

Jennings Seminars



Tax Pro News

By Practitioners, For Practitioners

Volume 3, No.3

Webinars & E-Books Online!



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Upcoming Webinars

6/20 Engagement Letters & Liability Reduction

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2007 Live Seminars

IN THIS ISSUE:

- Ø **2007** Tax Act-Business Changes
- Ø **2007** Tax Act-Individual Changes & Minimum Wage changes
- Ø **2007** Preparer Penalties

On May 25, 2007 President Bush signed the "Small Business and Work Opportunity Tax Act of 2007", as well as the new minimum wage bill. We will be discussing these bills this fall in our live seminars, but here is a short review of the major changes.

Business Changes

All [Live Seminars](#) Include:

- The industry's best reference manual,
- Manual includes tabbed chapters
- Free E-Book of every seminar you attend, which has been hyperlinked to the underlying free tax research library,
- Free E-Book CD of the seminar which has been hyperlinked, bookmarked and indexed!
- Free Federal & State Tax Forms Service
- Free Federal Tax Research Library
- Highlighters/Pens
- Continental breakfast & lunch

[Back to top](#)

Still More New Cities in 2007

Just added:

2 Day In-Depth Business Tax Seminar in Rapid City, 7/26-27

1 Day 1040 Update in Grand Rapids, MI 11/26

Live Streaming 8 hour Compilations & Reviews throughout the world on 8/1-call for info

Live streaming 8 hour estates & trusts throughout the world on 8/2-call for info

Live Streaming 16 hour

- Section 179 limit increased to \$125,000 retroactive to 1/1/07
- Section 179 high limits extended thru 2010
- Section 179 phase-out raised to \$500,000 retroactive to 1/1/07
- The 15 year life on leasehold improvements and restaurant property has been extended through 3/31/08.
- A new 15 year life for "retail space improvements" has been added. The retail space must be non-residential, used to sell tangible personal property, and the building must be over 3 years old. This new write-off is in effect through 3/31/08.
- FICA Tip credit continues to be based on old minimum wage of \$5.15 for a better credit, effective 1/1/07
- Work opportunity credit expanded and extended through 8/31/2011.
- A married couple who jointly operates an unincorporated business can elect **NOT** to be treated as a partnership effective 1/1/07. Both must materially participate and there can be no other owners.
- Capital gains from the sale of stock is no longer considered passive income in an S corporation, thus removing 1 of the major concerns about losing the "S" status with excess passive income. This change applies to tax years beginning after 5/25/07.
- The cash method of accounting limit has been increased to \$10,000,000 uniformly now.
- Employers who use PEO's for employees now retain all work-related job credits.

[Back to top](#)

Individual Changes

**Business Tax In Depth
throughout the world on 8/27
& 28-call for info**

**Live Streaming 16 hour 1040
In Depth throughout the world
November 8 & 9-call for info**

[Back to top](#)

Upcoming Seminars

See www.taxspeaker.com

6/4- Acctg, **Cleveland**

6/5-Tech, **Cleveland**

6/6-Estates, **Cleveland**

6/7-8-Acctg. **Portland, OR**

6/20-Eng. Ltr **Webinar**

6/28-Estates, **Fargo**

6/29-Tech, **Fargo**

7/17-Tech, **Indianapolis**

7/18-Acctg., **Indianapolis**

7/19-Estates, **Indianapolis**

7/30-Tech, **OK City**

8/1-Acctg-**Garden City, KS**

8/2-Estates-**Garden City, KS**

8/6-Acctg., **South Bend**

8/8 Business Tax Update
Webinar

8/14-Tech, **Fargo**

[Back to top](#)

- The kiddie tax increased again. Starting in 2008, all children under age 19, and students under age 24 will have unearned income in excess of \$1,700 taxed at their parents marginal rate.

Minimum Wage Changes

- The minimum wage will raise from the current \$5.15 per hour to \$7.25 per hour in 3 phases over the next 2 years.
- It goes to \$5.85 on 7/24/07
- It then raises again to \$6.55 on 7/24/08, and finally
- It raises again \$7.25 per hour on 7/24/09.

Preparer Penalties

- The "realistic possibility" standard for undisclosed positions has been replaced with the "reasonable belief" standard.
- The "not-frivolous" rule has been replaced with a much more severe "reasonable basis" rule.
- Preparer penalties now will apply to all income, estate, gift, excise, exempt and employment tax returns.
- The amount of the preparer penalty has been increased from \$250 to *the greater of \$1,000 or 1/2 the preparer's fee!*
- The willful or reckless conduct penalty has been increased from \$1,000 to *the greater of \$5,000 or 1/2 the preparer's fee!*
- The new rules apply to returns prepared after 5/25/07, including 2006 extensions.

[Back to top](#)

8/15-Tech 1 **Webinar**

8/21-Bus. Tax-**Des Moines**

8/25-Acctg, **Ft Collins, CO**

8/26-Estates, **Ft Collins, CO**

8/27-28 Business Tax, In-Depth
Garden City, KS

8/30 SE Accounting Show,
Atlanta

9/5 Acctg.-**Schererville, IN**

9/6-Tech 1/2, Reducing Health
Care Costs 1/2-**Schererville, IN**

[Back to top](#)

Remember 2008 will see the return of our Alaska cruise, this time with a land tour option!

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