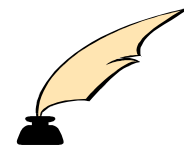


Accountants' Notes



Volume 11, Issue 12

December 2009

1099 FORMS ARE DUE FEBRUARY 1, 2010

The **Form 1099-MISC** must be filed for each person to whom you have paid at least \$600 in rents or services, including parts and materials, or in other income payments. **Any amount** paid to an attorney requires a **Form 1099-Misc**. In the event of an IRS audit, there is a \$50 fine for each form 1099 that you fail to file.

Form 1099-MISC is not required for payments to corporations. (except attorneys)

We will gladly prepare 1099's for you. Please provide our office with a list of 1099 recipients by January 8, 2010 so that we can complete the 1099's in a timely manner. We need the following information:

Recipient's name, address, Social Security number (or Federal ID#) and the amount that you paid to them. See our website for a blank reporting form.

**WINFREE, RUFF
& ASSOCIATES, LTD. WISHES
YOU AND YOUR
FAMILY A JOY-
FUL HOLIDAY
SEASON AND A
PROSPEROUS
NEW YEAR!**



There's plenty to distract you from financial planning this time of year, but you don't want to let some deadlines slip by without taking steps:

- If you're in the market for (or already bought) a new car or home, you can deduct new car sales tax this year even if you don't itemize. And don't forget the first time homebuyer credit.
- You can give up to \$13,000 per recipient tax-free this year.
- It may pay to take some losses or gains in your stock portfolio before year-end.

Money

THE QUOTE

When it comes to the future, there are three kinds of people: Those who let it happen, those who make it happen, and those who wonder what happened.

John Richardson

OUTSTANDING BALANCES

Unless prior arrangements have been made, we are requesting that clients with outstanding balances due our firm please make payment in full or establish a payment plan prior to December 31 to avoid an interruption of services for year-end payroll, year-end accounting and tax services.

2009 Estimated Fourth Quarter Payments

Remember to pay your local payments by December 15, 2009 and your Ohio and School District payments by December 30, 2009 so that the deductions can be used on your 2009 Federal Return, Schedule A.

The 2009 fourth quarter Federal estimated payments must be paid by January 15, 2010.

2009 Fourth Quarter and Annual Payroll Reports

It will soon be time to prepare your fourth quarter and year-end payroll tax reports. Most of the returns are due February 1, 2010.

Please provide us with your payroll forms and information by January 8 for timely filing of these reports. If you have any questions, call our office.

Winfree, Ruff & Associates, Ltd.

www.wracpas.com

Lancaster Office
Phone: 740-681-1676
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Pickerington Office
Phone: 614-837-8291
Fax: 614-837-5144

Baltimore Office
Phone: 740-862-2258
Fax: 740-862-2208

Energy Tax Credit

Commercial Property Owners may be eligible for a substantial federal tax deduction for improving energy efficiency in an existing building or designing high efficiency into a new building! If you own or lease a commercial property (most commercial buildings qualify including residential rental buildings with four or more stories) and you built/retrofitted the property to be energy efficient, you may be eligible to deduct all or part of the costs associated with producing the energy efficiency.

What is the tax incentive for energy efficiency in commercial buildings?

The Energy Policy Act of 2005 (EPAct 2005) established federal tax deduction for energy-efficient commercial property investment, subject to a cap. Up to \$1.80/square foot is available to owners, tenants and sometimes designers of commercial properties where new construction/renovation **is certified** to save at least 50% of the heating, cooling, ventilation, water heating and interior lighting energy cost of a building meeting ASHRAE Standard 90.1-2001.

For buildings not meeting the 50% whole building requirement, partial deductions up to \$.60/square foot are allowed for separate building subsystem(s) **certified** to meet certain energy savings targets.

To properly claim the deduction, the building/subsystem must be certified through inspection and testing by qualified individuals to meet IRS/Department of Energy prescribed energy cost savings targets. We can provide you with the name of qualified individuals to help you in the certification process. Please call our office for the tax incentive details.

Homeowners may be eligible for energy efficient home improvement costs on their 2009 tax return. Please refer to our website: www.wracpas.com and refer to the information provided under the Links of Interest.

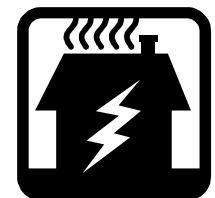
Federal Tax Credits for Energy Efficiency Includes:

Tax credits are available at 30% of the cost, up to \$1,500, in 2009 & 2010 (for existing homes only) for:

| | |
|---------------------------|----------------|
| Windows and Doors | Insulation |
| Roofs (Metal & Asphalt) | HVAC |
| Water Heaters (non-solar) | Biomass Stoves |

Tax credits are available at 30% of the cost, with no upper limit through 2016 (for existing homes & new construction) for:

- Geothermal Heat Pumps
- Solar Panels
- Small Wind Energy Systems
- Solar Water Heaters
- Fuel Cells



For more details go to: www.energystar.gov

CASH FOR APPLIANCES IS COMING IN 2010 IF POSSIBLE, HOLD OFF ON THAT PURCHASE!

This program has not yet begun. Each state will determine its own rebate amounts. They will probably range from \$50 to \$250. Your State will make these details available when they announce their program. We'll keep you informed.

YEAR-END BUSINESS HOUSEKEEPING

We are approaching the end of yet another year. We hope that you enjoy the holidays. There are a few year-end "housekeeping duties" that are important to your business. Please review the following and determine which are applicable to your business.

Odometer reading on all business vehicles and personal vehicles used for business as of December 31, 2009 – need business and/or mileage for each vehicle. (list separately)

Inventory levels as of December 31, 2009 – **Visit web-site for Inventory Form.**

End of the year balances and/or interest statements on all loan activity that you had during the year – even if the loan is paid off.

If you are self-employed or a Sub-S Corporation, please detail all medical insurance premiums for you and your dependents paid for the year – Remember Box 1 on your W-2.

Tax forms will be arriving in your mail soon. Please forward them to our office. The government is requiring us to use your personalized labels and forms in reporting account information.

Copies of invoices for any equipment (over \$500) or vehicle purchases in 2009.

Did you sell or trade any property? If so, did you record it in your books? We will need details.

A detail listing of any Federal, State, City and/or School tax payments made in 2009 and 2010. Please don't assume that we have this information. **Form on web-site for this.**

Please advise our office if you would like to have a 2009 tax organizer mailed to you. Tax organizers will be mailed in January, by request only.

Did you pay any individual \$600.00 or more for services or any amount to an attorney? If yes, and you would like us to prepare your Form 1099's, please provide the necessary information to our office by January 15, 2010. **Form on web-site for this.**

Did you buy or sell any real estate in 2009? If so, we need a copy of your HUD settlement statement. (Form HUD-1)

If you have a "BIZ Plan" or Section 105 Plan, please remember to make all reimbursements before December 31, 2009.

Did you pay any business expenses with personal money? If yes, get reimbursed by December 31st.

Please provide sales breakdown by State and City, if applicable.

Please provide information on any change in ownership, stock holding, locations or number of stores.

If you have any questions, or need assistance determining if any of these housekeeping duties are applicable to your business, please contact our office.

We hope to hear from you soon so we can get an early start on your 2009 year-end financial statements and/or tax returns.

Now is the time to plan for 2010! A Business Owner's Perspective

The beginning of the year is a great time to evaluate your financial strategy and plan for what you want to get accomplished in the upcoming 12 months. So relax, grab a coffee or tea, read and let us empower you for 2010.

Do you take the time to sit down, evaluate, plan and prepare written financial goals for the business and your family? Without clear-cut set goals, life just goes on.

A sound plan, started early enough, can be worth more than a lifetime of work!!

Before you know it, the kids are off to college.....

How will you help pay for college expenses?

Children get married

Do you have any idea how much a wedding could cost?

Health issues arise

Will your business be able to survive if you become incapacitated?

Will your family be able to pay the mortgage? Pay household expenses...without going in debt?

So, you want to retire

Who will run the business? Will you sell the business? For how much?

Will you be able to live the rest of your life on what you make from the sale of the business?

Do you have other sources of retirement income? How long will your money last?

You die or your spouse dies

Will the ones left behind be able to continue life at their current standard of living?

Will the children get to go to college?

Live on Less

Decrease the desired standard of living during retirement.

Earn More

Earn more today to increase the value of your savings.

Save More

Increase monthly savings to provide the capital needed.

Delay the Day

Postpone retirement until enough has been saved to meet your income objectives.

Don't procrastinate! Don't make excuses! We've heard it all.....

Age 25 - We're young and just starting out. We don't make much money yet.

Age 35 - Our mortgage and family bills take all our paychecks. We can't afford to save anything.

Age 45 - We can't save now; the kids are in college.

Age 55 - It's not easy to start at our age.

Age 65 - We should have started long ago. But it's too late now.

Take charge of your future! Prepare and plan! What is your next step? **Call our office to schedule an appointment!** Gather information, analyze, determine goals and receive our recommendations.

TAKE THE FIRST STEP TODAY.....CALL FOR AN APPOINTMENT