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NEWSLETTER
JUNE 2008

WE CLOSE AT 1:00 PM FRIDAYS

With summer not too far away, we will close Fridays at 1:00 pm until Labor Day.

INTERNAL REVENUE SERVICE

Last month we reported that Indiana's Workforce Development imputed a *reasonable* wage to a Subchapter S corporation that did not pay its officers. Well, we have been advised that IRS is pursuing the same tactic. However, IRS's result will be much more punitive since IRS will assert penalties and interest for failure to file Forms 940 and 941, employment tax returns, and to timely pay the tax on those returns.

JUNE 16TH

Remember to pay your second quarter estimated taxes.

JULY 4TH

We will be closed on July 4 to celebrate our Nation's birthday.

POTPOURRI

- Social security tax wage base for 2008 is now \$102,000.
- Social security earnings limit for those under age 65 is \$13,560.
- If under age 50, you can contribute \$5,000 to your IRA.
- Over age 50, you can contribute \$6,000.
- Standard deduction for filing jointly is \$10,900, if single \$5,450.
- If you file jointly and your taxable income is above \$357,700, you are in the top tax bracket of 34%.

THANK YOU FOR CHOOSING OUR FIRM

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