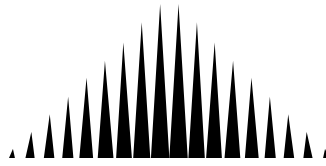


The individual, trust, and partnership deadline is fast approaching!

**APRIL 15TH**

Tax interview appointments are now available. Please call to schedule your appointment today!

T. Dennis Connally,  
Consultant, P.C. CPA



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



**APRIL 2010**

Word of the Month

**Slake** \SLAYK\ , verb;

1. To satisfy; to quench; to extinguish; as, to slake thirst.
2. To cause to lessen; to make less active or intense; to moderate; as, slaking his anger.
3. To cause (as lime) to heat and crumble by treatment with water.

**PLEASE NOTE: ALL INDIVIDUALS, PARTNERSHIPS, OR TRUSTS WISHING TO FILE AN EXTENSION SHOULD CONTACT OUR OFFICE IMMEDIATELY! THE EXTENSION FEE IS \$75 PER ENTITY. Please contact our office no later than April 10th!**

IMPORTANT DATES TO REMEMBER

April 15th—All completed individual, trust, and partnership tax returns and extensions should be filed.

April 20th—Georgia monthly sales tax forms and payments due

All individual information should be to our office to ensure completion of tax return by April 15th. If your information was not received by March 31st, there may be an increase in fees.

Penalties for Employing Undocumented Workers

With today's complex immigration and labor laws, an employer with foreign workers must be careful to avoid violating immigration and anti-discrimination laws at all stages of the employer/employee relationship. Issues regarding immigration and anti-discrimination laws can occur during the hiring period, the employment phase, and at termination. For example, if a worker presents a temporary work authorization document from the Immigration Service at the time the worker is hired, the employer must not only make a good faith effort to verify the legitimacy of the document, but also re-verify the employee's work authorization at the time the initial authorization expires. There are civil and criminal penalties for hiring illegal aliens. Sec. 274A of the Immigration and Nationality Act (INA) and 8 U.S.C. 1324a, makes it unlawful for any person knowingly to hire, recruit or refer for a fee any alien not authorized to work. An employer that violates these laws can face penalties of:

- \$250 to \$2,000 fine for each unauthorized individual;
- \$2,000 to \$5,000 for each em-

ployee if the employer has previously been in violation; or

- \$3,000 to \$10,000 for each individual if the employer was subject to more than one cease and desist order.

The employer could also be fined \$100 to \$1,000 for each individual "paperwork" violation.

The criminal penalties for a pattern and practice violation can be up to \$3,000 for each unauthorized alien, imprisonment up to six months, or both.

## Have you been wondering how the Internal Revenue Service will be impacted from the New Health Care Bill?

I have compiled a few points of interest that I have found inside the Health Care Bill that may spark your interest.

1. The IRS would be responsible for overseeing a significant part of health care reform, such as the administration of additional taxes on individuals and employers, determinations of various exemptions from those taxes, and oversight of new information reporting requirements. Many of the new requirements have phased in or delayed effective dates, giving the IRS – and taxpayers – a window of time to prepare.
2. The Patient Protection Act, as amended by the House Reconciliation Act, authorizes the IRS to share return information with the U.S. Department of Health and Human Services to curb Medicare fraud.
3. Employers and other entities providing minimum essential coverage would be required to file information returns with the IRS identifying the individual, the coverage and the amount of premium, if any, paid by the individual. Penalties would be imposed for failure to file an information return.
4. Employers will be required to disclose the value of employer-provided health insurance to employees annually on Form W-2.

The health care reform package also:

- Increases the AGI threshold for claiming the itemized deduction for medical expenses for regular tax purposes to 10 percent after 2012 with a delayed effective date for seniors;
- Extends dependent coverage up to age 26;
- Expands Medicaid eligibility;
- Requires states to establish insurance exchanges to help individuals and small employers obtain coverage;
- Increases the additional tax on distributions from health savings accounts (HSAs) not used for qualified medical expenses;
- Eliminates the employer deduction for Medicare Part D;
- Imposes annual fees on pharmaceutical manufacturers and health insurance providers;
- Imposes an excise tax on medical device manufacturers;
- Requires more corporate information reporting;
- Imposes new requirements on non-profit hospitals;
- Accelerates some corporate estimated income taxes in 2014;
- Imposes an excise tax on indoor tanning services;
- Codifies the economic substance doctrine; and
- Modifies the biofuel credit.

In the coming months and years, the IRS and other federal agencies will issue many new rules and regulations to implement health care reform. Our office will keep you posted of developments, and, as always, please contact us if you have any questions.