

## In This Issue:

- **2nd Round PPP Borrowers - Loan Forgiveness Portal Reminder**
- **Business Email Compromise (BEC) is Now the Most Damaging Financial Scam**
- **Do You Need Quarterly Tax Payments?**  
How to determine if you need to spread out your tax payments
- **Meadows Bank Day at Catholic Charities**
- **Shelter Harbor Certification**

## Meadows Bank Day at Catholic Charities

Happy Meadows Bank Day from Catholic Charities!

Thanks to Meadows Bank's generous donation, today we served approximately 500 free meals, provided around 100 families with supplemental groceries, and delivered about 2450 meals to homebound seniors.

We appreciate your support for our mission and visiting our campus to see our operations in action!

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## Do You Need Quarterly Tax Payments?

### How to determine if you need to spread out your tax payments

If you have worked as an employee of a company or another person for most of your life, you are probably used to having taxes withheld from your paycheck and filing one yearly tax return. However, if you are self-employed you likely need to pay estimated taxes, which are due on a quarterly basis.

#### Estimated taxes

According to Tina Orem, tax writer at NerdWallet, the IRS says you need to make estimated tax payments if “you’ll owe at least \$1,000 in federal income taxes this year, even after accounting for your withholding and refundable credits.” You’ll also do estimated tax payments if “your withholding and refundable credits will cover less than 90 percent of your tax liability for this year or 100 percent of your liability last year, whichever is smaller.” Self-employed individuals — like freelancers, independent contractors, and people who sell items on a site like Etsy — are ideal candidates for submitting quarterly tax payments.

This rule also applies to businesses that are not corporations, including single-member and multiple-member LLCs, sole proprietorships, partnerships, and S corporations. You will need to look at the net income for all sources on your personal tax return. If you meet either of the previously noted IRS requirements, you must pay quarterly estimated taxes.

In C corporations, business owners are also employees and therefore may not need to file quarterly taxes. However, the corporation itself, as a legal entity, almost always does. If you expect your corporation to owe taxes of \$500 or more when you file the return for it, you will likely need to make estimated payments.

#### Quarterly due dates

“For estimated tax purposes, the year is divided into four payment periods,” says IRS.gov. Each period has a specific due date. Typically, these are April 15 for the January 1 to March 31 period, June 15 for the April 1 to May 31 period, September 15 for the June 1 to August 31 period, and January 15 of the following year for the September 1 to December 31 period. There may at times be exceptions to these dates. For example, in 2017 the IRS announced that tax payments for victims of Hurricane Harvey and Hurricane Irma would receive additional time to make their payments. In a standard setting, if a payment date falls on a Saturday, Sunday, or legal holiday, the payment will still be marked as on time if it is made the next business day.

Consulting a professional and staying on top of your taxes is vital to maintaining a healthy business and not getting behind with the IRS. “I think it’s easier to make 12 smaller payments than four larger payments,” says Bess Kane, a CPA in San Mateo, California. “If you owe \$1,200 for the year, I would rather pay \$100 a month than \$300 four times a year. And if we’re talking bigger numbers, it gets pretty extreme.”

#### Exceptions

The IRS states there could be special rules regarding estimated tax payments for individuals like farmers and fishermen, household employers, higher-income taxpayers, and nonresident immigrants. Per IRS.gov, “If you’re making estimated tax payments and have federal income tax withholding, you can increase your quarterly estimated tax payments or increase your federal income tax withholding to cover the tax liability. If you have the proper amount withheld, you may not need to make estimated tax payments and may not have to file Form 2210 with your tax return as you would if you only increased the remaining estimated tax payments.”

As your business continues to grow, it is advisable to hire a tax professional who can help you prepare your taxes. Although it might cost more than doing it yourself, it will help you be proactive and avoid any potential issues with the IRS.



## 2nd Round PPP Borrowers - Loan Forgiveness Portal Reminder

Meadows Bank is using our technology partner, PCFS, and their forgiveness portal for all 2nd round PPP loan forgiveness applications. An email with a link to the portal was sent to the main authorized signer on the PPP loan in the past several months. If you have several companies under that same authorized signer's email address, you should be able to see all loans eligible for forgiveness within the portal.

This is simply a reminder that if you haven't already done so, click on the link in that email and login to the forgiveness portal to submit for loan forgiveness once your covered period (anywhere between 8 and 24 weeks) is completed. If you have already started the process but not yet finalized it, please login to the portal, complete and submit your forgiveness application.

If you have any further questions on PPP loan forgiveness, please contact your Meadows Bank loan officer.

## Shelter Harbor Certification

In today's connected world, cyber resilience is critical to any financial institution's survival. Cyber threats are unpredictable, ever changing, and evolving from being mainly financially motivated to now include political ideology and in some cases, perpetrated by highly sophisticated nation-state actors. A paralyzing attack that prevents customers from accessing their accounts could not only destroy an institution, it could cause panic that infects the entire financial system.

In our ongoing effort to further secure customer information and enhance data privacy, I am pleased to announce that Meadows Bank has joined Sheltered Harbor to provide an added layer of protection in our information security program. Sheltered Harbor is the not-for-profit, industry-developed standard for protecting and recovering customer account data if a catastrophic event like a cyberattack causes critical systems to fail.

Every day, we back up your data to a secured designated vault that is completely separate from the rest of our system so that cyber criminals cannot get to it. This means your account data is secure even in the event of a devastating cyberattack on our network. Our commitment to implement the Sheltered Harbor standard to protect critical customer account data against a catastrophic failure demonstrates that we are doing our part to protect our customers and preserve public confidence in the financial system.

The Sheltered Harbor standard combines secure data vaulting of critical customer account information with a resiliency plan to provide customers timely access to their funds during a prolonged systems outage or destructive cyberattack. As a participating financial institution that has successfully implemented the standard, we have earned the Sheltered Harbor certification.

Our Sheltered Harbor certification shows that we care about protecting our customers and is key to guarding not only our institution, but also the entire financial system. It is an important step in mitigating cyber risk and proclaiming that we are proactive when it comes to cyber resiliency.

Even though we take every step possible, we know that we cannot prevent an attack, but we can survive one. Rather than having a plan to react to an attack, we prepare to respond. Our layered protection, including our Sheltered Harbor certification, gives us the tools to do so.

Meadows Bank is here for you. If you would like to know more about protecting yourself, please visit our fraud protection page at <https://www.meadowsbank.bank/connect/fraud-protection> or email us at [hereforyou@meadowsbank.bank](mailto:hereforyou@meadowsbank.bank). Visit <https://shelteredharbor.org> for more information about Sheltered Harbor.

## Business Email Compromise (BEC) is Now the Most Damaging Financial Scam

According to statistics gathered by the FBI's Internet Crime Complaint Center (IC3), Business Email Compromise (BEC) attacks have increased by more than 2,300% in the last 5 years and are now the most damaging financial scams, resulting in damages exceeding \$5.5 billion. Business Email Compromise takes advantage of the fact that so many of us rely on email to conduct our daily tasks, both personally and professionally. In a BEC scam, the bad guy will send an email that appears to come from a known and trusted source in order to convince the receiver to send legitimate funds to the criminals bank account, typically via a wire or ACH transaction.

Common examples of BEC requests include:

- An employee reaches out to their employer to state that they've closed their current bank account and need their direct deposit to be sent to a new bank account, which they will helpfully include in the email.
- A merchant you frequently deal with sends you an email with a new invoice and informs you that they need the payment wired to them instead of being sent by check as you normally do.
- Someone claiming to be your CEO emails you with an urgent matter that must be dealt with immediately, and provides you with specific instructions to wire or ACH out funds to resolve the matter.

In each of these situations, the criminal has hijacked your email contact's online presence, either by hacking into their email account and assuming their identity in their email conversations with you, or they have created their own email address that is very similar to the sender's genuine email address and may not be detected by the recipient. The bad guys are depending on the fact that we are trusting people by nature and have gotten comfortable with our online communications with this person, therefore we will not question the request but instead will quickly comply.

Some steps you can take to protect yourself and your business are:

- Carefully examine the email address, URL, signature block, and spelling in all correspondence you receive. Scammers use slight differences that will not be immediately recognized as we tend to see what we expect to see when reading an email from a known source.
- Before complying with any request to send money, or to update billing information, pick up the phone and call your contact to verify that the request is genuine. **DO NOT USE THE PHONE NUMBER IN THE EMAIL!!**
- Be wary of any requests that urge you to act quickly; do not allow yourself to feel pressured into complying before calling the sender to confirm.
- A common tactic of the scammer is to tell you that they will be in meetings all day, or out of town and unable to speak to you further about their request. Do not fall for this; do your due diligence to protect your company and your money.

If you believe you have fallen victim to a BEC scam, you should immediately reach out to your bank for assistance. They will provide guidance on what steps, if any, you can take to try and stop the transaction from processing, and will assist you with protecting your account from any further loss. After speaking with your financial institution, please visit the FBI's Internet Crime Complaint Center (IC3) to report the fraud and view additional helpful tips and resources that can be used to protect you and your company.

For more information on protecting yourself from financial fraud, please visit <https://www.ic3.gov/> or <https://www.meadowsbank.bank/connect/fraud-protection>

