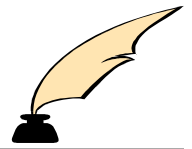


Accountants' Notes



Volume 13, Issue 5

May 2011

IMPORTANT UPCOMING FILING DATES

CAT Tax - Quarterly Payments	May 10
CAT Tax - Form CAT12 Annual Payments and Report	May 10
April Sales Tax	May 23
Individual Estimated IRS Tax 2nd Quarter Payments	June 15
Individual Estimated State/Local/Tax 2nd Quarter Payments	June 15

Why it Pays to Hire a Tax Professional

The IRS's numbers show that an increasing number of tax payers are using software programs to prepare and file their own returns. However, the cost savings may not always be worth it. Especially when starting a new business, with the complexity of the laws, it is easy for taxpayers to overlook required filings and to mishandle business deductions. A tax professional can help ensure that business owners do not pay too much or too little and that they avoid the ever-increasing penalties.

In a recent survey of court cases where taxpayers tried to avoid penalties by claiming the tax software program they were using caused the underpayment of tax, the Court denied relief to the taxpayers, pointing out that the programs are only as good as the information the taxpayers put into them. *In not one case* did the taxpayers win with this argument. Hiring a tax professional can pay for itself very quickly with just the addition of minimal business deductions and the avoidance of even small penalty amounts.

IF YOU CHANGE YOUR NAME DUE TO MARRIAGE OR DIVORCE

- If you took your spouse's last name or if both spouses hyphenate their last names, you may run into complications if you don't notify the SSA. When newlyweds file a tax return using their new last names, IRS computers can't match the new name with the Social Security Number.
- If you were recently divorced and changed back to your previous last name, you will also need to notify the SSA of this name change.
- Informing the SSA of a name change is easy; file a Form SS-5, Application for a Social Security Card at your local SSA office and provide a recently issued document as proof of your legal name change.
- Form SS-5 is available on SS's website at <http://www.socialsecurity.gov>, by calling 800-772-1213 or at local offices. Your new card will have the same number as your previous card, but will show your new name.
- If you adopted your spouse's children after getting married, you will want to make sure the children have an SSN. Taxpayers must provide an SSN for each dependent claimed on a tax return. For adopted children without SSNs, the parents can apply for an Adoption Taxpayer Identification Number - or ATIN - by filing Form W-7A, Application for Taxpayer Identification Number for Pending U. S. Adoptions with the IRS. The ATIN is a temporary number used in place of an SSN on the tax return. Form W-7A is available on the IRS website at <http://www.irs.gov>, or by calling 800-829-3676.

RETURN TO REGULAR OFFICE HOURS

Now that we have reached the end of another busy tax season, we have resumed our regular office hours. Our hours are Monday through Friday, 8 a.m. to 5 p.m. We will, of course, continue to accept some Saturday and evening hours upon request.

Memorial Day



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AWE.....SPRINGTIME....

the flowers are blooming, the grass is green, garage needs swept, patio furniture cleaned and put into place, the grass needs cut, flowers need to be planted, windows need cleaned, closets need cleaned and organized..... **AWE, SPRING-CLEANING.....**

As you clean and organize this spring you may run across items that “you just had to have” and possibly truly could not afford at the time of purchase. Did you borrow from Peter to pay Paul? Did you overextend credit cards or tap a line of credit on your home?

Did you know:

The average household credit card balance has more than tripled since 1990. And according to the Federal Reserve, U.S. consumer debt has reached \$2.43 trillion, or about \$21,900 per household, a number that’s nearly doubled over the past decade – and doesn’t include mortgage debt. Consumer debt today equals 132% of the average household’s annual disposable income. It is a nationwide problem, of course, affecting a broad range of people, including well-paid professionals who never envisioned such problems. The real solution? As a *Saturday Night Live* parody put it, “Don’t buy stuff you can’t afford.”

Smart Money

Are you in this boat? It is never too late to change your spending habits and take control of your finances. We can help you decipher your options; from consolidation of debt, expense reduction, cash flow strategies, etc. We can help you manage your budget.

It may not be easy and the results will not be evident overnight, but with your commitment and diligence the results will add another blessing to your life.



Are you tired of living from paycheck to paycheck?

Are your money worries affecting your marriage?



STEP 1 - Start today by defining your monthly budget.....need a budget template????? Refer to our web-site, www.wracpas.com click “Links of Interest”. The first step towards financial freedom requires you to define your monthly expenses and compare that to your monthly income.

STEP 2 - Call today to schedule an appointment. Let’s work together towards your financial freedom and towards defining your retirement goals.

TAKE THE FIRST STEP---WE WILL BE THERE WITH YOU THE REST OF THE WAY!!