

2008

Miscellaneous Supplemental Information

1. Please let us know if any taxpayer is considered legally blind.
2. The business mileage rate for the coming year, 2009, is \$0.55 per mile.
3. Our company policy is to maintain a copy of your personal tax returns for 3 years and your business and payroll tax returns for 4 years.
4. The law has changed regarding the due date for all business income tax returns (Corporations, S-Corporations, LLC's and Trusts). Now the extension will only be good for 5 months and therefore, due September 15th. The penalty for filing a return late, that requires K-1's to be attached, is \$85 per month, per K-1, not to exceed 5 months.
5. Because of abuse, the regulations now require your non-cash contributions (furniture, clothes, etc.) to be documented and in "good condition or better, according to law."
6. Please include support for your charitable contributions. No deduction is allowed for any cash contribution to a charity unless the donor can show either a bank record, or written communication from the charity, including the amount of the contribution, the date the contribution was made and the name of the charity. A contribution made by credit card is deemed deductible as of the date the donor charges the amount to the donor's credit card, regardless of when the credit card bill is actually paid.
7. Purchases at a charity auction are deductible only to the extent that the amount paid exceeds the fair market value of the item purchased.
8. There are many different rules regarding cancellation of indebtedness or forgiveness of debt. In some circumstances, the discharge is taxable and others not. Please give us the details of the transaction if you are part of a foreclosure, repossession, or cancellation of debt.
9. The deductible IRA amount for 2008 has increased to \$5,000 for 2008 plus another \$1,000 if you are 50 years of age or older and otherwise qualify. The Roth IRA phase out limits for 2008 are from \$101,000 to \$116,000 for single taxpayers and \$159,000 to \$169,000, if married.