



Client News

FALL & WINTER | 2020

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- CARES ACT: Charitable Giving Changes
- Finalize Tax Returns Electronically

KRD Client Profile

Moving in the Right Direction...

Family Owned Relocation Business Capitalizes on Storied Past to Ensure a Successful Future.



For over a century family-owned Nelson Westerberg has been on the move in many different directions and always up. What began with two men and a team of horses delivering coal and ice has grown over time into a respected leader in the relocation industry with an unprecedented reputation for peerless service and a relentless desire to continually improve, innovate, and expand.

Four Generations of Movers & Shakers

Headquartered in Chicago since 1904, Nelson Westerberg (NW) is a global provider of moving and storage services to corporations, families, government and the military. The company manages over 13,000 moves annually with coast-to-coast offices, an international network of over 500 agents, and a workforce of more than 250 employees and drivers.

From the beginning the company had aspirations that transcended the ordinary.

“I came on board in 1962 with an agreement to buy out the Nelson half of the business. Then alongside my father, Richard, our goal was to grow the company into something bigger and more diverse than just a one-step off the truck local mover,” noted John Westerberg, Chairman and third generation Westerberg.

John quickly got to work establishing an off-site sales office and hiring a diverse team to make his goal a reality. And it succeeded. By 1967 Nelson Westerberg had become the third largest agent for Atlas Van Lines. Today the company provides moving solutions to more than 200 corporations including blue-chip and the Fortune 1000.

John has also been the driving force behind a nationwide expansion, establishing offices in Atlanta, Dallas, Los Angeles, and New York/ New Jersey. In the early 90’s an international operation was formed opening up a new world

of opportunities. And a fourth generation Westerberg has joined the fold. John’s son Stephen is the current CEO with a fresh eye to the future.

“Steve is well poised to lead the company into the next phase” notes John. “He recently launched Charter Properties, Inc., a military household goods broker, to service the needs of military employees on the move to and from domestic military bases.

A Road Map for Success

When asked to what he attributes their long and sustain record of success, John attributes it to unmatched service quality, a proven track record, outstanding employees and owner/operation drivers, and loyal clients – many of whom have been with the company for over 50 years.

A commitment to constant improvement is also key to NW’s success. It comes through in their daily operations and in their community outreach initiatives. NW is an active supporter of Move for Hunger, an organization dedicated to reducing food waste and fighting hunger. Awarded 2020 Supplier of the Year, the company rescued and delivered more than 335,900 pounds of food providing nearly 280,000 meals for those in need.

Valued Relationships Moving Forward

KRD has been providing financial solutions for Nelson Westerberg with a shared vision and focus on their continued success and growth.

“KRD and Allen Weingarten came on-board over 20 years ago,” comments Mr. Westerberg. “We share many of the same values which accounts for the strength and longevity of the relationship. The personal touch and Partner involvement is really important to me and that is an area where really KRD delivers. We look forward to a long and prosperous future together.”



From delivering ice and coal, to furniture and piano moving, to complete relocation and storage services, Nelson Westerberg has been a driving force for over 100 years and counting.



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CARES Act: Charitable Giving Changes Due to COVID-19

COVID-19 has presented unique opportunities for charitable giving for the 2020 tax year, which has been addressed in the new Corona Virus Aid, Relief, and Economic Security (CARES) Act.

Under the new guidelines, which apply to the 2020 tax year only, taxpayers can donate 100% of their adjusted gross income to charity and have it fully offset their taxable income. Previously, this deduction was capped at 60% of adjusted gross income.

For example, a taxpayer has \$100,000 of taxable income and wants to make a \$100,000 donation to a qualified charity in 2020. The taxpayer will have reduced their taxable income to zero and won't owe any taxes on their income. In prior years under the 60% cap, using the same income and charitable contribution amount, a taxpayer would have only been able to reduce their taxable income by \$60,000.

What Happens if you Donate More than 100% of Your Adjusted Gross Income?

If a taxpayer wants to donate more than 100% of their adjusted gross income, they can do so without the fear of losing out on the deduction. Any charitable contribution that exceeds their adjusted gross income can be carried forward for the next five years, but will be subject to the 60% AGI limit in subsequent years.

Consider this: a taxpayer has \$100,000 of taxable income and wants to make a \$300,000 donation to a qualified charity in 2020. Not only will their taxable income for the current tax year have been reduced to zero, but they will have a \$200,000 charitable contribution carry forward available, subject to the 60% AGI limit, to offset their income for the next five years.

What Happens if I Don't Itemize my Deductions?

To incentivize taxpayers to make contributions to qualified charitable organizations, Congress included a notable provision in the CARES Act that applies to taxpayers who claim the standard deduction, rather than itemizing their deductions, on their tax return. For the 2020 tax year, donors can take a deduction for up to \$300 in charitable contributions even if they claim the standard deduction.



Other Ways to Harness The CARES Act Charitable Giving Provision

If a taxpayer is in the position to make a sizable charitable contribution, with the goal of fully offsetting their taxable income, this could be the perfect opportunity to consider other ways of increasing their adjusted gross income. This can be accomplished by selling an asset that has significantly increased in value and will be subject to either ordinary income taxes or capital gains taxes, or they could initiate a Roth IRA conversion. This can be an effective tax planning strategy for someone who is actively trying to reduce their tax burden through philanthropic means.



KRD is on the Move!

We're excited to be in a new office space. Effective immediately our address is 1051 Perimeter Dr., 9th floor, Schaumburg, IL, 60173.



International Corner

As a member of GGI, KRD is able to assist your organization with international financial decisions and offer suggestions for international law firms.

Our firm publishes articles in GGI newsletters several times a year, which can be found on our blog or on GGI's website.



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1051 Perimeter Drive, 9th Floor
Schaumburg, IL 60173

35 East Wacker Drive, Suite 690
Chicago, IL 60601



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KRD Makes Finalizing Your Tax Return Easy, Safe, & Convenient

Using a program called SafeSend Returns to electronically deliver tax returns, KRD streamlines the process of finalizing federal and state returns. Here's how it works.

Once your tax return is complete, you will receive an email from noreply@safesendreturns.com. Be sure to check your spam or junk folder if the email does not appear in your designated inbox. The email will contain a link that is safe to click. You will need to provide the last 4 digits of your SSN and enter an access code that will be emailed to you in a separate email from noreply@safesendreturns.com.

Upon successful verification you will be able to:

- 1 *Download, review & print your tax returns*
- 2 *See if you owe taxes, are eligible for any refunds & review estimated tax payments if applicable*
- 3 *Electronically sign your personal e-file authorization forms. For personal returns, the IRS requires identity verification so please do not be alarmed by the personal questions as these are pulled from public databases.*

Please note for those filing Married Filing Jointly, the system will ask you to provide your spouse's email address. If you and your spouse share an email address, just provide that email address again. Your spouse will then receive the same email and follow the same instructions for signing the authorization electronically. The IRS requires both individuals to electronically sign.

For complete instructions check out the short 3 minute taxpayer video at:

safesendreturns.zendesk.com/hc/en-us/articles/360010788033-Tax-Return-Recipient-Help-1040-

Click the "play arrow" to start the video. If you have any questions, please feel free to contact the KRD Tax Team at 847.240.1040.

NOTE: Internet Explorer is not a supported browser for the SafeSend software.

KRD Has a New Home!
Effective immediately our address is 1051 Perimeter Drive, 9th floor, Schaumburg, IL, 60173.

847.240.1040

