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NEWSLETTER
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SOCIAL SECURITY FORMS INCORRECT

Make sure you check your 2007 Social Security Benefit (Form SSA-1099) is correct. The Social Security Administration sent out 2.7 million incorrect payment information regarding Medicare Part C and/or Part D premium deduction amounts, and some garnishment deduction amounts. Corrected SSA-1099s were to be mailed last Friday, January 25, 2008.

INDIANA MANDATES ELECTRONIC FILING OF TAXES

Effective January 1, 2008, Indiana requires the electronic filing of income tax returns.

2007 FEDERAL INCOME TAX CHANGES

AMT exemption amount increased to \$44,350, \$66,250 if married filing jointly or a qualifying widow(er) and \$33,125 if married filing separately.

Exemption amount for a child under age 18 has increased to \$6,300

No deduction allowed for contributions of cash, checks or other monetary gifts, *regardless of the amount*, unless you maintain either a bank record or a receipt, letter, or other written communication from the charitable organization setting forth its name, date and amount.

Mortgage insurance premiums, paid during 2007 in connection with your home mortgage, are deductible. The deduction is phased out by 10% for every \$1,000 (\$500 if you are married and file separately) by which your adjusted gross income exceeds \$100,000 (\$50,000 if you file separately as a married person).

OPENED SATURDAYS NOW

For those of you who are unable to visit us during normal business hours, we are now open Saturdays from 9:00 a.m. to 1:00 p.m. We do request that you call ahead and make an appointment to ensure that our staff will be able to accommodate you.

HEALTH INSURANCE DEDUCTION FOR "S" CORP. SHAREHOLDER

If you own more than 2% of your sub S corp., and it pays your health insurance premium, it can deduct the premium provided it includes the amount in your taxable wages.

WE THANK YOU FOR CHOOSING OUR FIRM AND APPRECIATE YOUR BUSINESS

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