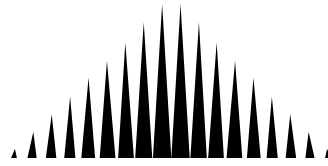


Tax Planning Reminder
November and December
You should meet with your tax
advisor to discuss strategies
that can trim the tax tab for this
year.

T. Dennis Connally
Consultant, P.C. CPA
770-920-2890



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

NOVEMBER 2010

eke \EEK\, transitive verb:

1. To gain or supplement with great effort or difficulty -- used with 'out'.
2. To increase or make last by being economical - - used with 'out'.

Officer's Compensation & Health Insurance

Please note that if you are self employed or have wages from your own Corporation—

Your health insurance MUST be on your Form W-2 in order to be 100% "above the line" deduction. Please contact us to ensure we are aware of the correct amount to Include on your Form W-2.

Q u i c k B o o k s

Tip of the Month

Get Ctrl of your QuickBooks

Hold Ctrl and press the letter to do the following:

- I - Enter an Invoice
- F - Find a transaction
- W - Write a check
- J - Open the Customer Center

Important Dates to Remember

November 2nd— Election Day
November 15th—Payroll Tax Deposits and Non-Profit Tax Returns
November 20th— Sales Tax Returns
November 25th— Thanksgiving Holiday

Tax Compliance for Foreign Accounts

The HIRE Act contains increased compliance requirements for individuals holding foreign accounts. Foreign holding agents will now have to report the name, address and taxpayer ID number of all account holders or withhold 30 percent from certain payments.

Disclosure requirements will also intensify for individual account holders, who will need to specify the type, issuer, and maximum value for various holdings throughout the year. The Act also increases penalties for both the failure to disclose and the failure to pay in full.

"The hardest thing in the world to understand is the Income Tax."

-Albert Einstein

"If the IRS took 100 taxpayers at random and sent each an incorrect notice that they owed an extra \$92.35 in taxes and interest, more than two-thirds would probably just send in a check without investigating further." -- G. Guttman

8 Tax Changes That Can Impact Your 2010 Small Business Taxes

Small businesses are one of the main driving forces behind job creation, consumer spending, new innovations, and overall success of the economy. The government typically tweaks tax laws that impact small businesses in order to help grow the economy or to help promote certain government programs. The tax changes that are made each year can either help or hurt small business owners.

Below are 8 recent tax changes that can impact small business owners this year.

1) Small Business Health

Care Tax Credit: This credit is offered to encourage employers of low to moderate income works to offer health insurance coverage. The amount of this credit is up to 35% of the small business' premium costs incurred in 2010.

2) Standard Mileage Rates:

There are 3 standard mileage rates. Below are the changes for each rate:

- **Business use of your car:** This rate has dropped from 55 cents a mile to 50 cents a mile.
- **Medical or moving purposes:** This rate has dropped from 24 cents a mile to 16.5 cents a mile.
- **Service of charitable organizations:** This rate has been kept constant at 14 cents a mile.

3) Cancellation of Business

Debt: In 2009 there were changes made to the laws around canceling business debt. For 2010, a business can delay the reporting of income gained from the cancellation of debt up to 5 years. Typically a business would have to pay taxes in the current year that the business debt was canceled.

4) COBRA Premium Assistance Credit:

The American Recovery and Reinvestment Act of 2009 allow businesses to take a credit against certain employment taxes for providing COBRA premium assistance to individuals that are eligible.

5) Deduction for Domestic

Production Activities: Starting in 2005 the IRS allowed certain companies to take a deduction for US-based business activities. The deduction started off at 3% in 2005 and for tax years beginning after 2009, the percentage increased to 9%. This deduction only applies to a small percentage of business types, so be sure to check to see if your business qualifies.

6) Tax on Indoor Tanning

Services: The IRS has placed a 10% excise tax on indoor UV tanning companies. This tax went into effect on July 1, 2010.

7) Expanded Work Opportunity

Credit: The Work Opportunity Tax Credit is a tax credit that gives businesses and incentive to hire individuals within certain target groups that have

faced barriers to employment. The IRS has recently extended this credit to two additional target groups, unemployed veterans and disconnected youth.

8) Payroll Tax Exemption for Hiring Unemployed Workers:

Under the HIRE Act, business are given a payroll tax exemption of social security tax on wages paid to qualified employees between March 19, 2010 and December 31, 2010.

Keeping up to date on recent changes to tax deductions and tax credits can turn into some sizable tax savings, while helping to improve the economy and helping certain government programs.

Please contact our office for more tax saving ideas and to schedule your year end tax appointment.
770-920-2890

THANK YOU!!!

We would like to take this opportunity to look back and think of how lucky we truly are to have such loyal clients such as you.

You had a choice and even though things have gotten tough and money has gotten tight you stayed with us.

For this, we are thankful. We hope everyone has a save and wonderful Thanksgiving!!