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NEWSLETTER
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HAPPY NEW YEAR

One wonders if 2009 will truly be happy with the wars in Iraq, Afghanistan, Israel, the economic recession, unemployment, housing foreclosures and stock market crash.

THE \$700 BILLION BAILOUT BILL HAS 100 TAX PROVISIONS

Highlights of the new tax provisions include:

Mortgage debt forgiveness

Up to \$2 million may be forgiven but the mortgage must be on your principal residence. The amount forgiven will reduce the cost basis of your home.

AMT "Patch"

The AMT exemption has been increased from \$46,200 to \$69,950 for another year. With the state of the U.S. economy, a permanent fix is not to be expected in the near future.

Sales tax deduction

The election to deduct state and local sales taxes has been extended through 2009.

Tuition deduction

Even if you do not itemize your deductions, you may be able to deduct your qualified college expenses for two more years.

Real estate taxes

Up to \$500 (\$1,000 if you are married) may be added to your standard deduction for real estate taxes for an additional year.

2009 IRA Minimum Distribution

Due to the drastic decline in the stock market, individuals over 70 ½ will not be required to take their 2009 required minimum distributions. Unfortunately, you must still take your 2008 RMD.

THANK YOU AND WE LOOK FORWARD TO CONTINUING TO SERVE YOU.

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