JENNINGS SEMINARS

Tax Pro News

By Practitioners, For Practitioners

November 19, 2008 Volume 4, No. 8

2009 Income Tax Numbers from Rev. Proc. 2008-66

Personal Exemptions	$ 3,650
MFJ Standard Deduction	11,400
Single & MFS Standard Deduction	5,700
HofH Standard Deduction	8,350
2009 Gift Tax Exclusion	$13,000
Foreign Earned Income Exclusion	$91,400
FICA Wage Limit	$106,800
401(k) and 403(b) Deferral Limit	$16,500
Over Age 49 Catch Up	5,500
SIMPLE Deferral Limit	$11,500
Over Age 49 Catch Up	2,500
Maximum 401(k) & All Defined Contribution Plans	$49,000
SEP Maximum	$49,000
IRA Limit	$5,000
Over Age 49 Catch Up	1,000

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2008 Year End Tax Moves

1. Start by mailing your clients our Individual Year End 1040 Client Letter-available as a free download at our free download center.

2. While you are at it, download and mail our 2008 Year End Business Client Letter also at our free download center.

3. By year end contact every 1040 client with a traditional IRA and advise them of your opinion on converting it to a Roth IRA by December 31. Because we have a combination of extremely low IRA values, possibly combined with lower income than normal, this is the year to convert. Why? The conversion amount is taxable (but not penalized) at FMV on date of conversion, and with today's low stock prices what a great time to do this! After conversion, future appreciation and withdrawal will be tax and penalty free once the 5 year or age 59 1/2 test is met, and the Roth IRA is not subject to RMD requirements. Be careful-the conversion must be completed by 12/31/08 and older clients may not benefit from the conversion because of the time value of money.

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2008 Winter Live Schedule :

11/24 1040 In Depth Indianapolis

11/24 1040 In Depth Chicago

11/26 Federal Tax Update Clarksville, IN

12/1 1040 Update Wisconsin Dells

12/1 1040 In Depth Greeneblt, MD

12/2 1120 Update Wisconsin Dells

12/3 1040 In Depth Portland, OR

12/4 1040 In Depth Cleveland

12/7 COD Income & Repossessions Clarksville, IN

12/8 1040 In Depth Williamsburg, VA

4. Because of the new 1st time homebuyer credit it is of utmost importance for us to track client's home basis for individuals using this credit. With that in mind we are asking every one of these clients to provide us with the closing statement, as well as a list (and proof) of improvements each year so that we can track basis over time and potentially reduce future recapture.

5. While we are at it, if you have heard me talk about home mortgages this year you know my concerns about re-financings and the incorrect deduction of home mortgage interest. I am also concerned about potential preparer penalties for these mistakes. Therefore, we are also now asking ALL clients to provide us with an annual list (and proof) of improvements every year to their primary residence. Additionally, we are requesting copies of re-financing closing statements and a summary of any re-financing proceeds used for home improvements. There is a great software available from CFS Tax Software for this purpose called Tax Tools.

6. We are asking every client with a vacation or 2nd home to also contact us by year end. Many of our clients plan on converting vacation homes to personal residences in the future, living in them for 2 years, and then selling them and excluding the gain under the home sale rules. Because of the upcoming changes in 2009, this treatment will lose much of its value, but if we can convert before year end, or soon thereafter, the cost is minimized.

7. Remember the 1st time homebuyer credit may be taken on the 2008 Form 1040, even for a home purchased in 2009, by checking Box C on new Form 5405. This will substantially accelerate the $7,500 credit. Also remember that the credit applies to boats, trailers and mobile homes if they qualify as a principal residence, and that the credit will be repaid over 15 years starting 2 years after the purchase year.

8. The new property tax deduction as an addition to the standard deduction will provide significant benefits for elderly clients who are unable to itemize dedutions. Remember it goes on Line 39C of Form 1040. Make sure to ask specifically about this deduction in your 2009 tax interviews.

9. The new Tax Court Summary Opinion 2008-93 reminds us of how tough the charitable contribution rules are. Every charitable deduction must have a receipt, and every individual amount over $249 must also have a letter from the charity identifying the date, the amount, and the fact that no goods or services were received in return. Particularly remember that the letter must be received by the earlier of the filing date or the due date of the tax return.

10. The Fisher de-mutualization case provides us with good ammunition to amend prior year returns for clients who sold stock received in de-mutualizations, and who reported no basis. We are not yet amending returns however, because the IRS may appeal this case. We suggest filing a protective claim on Form 1040X to keep the statute of limitations open. We tell you how in our 1040X chapter of this year's 1040 Manual.

11. This is the year with the most depreciation issues since President Reagan's years. Watch out in particular for the differences between Section 179 and Bonus depreciation.

12/8 1040 In Depth Atlantic City

12/10 Technology Coeur d'Alene

12/11 1040 In Depth Coeur d'Alene

12/12 1040 Update Fargo

12/15 1040 In Depth Columbia, MD

12/17 1040 In Depth Clarksville, IN

12/29 1040 In Depth Clarksville, IN

12/31 Compilations & Reviews Clarksville, IN

1/5 1120S/LLC Update Minneapolis

1/6 1040 In Depth Minneapolis

1/8 1040 In Depth Virginia Beach

1/8 1120S/LLC Update Anchorage

1/9 1040 In Depth Anchorage

1/9 1040 In Depth Fairbanks

1/12 1040 Update Spokane

1/15 1040 In Depth **Anaheim-Disneyland**

1/20 1040 In Depth Burbank-Universal Studios

Go to www.Taxspeaker.com for more information on these and our other seminars.

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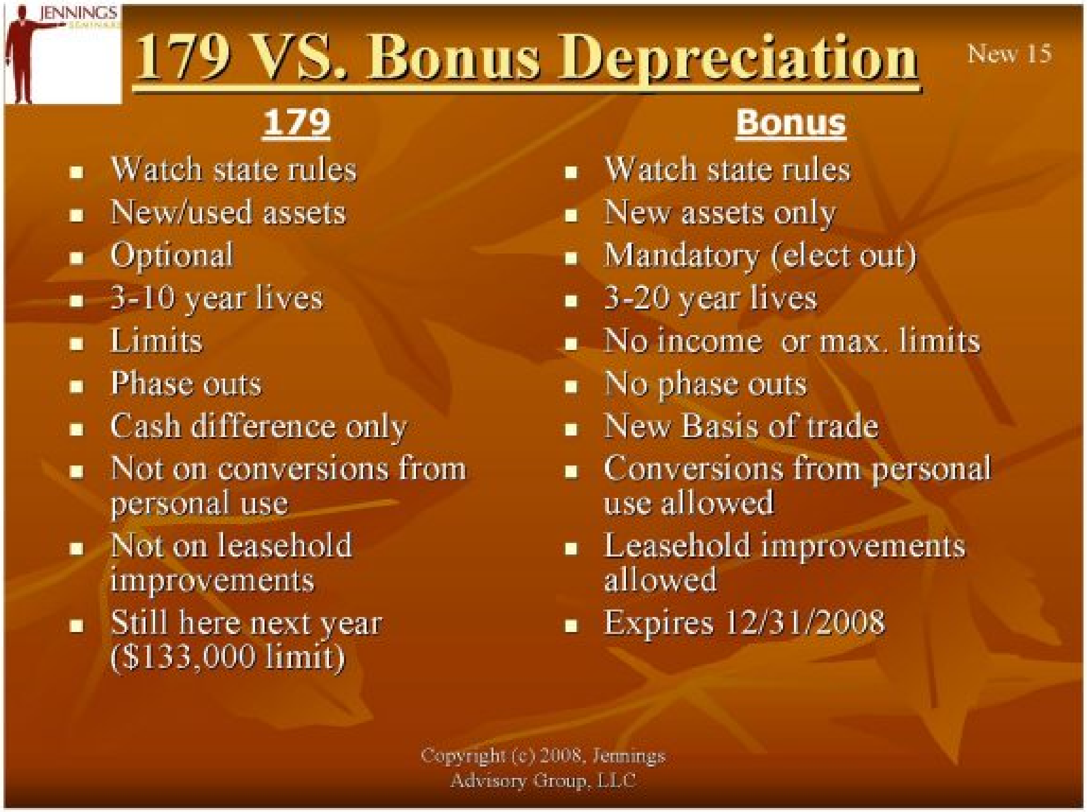
MORE LIVE STREAMING VIDEO COURSES COMING!

A live streaming video is a TV-like live presentation beamed to your computer via your high speed internet connection and your computer's speakers.



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COD & Home Foreclosure

We hate to admit it, but the home foreclosure phenomenon has spread throughout the country, even here in the Midwest. This year's 1040 seminars will include substantial coverage of COD income and other aspects of debt forgiveness on home foreclosures, credit card debt forgiveness and similar situations. One of our speakers, Joel Dinsfriend, is from Los Angeles, and has spoken on COD income and debt forgiveness for several years before the problem became nationwide. Joel will be taking our new chapter, along with a strong Power Point presentation, and providing this information in a special streaming video class on December 10 just for this purpose.

Because of the nationwide problem, we have added this new streaming video just to address home re-possessions, short sales, abandonments and COD income. Our resident California speaker and COD expert Joel Dinsfriend will be presenting a 2-hour streaming video on December 10 from Noon-2 (EST) going through the rules, the forms and dozens of examples, and yes you can ask questions. Click HERE to register. It qualifies for 2 hours of CPE.

Technology Firsts for Jennings Seminars in 2008 and Coming in 2009

On September 4, 2008 we live-streamed our Technology seminar from the seminar location in South Bend, Indiana to the world. This seminar has received notice from Technology experts and tax professionals alike because it was the world's first 8-hour live streaming Technology class that qualified for CPE, and it was the world's first 8 hour live streaming class broadcast without a wired or wireless internet connection. How was it done? We broadcast it using the Verizon BroadBand card over the Verizon high speed cellular phone system! Participants from Alaska to Massachusetts enjoyed the class, asked dozens of questions, and received their 8 hours of CPE at the end of the day.

Upcoming Streaming courses:

Federal Tax Update on 11/26

COD & Home Foreclosures on 12/10

1040 In Depth on 12/17-18

1040 In Depth for Procrastinators on 12/29-30

Compilations & Reviews "Get A Life New Years Eve Special" on 12/31

ALL 2008 DVD's Now Shipping:

1040

Technology

Farm & Ranch

Estates & Trusts

Compilations

Pensions & IRAs

Reducing Health Care Costs

Clergy Tax

EA Ethics

Oil & Gas Tax

Business Tax In Depth

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OTHER UPCOMING EVENTS

1040 DVD's Started

On September 16 & 17th we broadcast the nation's first 2-day, 16 hour live CPE class on Business Tax-In Depth from our Indianapolis, Indiana live seminar class.

And finally, new ground was broken with our friends at the North Dakota Society of Accountants in Fargo when, on November 11 & 12, 2008 we broadcast the nation's first 2-day, 16 hour 1040 In Depth CPE-approved class from our live Fargo seminar.

So What is Coming Soon?

Our technical wizard (Ryanj@taxspeaker.com) is working on software that will allow us in late 2008 or early 2009 to present the nation's first fully inter-active live streaming seminar. You can see the instructor and your fellow participants, ***and we can see you*** . Attendees will need high-speed internet, a web-cam, dual monitors and speakers. We will provide the special software and links to make it work. Just like a live seminar without smelling the guy next to you!

Upcoming plans for more streaming video will provide many of our specialty courses that are not normally offered as live seminars. Plans include early 2009 streaming of our 2009 Clergy class, our Pension Plan & IRA class and our Reducing Health Care Costs class. Please let Bob (BobJ@taxspeaker.com) know if you would like other classes in 2009.

Do You Need Another 1040 In-Depth Manual?

Our 700 page manual is now being sold by several other seminar companies because of its common-sense organization and thorough coverage of the 1040. We do have additional printed manuals available for purchase, with or without CPE. If you just need some extra manuals without cpe we will even cut you a special price as our Christmas present to you! Just contact us at 877-466-1040.

THANK YOU

I want to personally thank everyone who has been or will be attending our seminars this year, and apologize to those of you who attended in cities where I was unable to speak both days. We have been fortunate this year to see record crowds at all of our self-sponsored seminars, and increased crowds at most of our society-sponsored seminars. I have tried to be at every location for both days, but in 2 or 3 cities the air travel just did not work out. Our 2009 calendar is now 100% booked so I hope to see you in 2009 live or via streaming video. Have a Happy Thanksgiving and a wonderful Christmas, from all of us here at Jennings Seminars:

Seminar Director: Teresa Canter, ***CPE Director:*** Kathy Wright, ***IT Manager:*** Ryan Jennings, ***Shipping:*** Jean Jennings, ***Speakers:*** Joel Dinsfriend, Bob Jennings, Chad Piehl, David Morley and Charlie Slade

Shipping Today

NEW SPECIALTY MANUALS

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

The Oil & Gas Taxes and DVD for 1040's manual

AND

The 1040 NR Manual

AND

The 2009 Clergy Manual (Just Updated)

We have also just finished our 2008 Reducing Health Care Costs manual and live recorded DVD and our Pension Plans & IRAs Manual and Live Recorded DVD which has been substantially expanded far beyond our other manuals.

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