T. Dennis Connally Consultant, P.C.
Certified Public Accountant

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This is worth the read. It's short and to the point.
Since many of us have paid into FICA for years and are now receiving a Social Security check every month -- and then finding that we are getting taxed on 85% of the money we paid to the federal government to "put away," you may be interested in the following:

Q: Which party took Social Security from an independent fund and put it in the general fund so that Congress could spend it?
A: It was Lyndon Johnson and the Democratic-controlled House and Senate.

Q: Which party put a tax on Social Security?
A: The Democratic party.

Q: Which party increased the tax on Social Security?
A: The Democratic Party with Al Gore casting the deciding vote.

Q: Which party decided to give money to immigrants?
A: That's right, immigrants moved into this country and at 65 got SSI Social Security. The Democratic Party gave that to them although they never paid a dime into it.
Then, after doing all this, the Democrats turn around and tell you the Republicans want to take your Social Security.
And the worst part about it is, people believe it!

2004 Election Issue

This must be an issue in "04." Please! Keep it going.
Perhaps we are asking the wrong questions during election years. Our Senators and Congressmen/women do not pay into Social Security and, of course, they do not collect from it. You see, Social Security benefits were not suitable for persons of their rare elevation in society. They felt they should have a special plan for themselves. So, many years ago they voted in their own benefit plan. In more recent years, no congressperson has felt the need to change it. After all, it is a great plan. For all practical purposes their plan works like this:
When they retire, they continue to draw the same pay until they die, except it may increase from time to time for cost of living adjustments.
For example, former Senator Byrd and Congressman White and their wives may expect to draw $7,800,000.00 (that's Seven Million, Eight-Hundred Thousand Dollars), with their wives drawing $275,000.00 during the last years of their lives. This is calculated on an average life span for each.
Their cost for this excellent plan is $00.00. Nada. Zilch. This little perk they voted for themselves is free to them.
You and I pick up the tab for this plan. The funds for this fine retirement plan come directly from the General Funds-our tax dollars at work!
From our own Social Security Plan, which you and I pay (or have paid) into-every payday until we retire (which amount is matched by our employer) --we can expect to get an average $1,000 per month after retirement. Or, in other words, we would have to collect our average of $1,000. monthly benefits for 68 years and one (1) month to equal Senator Bill Bradley's benefits!
Social Security could be very good if only one small change were made. That change would be to jerk the Golden Fleece Retirement Plan from under the Senators and Congressmen. Put them

into the Social Security plan with the rest of us ... then sit back and watch how fast they would fix it.

If enough people receive this, maybe a seed of awareness will be planted and maybe good changes will evolve.

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IRS and States Announce Partnership to Target Abusive Tax Avoidance Transactions

WASHINGTON - Internal Revenue Service and state tax officials today announced the establishment of a new nationwide partnership to combat abusive tax avoidance. Under agreements with individual states, the IRS will share information on abusive tax avoidance transactions and those taxpayers who participate in them.

The agreements creating this partnership are designed to enable both state and federal governments to move more aggressively in the fight to ensure all taxpayers pay their fair share. Forty states and the District of Columbia join the IRS recently in announcing the signing of agreements.

"This agreement marks a milestone in state and federal cooperation," said IRS Commissioner Mark W. Everson. "From today forward, we will work together combating abusive tax schemes. We will share information and coordinate case management. This agreement effectively extends the resources of the IRS and the states."

Under the partnership, the IRS will exchange information about abusive tax avoidance transaction leads with participating states. This will allow the IRS and state agencies to avoid duplication and to piggyback on the results of each other's work. The states and the IRS will then share information on any resulting tax adjustments, reducing the need for duplicating lengthy taxpayer examinations by both a state and the IRS.

Representatives from California, Louisiana, Maryland, Massachusetts, New Jersey, New York, Virginia and the District of Columbia joined with Everson for this recent announcement of the historic initiative.

"The states and the IRS share a common goal to dry up abusive schemes," said Stephen M. Cordi, President of the Federation of Tax Administrators and deputy comptroller of Maryland. "This new partnership will strengthen overall tax administration at the federal and state levels and present a united compliance front against those taxpayers tempted by improper avoidance transactions."

The Federation of Tax Administrators (FTA) represents all state tax agencies in the 50 states, the District of Columbia and New York City.

The additional 33 states announcing the signing of the partnership agreement include: Alabama, Arizona, Arkansas, Connecticut, Georgia, Florida, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Minnesota, Mississippi, Missouri, Montana, New Hampshire, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Utah, Vermont, Washington, West Virginia and Wisconsin. More states are expected to sign the agreement in the weeks ahead.

The Abusive Tax Avoidance Transactions (ATAT) memorandum of understanding between individual states and the IRS was a joint effort, negotiated over the past year, by representatives of the IRS Small Business/Self-Employed (SB/SE) Division, FTA and several state tax agencies.

SB/SE Commissioner Dale F. Hart stated at this recent event, "This agreement is a testament to the positive impact that partnering can have on good tax administration. It's a smart, common-sense approach and the latest in the government's ongoing efforts to ensure the fairness of the American tax system."

The ATAT memorandum of understanding focuses solely on abusive tax avoidance transactions. The agreement leaves procedures governing communication on more routine taxpayer compliance efforts unchanged. This maintains the important separation of federal and state tax authority and protection of taxpayer privacy.

"We treat taxpayer privacy as a top priority," said Everson. "This agreement does not impede our high standards for protecting taxpayer rights or privacy. The information shared under this agreement will be strictly limited to that pertaining to abusive transactions."

In addition to greater cooperation in sharing leads in the area of abusive tax transactions, the partnership with the states includes joint outreach activities to the public to more effectively counter the claims of those marketing tax schemes and scams.

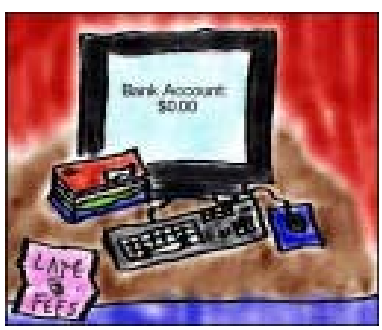
Just a little note:

<u>For those clients with extensions and who have not brought in their tax information we must have it as soon as possible.</u>

<u>The deadline is October 15, 2003.</u>

You must know you could face fraud penalties for not filing a tax return by the extended due date.

The IRS is very serious about this and they are cracking down!



<u>DUE UPON RECEIPT</u>

Just a reminder that our credit terms are: due upon receipt. If you have any questions please call the office 770-920-2890 x 10 and ask for Missy.