

JOSEPH B. MIHALOV, CPA, P.C.
Certified Valuation Analyst

P.O. Box 1099
Valparaiso, IN 46384

Office (219) 464-1011
Fax (219) 462-1916
www.jbmihalov.com

NEWSLETTER
AUGUST 2006

CORPORATE TAX RETURNS

September 15 is the filing deadline for your corporate return. If you have not turned in all of your documentation needed to complete your return, please do so soon. We hope you won't wait until the 15th.

SEPTEMBER 15 REMINDER

Time to make your federal and state third estimated tax payment.

FINANCIAL CHECK-UP

Have you made your appointment for your financial checkup? As the ad states: You can pay me now or pay much more later in lost profits and opportunities.

THE CONGRESS OF THE UNITED STATES OF AMERICA

Do you think it is right for our elected officials to add amendments to Congressional bills? For example, to the minimum wage bill an estate tax amendment was added. Why? With the importance of both proposals, one would think each proposal should have been voted on separately and not tied to a bill that has nothing to do with the other bill. Isn't it time our elected officials grew up and stopped playing politics (pun intended)? I think it is time we citizens begin yelling from the top of our roof tops "We are mad as hell and won't take it anymore!"

THE TAX INCREASE PREVENTION AND RECONCILIATION ACT OF 2005

This Act, signed into law on May 17, 2006, extends through 2010 the 15% favorable tax rate on long-term capital gains and qualifying dividends.

The Act also raises the amount of income exempted from the Alternative Minimum Tax (AMT) but for one year only. The amount of income exempted from the AMT is increased to \$62,500 for married couples filing jointly up from \$58,000 in 2005.

For 2006, small businesses can expense up to \$108,000 of qualifying property.

Kiddie tax age increased from under age 14 to under age 18. That means that the first \$850 of investment income is tax-free and the next \$850 is taxed at the child's tax rate. Investment income above \$1,7800 is taxed at the parents' top tax rate.

IF YOU LIKE OUR SERVICE, TELL OTHERS. IF YOU DON'T, TELL US.

2601 Chicago Street #A
Valparaiso, Indiana 46383