



# Tax Pro News

*By Practitioners, For Practitioners*

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## New Mileage Rates

- In [IR-2008-62](#) and [Announcement 2008-63](#) the IRS increased the business mileage rate from 50.5 cents per mile to 58.5 cents per mile effective July 1, 2008.
- In [IR-2008-62](#) and [Announcement 2008-63](#) the IRS increased the medical and moving mileage rate from 19 cents per mile to 27 cents per mile effective July 1, 2008. The charitable mileage rate was not changed.
- [Farm & Ranch Tax](#) in Garden City Kansas on July 22, (This seminar will also be available as live streaming video)
- [Business Tax Update](#) in Garden City Kansas on September 24
- [Reducing Health Care Costs](#) *NATIONWIDE* by live streaming video on July 30, or live attendance in [Clarksville, Indiana](#)
- [Technology](#) *NATIONWIDE* by live streaming video on July 31 or live attendance in [Clarksville, Indiana](#)
- [Estates & Trusts](#) *NATIONWIDE* by live streaming video on July 17 or live attendance in [Louisville, Kentucky](#).
- [Business Tax Strategies](#) *NATIONWIDE* by live streaming video on August 4 or live attendance in [Independence, Ohio](#)

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1. New Mileage Rates and New Seminars
2. Bankruptcy, Foreclosures & Debt forgiveness
3. More bonus depreciation answers
4. Save \$5 per gallon on [LIVE STREAMING VIDEO COURSES!](#)



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## 2008 Summer Live Schedule:

- 7/8 [Compilations](#) **Fargo**
- 7/14 [Compilations](#) **Chicago**
- 7/15 [Compilations](#) **Cleveland**
- 7/15 [Estates](#) **Chicago**
- 7/16 [Estates](#) **Cleveland**

- [Compilations](#) *NATIONWIDE* by live streaming video on August 13 or live attendance in [Orlando, Florida](#)
- [Business Tax In Depth](#) *NATIONWIDE* by live streaming video on September 16-17 or by live attendance in [Indianapolis, Indiana](#)
- [1040 Tax In Depth](#) *NATIONWIDE* by live streaming video on November 11-12 or by live attendance in [Fargo, North Dakota](#)
- [1040 Tax In Depth](#) *NATIONWIDE* by live streaming video on December 18-19 or by live attendance in [Orlando, Florida](#)



## Bankruptcy, Foreclosure & Debt Forgiveness

- The IRS continues to come out with more guidance on these items. Our fall 1040 In-Depth seminars will include an entire new chapter, with example 1099-c and related forms and schedules to try to lead you through the mess. Our detailed instructions and guidance should answer your questions this fall. In the meantime, read below:
- Debt cancellation income is taxable by default. There are now 6 exceptions to this rule, and if you cannot use 1 of these exceptions, or the exception does not offset the full amount of debt forgiveness, the remaining amount is taxable income reported on Form 1040, Line 21 as other income.
- Exception 1-student loans which are accepted by the student only under conditions that the student will work in certain professions are exempt if made by qualified agencies. Only the following student loans qualify.

Loans directly from federal, state or local government,  
Loans from certain tax-exempt public benefit corporations, and  
Loans from certain educational institutions.

- Exception 2-Debt cancelled in a Chapter 11 bankruptcy case

7/17 [Estates](#) **Louisville**

7/18 [Business Tax Update](#)  
**Quebec City, Quebec**

7/21 [Technology](#)  
**Oklahoma City, Oklahoma**

July 22-23 we will be in **Ft. Collins, Colorado (Rocky Mountain National Park)** for [Estate](#) and [Compilation](#) courses. We will follow up on July 28 in **Ft. Collins, CO** with a [Tax Strategies for Small Business](#) class.

7/24 [Estates](#) **Albuquerque**

7/25 [Technology](#) **Albuquerque**

8/4 [Tax Strategies for Small Business](#) **Cleveland**

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8/8 [Tax Strategies for Small Business](#) **Oklahoma City**

August 11-15 will see us in Florida for several courses. Aug. 11-12 we will be in **Sarasota** for [Compilations](#) and [Estates](#) , followed by **Orlando** on Aug. 13-14 for [Compilations](#) and [Estates](#) , and **Port St. Lucie** on August 15 for [Estates](#) .

8/15 [Technology](#) **Fargo**

8/19 [Business Tax Update](#) **Des Moines**

8/21 [Technology](#) **Scranton**

8/27 [SE Acctng Show](#) **Atlanta**

8/28-29 [NSA Convention](#)  
**Kansas City**

9/2 [Federal Tax Update](#) **New Albany, IN**

9/3 [Tech/Reducing Health Care Costs](#)-**Evansville, IN**

9/4 [Tech/Reducing Health Care Costs](#)-**South Bend, IN**

- Exception 3-Debt cancelled when insolvent, but only to the extent of insolvency. A taxpayer is insolvent when his total debt exceeds the total FMV of all of his assets.
- Exception 4-Qualified farm debt from an unrelated financial institution.
- Exception 5-Qualified real property business debt for the costs of acquisition, construction or improvements.
- Exception 6-Qualified personal residence debt forgiveness for acquisition indebtedness costs to buy, build or improve a personal residence.
- Note that equity loans for personal, investment or any other purpose than improvement of the main home will still be taxable if forgiven.
- In all cases of debt forgiveness the taxpayer must reduce the related tax attributes-basis, NOL amounts, etc.



## Bonus Depreciation Again!

The number one email question we are receiving right now revolves around bonus depreciation. We discussed it in May, but, based on the questions, let's review the major points:

- Bonus depreciation is back for assets bought and placed in service after 12/31/07 and before 1/1/2009.
- Bonus depreciation is mandatory on qualifying assets.

9/5 [Business Tax Update-](#) **Ft. Wayne, IN**

9/16-17 [Business Tax In Depth-](#) **Indianapolis, IN**

9/18-19 [Business Tax In Depth](#) **Portland, OR**

9/22-23 [Business Tax In Depth](#) **Oklahoma City**

9/24 [Business Tax Update-](#) **Garden City, KS**

9/25-26 [Business Tax In Depth](#) **Ft. Collins, CO**

9/29-30 [Compilations, Reviews & Disclosures-](#)**Bloomington, IL**

Go to [www.Taxspeaker.com](http://www.Taxspeaker.com) for more information on these and our other seminars, as well as our full fall and winter schedule.

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**LIVE  
STREAMING  
VIDEO  
COURSES  
COMING NEXT  
MONTH-SAVE  
GAS & TIME &  
GIVE IT A TRY!**

Our first live streaming video was held in June on Pension Plans & IRAs, with much acclaim and a few minor (and easily overcome) glitches. A live streaming video is a TV-like live presentation beamed to your computer via your high speed internet

- Bonus depreciation is available on new asset purchases only.
- Bonus depreciation is available on assets in the 3,5,7,10, 15 and 20 year class lives.
- Bonus depreciation is available on assets converted to business use from personal use in 2008.
- Bonus depreciation is available for most leasehold improvements.
- When trading 1 asset for another brand new like-kind asset. the entire amount qualifies for bonus depreciation in contrast to Section 179 where only the difference qualifies.
- Bonus depreciation may be used to create or increase a loss as there are no income limits or requirements.
- There are no phase-out thresholds on bonus depreciation.
- Commonly overlooked assets qualifying for bonus depreciation include parking lots, sidewalks, landscaping, personal property used in rental homes, HVAC systems and leasehold improvements.

connection and your computer's speakers.

With gas costs continuing to skyrocket we are rapidly expanding our offerings of live streaming videos for this fall, and will now provide the nation's first 2-day live seminars presented live over the internet for Business Tax In-Depth and 1040 In-Depth this fall.

Finally, our entire 2008 course selection will also be available as after-the-fact streaming video slowly as we tape over the year. We currently have only the Clergy tax course online, but several more will follow in the next few weeks-Technology, Pension Plans & IRAs, and Compilations & Reviews will all be available by the end of the month in DVD format or in downloadable streaming video to your desktop.

**Before you sign up check with your state society to see if they have entered into an agreement with us to give you**

**a discount code.**

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## **OTHER UPCOMING EVENTS**

We will be back in Garden City, Kansas this year (driving!) for our 1 day [Business Tax Update](#) on September 24 and on July 22 for the [Farm & Ranch Tax Seminar](#).

**Our Farm Manual is back completed as you are reading this .**

It should be available for purchase as self study by July 15, and as DVD or streaming video by September 1. Sorry, we have no plans for a live presentation anywhere this year except in Garden City, KS in mid-July.

## **NEW SPECIALTY MANUALS**

We now have 2 new specialty manuals available, written by our speakers with substantial expertise in those areas:

[The Oil & Gas Taxes](#) for 1040's manual

AND

[The 1040 NR Manual](#)

We have also just finished our 2008 [Reducing Health Care](#)

[Costs](#) manual and our [Pension Plans & IRAs](#) Manual which has been substantially expanded far beyond our other manuals.

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