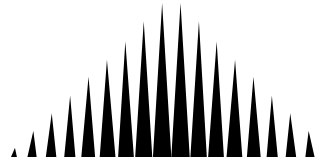


Remember—
Our office is open year-
round.

Please know that we are here
Monday through Friday
8:30 a.m. – 5:30 p.m.

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



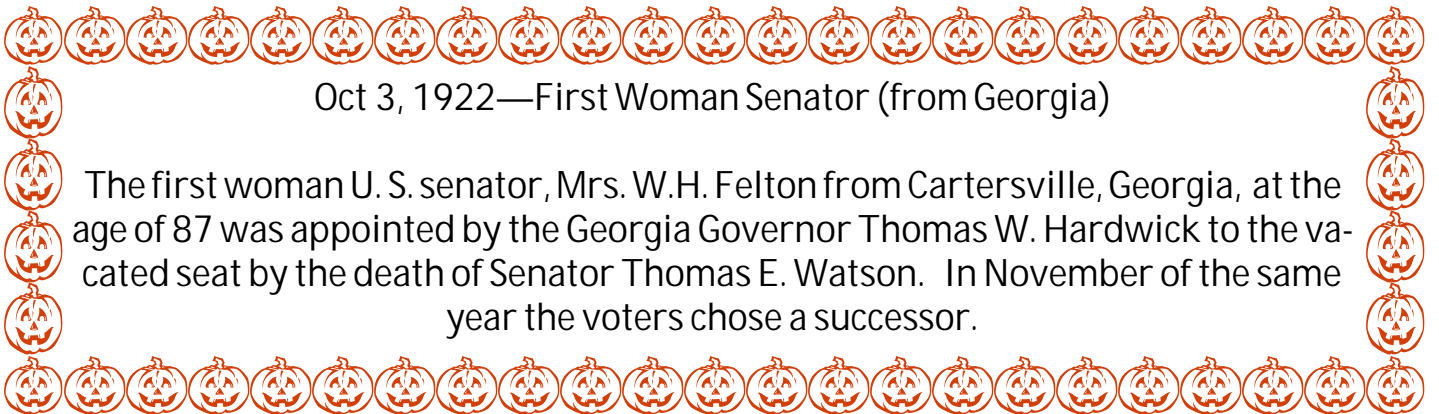
T. Dennis Connally Consultant, P.C.
Certified Public Accountant

OCTOBER 2011



AUTUMN IS HERE!!!

The leaves are turning and the weather is rather pleasant. Enjoy the outdoors and please watch out for all the little witches, goblins, and goules at the end of the month. Have a safe and Happy Halloween!



Oct 3, 1922—First Woman Senator (from Georgia)

The first woman U. S. senator, Mrs. W.H. Felton from Cartersville, Georgia, at the age of 87 was appointed by the Georgia Governor Thomas W. Hardwick to the vacated seat by the death of Senator Thomas E. Watson. In November of the same year the voters chose a successor.

Important Dates to Remember

October 10th - Columbus Day Observed
October 15th - Personal Tax Return Extensions Due
October 31st - Halloween

Halloween Superstitions:

In Britain, people believed that the Devil was a nut-gatherer. At Halloween, nuts were used as magic charms.

If a candle flame suddenly turns blue, there's a ghost nearby.

Put your clothes on inside out and walk backwards on Halloween night to meet a witch.

IRS Tax Tips for Selling a Home

For individuals who have sold their home, the IRS has important information. If you have a gain from the sale of your main home (primary residence), you may qualify to exclude part or possibly all of that gain from your income. Your primary residence is determined by your mailing address, which is the address listed on your driver's license, bills, car registration, etc. Here are some tips to keep in mind when selling a home.

- If you have owned and used your home as your primary residence for two of the previous five years prior to the date of the sale of your home, you may qualify to exclude the gain from your income.
- If you have a gain from the sale of your home, you may be able to exclude up to \$250,000 of that gain from your income. If you file a joint return, in most cases you may be able to exclude up to \$500,000.
- You are not eligible for the exclusion if you have already excluded the gain from the sale of another home during the two-year period prior to the sale of your home.
- If you have a gain that cannot be excluded, it will be taxable. You must report all taxable gains on Form 1040, Schedule D, Capital Gains and Losses.
- If you have a loss on the sale of your primary residence and you received a Form 1099-S, you must report the loss on the Schedule D even though the loss is not deductible.
- If you can exclude all of the gain, you do not need to report the sale of your home on that year's tax return. However, if you have a loss on the home, you will need to report it.
- Worksheets are included in Publication 523, Selling Your Home, to help you figure the adjusted basis of the home you sold, the gain or loss on the sale, and the gain that you can exclude. Save yourself the headache and have your accountant do it for you.
- If you have more than one home, you may only exclude a gain from your main home. You must pay taxes on the gain of any other homes sold. If you have two homes and live in both of them, your main home is considered to be the one you live in the most.
- If you received the first-time homebuyer credit when you purchased your home, and within 36 months of the date of purchase, the property is no longer used as your main

residence, you are required to repay the credit. Repayment of the full credit is due with the income tax return for the year the home ceased to be your primary residence. For the repayment of this credit, use Form 5405, First-Time Homebuyer Credit and Repayment of the Credit.

- When you move from your primary residence be sure to update your address with the IRS and U.S. Postal Service to ensure you receive refunds or correspondence from the IRS. Use Form 8822, Change of Address Form, to inform the IRS of any address changes.

**Please contact our office for more tax saving ideas.
770-920-2890**