

January 2010
TravelTax News

Hope your holidays were pleasant and relaxing. With the new decade, it's hard to believe that 10 years ago we were worried about Y2K!

1) Our workbooks have been updated and are posted on the website, but at the same time Congress is still tinkering with retroactive tax legislation. This is becoming an annual event and creates confusion for taxpayers.

2) Remember that the IRS allows you to save your records electronically! Scan that paperwork and get rid of your clutter. Our website has links to product discounts that can help you uncluttered your lives.

3) A bill was presented before congress to extend the Heartland Disaster Relief Act that is set to expire soon. This legislation contained a number of tax related items including enhanced educational credits for those attending schools in affected areas.

4) 1099's for interest, dividends and other payments may be delayed again this year as late as February 15 which is the extended date that banks and brokerages have to mail these forms.

5) Two more tax workshop sites left for January. As of the mailing of this we are in Phoenix the 12th and the 13th, then in Greenville SC the 25th-27th. Check our website for details.

State News

1) States continue to pursue residency issues with all sorts of taxpayers. Alabama courts gave some more taxpayer friendly rulings to a cardiologist and engineer who intended to sever their ties to the state but retained a drivers license and other legal ties. These rulings are not the norm that we have seen during 2009.

2) New York continues its reckless pursuit of making anyone that makes a few bucks in the state a resident for tax purposes. The new rules that went in to affect forced all out of state college students to be taxed as residents. In December, they amended the law but NOT FOR GRADUTE STUDENTS. Hence, if you have a dorm at a NY college while

pursuing a graduate degree, you are a tax resident of NY for tax purposes. (Reference TSB-M-09(15)I, December 16, 2009).

3) KY continues to give a \$5000 credit for newly built or previously unoccupied homes

4) OH is delaying the mailing of their instruction booklets due to last minute tax changes

Other News

Our long time assistant, Diane Gillis will be leaving at the end of tax season due to her husband's job transfer. Those of you that have worked with her know how conscientious and delightful she is. As the season progresses, take some time to wish her well in her future endeavors. She will be missed.

Join us in welcoming Kris Osborne to our staff. Kris will be assisting Diane during the tax season and transitioning into her role.

We look forward to hearing from you this tax season and welcome your comments and referrals!