ▶ Don't Run the Risk of a High Tax Bill
- ▶ Small Handbook Changes Can Prevent Big Workplace Problems!
- ▶ Alloy Happenings & Spotlight
- ▶ Something 2 Consider

Four Big (and Costly) Tax Mistakes

Tax mistakes rarely happen because taxpayers are careless. They usually occur when tax implications are overlooked during everyday financial decisions. Here are four common mistakes and ways to prevent them.

Mistake #1: Withholding too little

Too little withholding can create an unexpected tax bill. Review your withholding after filing each year and submit a new Form W-4 if needed. Revisit it after major income changes, unemployment benefits, or when estimated payments may be required.

Mistake #2: Mishandling retirement withdrawals

Withdrawals from pre-tax accounts such as 401(k)s and IRAs may create taxable income. Use direct rollovers whenever possible and confirm that proper taxes are withheld from any taxable distribution.

Mistake #3: Missing retirement tax benefits

Failing to use tax-deferred retirement plans may mean missing opportunities to reduce taxable income. Review your options and contribute as much as practical, especially when an employer match is available.

Mistake #4: Poor documentation

The IRS may disallow valid deductions without supporting records. Maintain digital and paper files by income and expense categories. Keep mileage logs and documentation for charitable gifts, medical expenses, and childcare costs.

Contact Alloy Silverstein today for help reviewing your tax plan.

Ransomware: A Continuing Threat for Small Businesses

Ransomware remains one of the most damaging cybersecurity threats facing small businesses.

Today's attacks are sophisticated. Many use double extortion, stealing data before encrypting systems and threatening to release it if payment is not made. To reduce risk:

- Train employees to recognize and report suspicious messages.
- Require multi-factor authentication for email, cloud platforms, remote access, and administrative systems.
- Maintain tested backups, including immutable or air-gapped copies.
- Keep software patched and systems monitored.
- Create and practice an incident response plan.

As ransomware continues to evolve, preparation remains your best defense.

Building Generational Wealth Starts with Conversation

Every family passes something down. It may be financial resources, a home, a family business, or the lessons and habits that shape how future generations approach money.



While generational wealth is often associated with estate plans and trust funds, effective financial plans do more than transfer assets. They also prepare the people who receive them.

Start the conversation early

Parents often avoid financial conversations because they do not want to burden their children. However, these discussions can happen gradually. Sharing your goals, values, and plans over time helps the next generation understand the bigger picture.

You do not need to disclose every financial detail, but your beneficiaries should understand your intentions, priorities, and what matters to your family.

Include your family in the process

Consider including spouses, adult children, or other beneficiaries in occasional conversations with your financial advisors. This allows them to understand the care behind your decisions and become familiar with the professionals guiding your plans.

At a minimum, make sure they know:

- Who your trusted advisors are
- How to access important documents or accounts
- Who to contact with questions

Pass down financial confidence

The greatest gift you can pass down is not just what you leave behind, but the knowledge to manage it. Teaching budgeting, saving, investing, charitable giving, and responsible decision making can help prepare the next generation.

A sound financial plan includes more than documents and accounts. By sharing the understanding behind your decisions, you can help ensure what you pass down continues to support your family for generations.

Don't Run the Risk of a High Tax Bill



"Before taking action, talk to your tax advisor." It is familiar advice, yet many taxpayers wait until after a decision has been made, and by then, the tax consequences may be difficult to undo.

Plan ahead for life and financial changes

Consulting your CPA before major changes can help you avoid costly mistakes and uncover valuable planning opportunities. Contact your advisor before:

- Getting married or divorced
- Buying or selling a home
- Starting or selling a business
- Approaching retirement
- Welcoming a new child
- Changing dependent status
- Donating investments or high-value items
- Selling stocks, investments, rental properties, or other assets
- Planning your estate or Social Security strategy
- Making decisions about retirement accounts

Avoid tax surprises from extra income

A second job, freelance project, or side hustle can affect your taxes in unexpected ways.

- **Confirm your classification.** Ask whether you will be treated as an employee or independent contractor and whether you will receive a W-2 or 1099.
- **Review your withholding.** Each employer may calculate withholding as though it is your only source of income, leaving you short at tax time.
- **Plan for contractor taxes.** Taxes are not withheld from 1099 income, and estimated quarterly payments may be necessary.
- **Separate your expenses.** Keep business and personal spending separate so eligible expenses are easier to identify.

When life or income changes, contact Alloy Silverstein. A quick conversation can help you plan ahead, keep more of what you earn, and avoid costly surprises later.

Small Handbook Changes Can Prevent Big Workplace Problems!

An employee handbook is more than an onboarding document. It sets expectations, promotes consistency, and helps protect both employers and employees by documenting workplace policies before issues arise. Yet for many businesses, the handbook is updated once and then forgotten.

Employment laws change, businesses grow, and new technologies reshape how employees work. Reviewing your handbook annually can help ensure your policies accurately reflect your workplace and reduce the risk of misunderstandings. Here are three areas worth reviewing:

Family leave policies

New Jersey employers should review handbook language to ensure it reflects the July 2026 changes to the New Jersey Family Leave Act (NJFLA). The law now applies to employers with 15 or more employees, down from 30, and employee eligibility requirements have been reduced from 1,000 hours worked to 250 hours. Even employers that were previously exempt may now be covered. (See our webinar recording for a complete overview of these updates.)

Requirement	Current Law	Effective July 17, 2026
Employer Coverage	30+ Employees	15+ Employees
Employee Service Requirement	12 Months	3 Months
Hours Worked requirement	1,000 Hours	250 Hours
Job Restoration After FLI/TDI	Limited Protections	Expanded Reinstatement Rights
Employees Covered	More Limited	Significantly Expanded

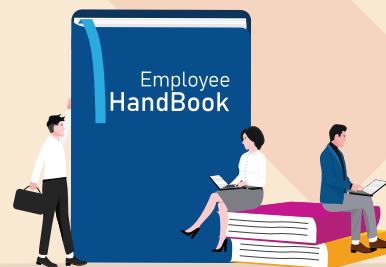
Wage & payroll policies

Employers should regularly review handbook policies related to wage and hour requirements, overtime classifications, paid time off policies, and timekeeping expectations. As businesses grow, especially across multiple states, keeping policies consistent and up to date becomes even more important as employers navigate different state requirements.

Technology & AI use

Artificial intelligence (AI) is quickly becoming part of the modern workplace, but many employee handbooks don't address it. Consider whether your policies cover acceptable AI use, confidentiality, company data, and the review of AI-generated work. While AI can help generate ideas or draft content, it shouldn't replace a handbook tailored to your organization's policies and applicable employment requirements.

A well-maintained handbook sets your business up for success. Whether you're updating a single policy or reviewing your handbook from top to bottom, the HR solutions available through Abacus Payroll can help support your workforce with practical guidance and resources.



On August 18, team members from across the Alloy Silverstein Group came together for a full day of learning, team-building, and connecting. Just another way we're #SouthJerseyTogether.

Introducing **Alloy Edge**, the newest addition to the Alloy Silverstein Group.

Alloy Edge provides digital marketing support for new and small businesses, backed by the same client-first promise you already trust from Alloy Silverstein. Learn more at alloyedge.io.



Want to dive deeper?

Scan the QR code or visit alloyedge.io to access our webinar and a DIY Framework Guide.



ALLOY EDGE

Alloy Happenings

Alloy Silverstein Accountants and Advisors

- Recognized by South Jersey Biz for making an impact in the local community.
- Raised \$10,122.10 for United Way as part of the firm's 2026-27 Employee Campaign.

Angela Venti, Anne Marie Galfo

- Represented Abacus Payroll, Inc. at the NJCPA Annual Convention in Atlantic City, NJ, June 16-19.

Happy Anniversary:

- **Julie Strohlein, CPA**, celebrating her twentieth anniversary with the firm.
- **Sean Brislin, CPA**, celebrating his fifth anniversary with the firm.
- **Deanna Regan**, celebrating her fifth anniversary with the firm.

Congratulations:

- **Donna L. Gerber**, on her retirement after nearly 20 years as Office Manager.
- **Demery Isner**, on her promotion to Digital Marketing Coordinator after completing her marketing internship.

Welcome:

- **Jillian Wessel**, support staff team member and new Office Manager for The Alloy Silverstein Group.
- **Jill Robinette**, Payroll Specialist for Abacus Payroll, Inc.
- **Rosanna Sansary**, support staff team member.
- **Hannah Torres**, support staff team member.

Thank you to our Summer Alloy Academy guest presenters:

- **Kristi Howell, Burlington County Regional Chamber of Commerce; Melanie Willoughby, New Jersey Business Action Center (NJBAC). Christina Fuentes, New Jersey Economic Development Authority (NJEDA)** presented on the state and local resources available to help South Jersey businesses grow and thrive in Alloy Silverstein's "Business Growth Toolkit" webinar, June 23.
- **Louis Lessig, Esq., SPHR, SHRM-SCP, Brown & Connery LLP** presented on the changes to NJ's Family Leave, Temporary Disability, and Family Leave Insurance, July 1.

Access on-demand recordings at
AlloySilverstein.com/recordings



Alloy Spotlight

Kaitlyn Kressler, Junior Accountant

This quarter, our Alloy Spotlight is on Kaitlyn Kressler, an Accountant at Alloy Silverstein. Kaitlyn brings a unique combination of adaptability, curiosity, and technical expertise to her role, helping clients navigate complex accounting and tax matters with confidence.

Kaitlyn earned her Bachelor of Science in Accounting with a concentration in Public Accountancy from Purdue Global University, graduating summa cum laude in October 2024. She is currently pursuing her master's degree in accounting, with plans to complete the program in 2027 before sitting for the CPA exam. She is also QuickBooks and Xero certified and an active member of both the AICPA and the NJCPA.

Kaitlyn joined Alloy Silverstein as an intern in January 2022 and quickly transitioned into a full-time role. Before beginning her accounting career, she spent 10 years working as an ophthalmic technician after an earlier career as a certified professional dog trainer.

Today, Kaitlyn specializes in accounting and tax services within the firm's Entertainment Division, working with professional athletes and performing artists. She helps clients navigate complex multi-state tax filings and multi-jurisdictional compliance while delivering personalized service tailored to their unique needs.

Originally from the Lehigh Valley, Kaitlyn has called New Jersey home in recent years and is now preparing to return to Pennsylvania, where she plans to settle in Montgomery County. A lifelong animal lover, Kaitlyn has rescued bearded dragons and, during her years as a certified dog trainer, even taught her cat a few tricks.

Whether she's helping clients solve complex tax challenges or pursuing her next adventure, Kaitlyn brings curiosity, dedication, and a positive attitude to everything she does.



Something 2 Consider

The Next Chapter: Protecting the Legacy You've Built

By Mark J. Fisher

“How important is your legacy to you?” For many business owners, their company represents decades of hard work, sacrifice, and dedication. It is more than an asset. It represents their vision, their family's future, and the foundation they have built.

But building a successful business is only one part of the journey. Owners must also consider what happens when they are ready to turn the page and move on to the next chapter.

Know your end goal

A successful transition starts with knowing where you want to go and defining your ultimate goal:

- Do you want to pass it to the next generation?
- Are you preparing for a future sale?
- Do you want to remain involved while transitioning leadership?
- Are you financially prepared for life after the business?

The answer matters because each path requires different planning. The goal should not simply be to “work until you can’t.” A thoughtful transition plan allows you to make decisions on your timeline rather than being forced into decisions by circumstances.

Protect what you built

Family businesses often depend on key individuals, making it essential to plan for the unexpected. Tools such as buy/sell agreements and key person life insurance can help protect the future of the business.

A buy/sell agreement helps establish a plan for ownership changes if a partner retires, passes away, leaves the business, or another transition event occurs. Key person life insurance can provide financial stability if the loss of an owner or essential employee creates unexpected challenges.

These plans should not be created and forgotten. As your business and personal circumstances change, they should be reviewed and updated. Circumstances that may trigger a review include:

- A new partner joins or an owner exits
- Ownership or family circumstances change

- Children become involved in the business or with leadership preparations
- Business revenue changes significantly
- The business grows, and additional protection may be needed

Don't wait until the transition is here

One of the biggest mistakes business owners can make is waiting too long to discuss succession or exit planning.

What if you received an unexpected offer to buy your business? Would you know its true value? Would your personal financial plan support that decision?

Whether you are considering a sale, planning a family transition, or simply preparing for the future, understanding the current value of your business is a crucial part of the planning process.

If you hope to transition the business to the next generation, are they prepared to take over? Are they financially ready? Are there family considerations that need to be addressed? These conversations may not always be easy, but addressing them early creates more options. Planning ahead allows you to protect your business, your family, and the legacy you worked so hard to build.

Your advisory team matters

Succession planning is not only about the business. It also affects your personal financial future, tax strategy, retirement goals, and wealth transfer plans, including how assets are passed to future generations. That is why having your CPA and financial advisor involved early can make all the difference.

Your CPA can help address tax considerations, business valuations, and corporate financial implications, while your financial advisor can help ensure the transition aligns with your goals and long-term financial plan. Together, they can help address your full financial picture.

Your business may be what you built, but your legacy is what continues after you step away. Whether your next chapter involves retirement, a family transition, or a business sale, the best time to start planning is before you need the plan.

Tax Deadlines

September 15, 2026

- Third quarter 2026 individual estimated tax payments are due.
- Extension deadline for 2025 S-Corporation and partnership returns.

October 15, 2026

- Filing deadline for extended 2025 individual tax returns and calendar year C-Corporation returns.

During November

- Review your projected 2026 income tax liability and explore year-end planning opportunities. Contact your advisor to schedule a tax planning consultation.



What the IRS is Up to

IRS Mileage Rate Increase Retroactively Takes Effect July 1

The IRS has increased the standard business mileage rate for the second half of 2026. Businesses reimbursing employees for mileage should update their policies, and individuals should maintain accurate mileage records to support deductions or reimbursements.

	Jan.1 - June 30, 2026	July 1 - Dec. 31, 2026
Business Travel	72.5 cents/mile	76 cents/mile
Medical/Moving	20.5 cents/mile	73.5 cents/mile
Charitable Work	14 cents/mile	14 cents/mile

New "Trump Accounts" Provide New Savings Opportunity for Families

The IRS has released guidance on Trump Accounts, a new savings option created under the Working Families Tax Cuts Act. The accounts are designed to help families save for a child's future, with certain contributions eligible for tax benefits and special rules applying to qualifying deposits. Families interested in opening an account should review eligibility requirements and contribution guidelines as more details become available.

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.