



JENNINGS
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By Practitioners, For Practitioners

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9

[2009 Pension Plan Special Report](#)

The President has signed ***The Worker, Retiree, and Employer Recovery Act of 2008*** (HR 7327) which suspends the RMD requirement for **2009** for IRAs, 401 (k) and similar qualified pension plans.

However, **2008 RMD distributions are still required** as Congress and the IRS refused to bail out average Americans, just those corporations who make large campaign contributions.

We have included below our pension plan tables for 2009. Earlier editions of this newsletter included the 2008 numbers.

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

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MORE LIVE STREAMING VIDEO

2009 Pension Comparison Table 1

	Traditional IRA	Roth IRA	Non-Deductible IRA	Roth 401-K
Highlights	Excellent savings plan for those not covered by other plans but who have earned income	Great long-term plan that offers tax-free accumulations and withdrawals	Worst of the 3 IRAs but better than nothing	Fantastic way to save big bucks with no future taxation, but must be employer sponsored
Max. Employee Contribution	\$5,000	\$5,000	\$5,000	\$16,500
Max. Employer Contribution	N/A	N/A	N/A	\$49,000
Max Contribution All Sources	\$5,000	\$5,000	\$5,000	\$49,000
Over Age 49 Additional Catch-Up	\$1,000	\$1,000	\$1,000	\$5,500
Tax Deduction	Yes	No	No	No
Withdrawals	Taxed	Nontaxable	Earnings Taxed	Nontaxable
Earnings	Tax Deferred	Nontaxable	Tax Deferred	Nontaxable
Penalty Exceptions	Death, disability, education, 1 st time home, more	Death, disability, education, 1 st time home, more	Death, disability, education, 1 st time home, more	Death, disability, education, 1 st time home, more
Form By (2009)	4/15/10	4/15/10	4/15/10	12/31/09
Contribute By	4/15/10	4/15/10	4/15/10	Due date + Extension
Penalty Issues	10% before 59 ½	10% before 59 ½ on earnings only	10% before 59 ½	10% before 59 ½
Tests	1-Earned income 2-Max age 70 ½ 3-Not covered by other plan 4-If covered, must be below income limits	1-Earned income 2-Max Income under 110k single, 160k MFJ	1-Earned income	Employer sponsored
Distributions	Start by 4/1 of year after turning 70 ½ (Not required in 09)	No requirement	No requirement	Plan based Usually 70 ½/2 (Not required in 09)
Bankruptcy Protection	\$1,000,000	\$1,000,000	\$1,000,000	Unlimited
5500 Required?	No	No	No	Yes
More Information	Pub.590	Pub.590	Pub.590	Publications.590



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COURSES COMING IN 2009!

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.

Upcoming Streaming courses:

[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:

2009 Pension Comparison Table 2

	Simple IRA	SEP	Solo 401-K	401-K
Highlights	Excellent choice for side businesses, small businesses and those with ~\$50k annual income. 97% employee funded	Excellent contribution limits, no 5500 make this a winner, but 100% employer funded. Voluntary contributions.	The best plan for family businesses, those with only part-time employees as long as they want to fund more than a SIMPLE. Better than a SEP in many cases.	Excellent plan, partly employee funded, but watch the dreaded top-heavy rules which can make this a bad choice for some businesses.
Max. Employee Contribution	\$11,500	-0-	\$16,500	\$16,500
Max Employer Contribution	\$4,800	Lesser of 25% of W-2 or \$49,000	Lesser of 25% of W-2 or \$49,000	Lesser of 25% of W-2 or \$49,000
Max Contribution All Sources	\$11,500 + 3% of W-2 Before Deferral	\$49,000	\$49,000	\$49,000
Over Age 49 Additional Catch-Up	\$2,500	N/A	\$5,500	\$5,500
Tax Deduction	Yes	Yes	Yes	Yes
Withdrawals	Taxed	Taxed	Taxed	Taxed
Earnings	Deferred	Deferred	Deferred	Deferred
Penalty Exceptions	Most IRA exceptions	Most IRA exceptions	Most IRA exceptions	Most IRA exceptions
Form By (2009)	10/1/09	Due date + extension	12/31/09	12/31/09
Contribute By	Due date + extension	Due date + extension	Due date + extension	Due date + extension
Penalty Issues	25% 1 st 2 years	10% before 59 1/2	10% before 59 1/2	10% before 59 1/2
Tests	No other active plan	No other active plan	Employer sponsored, other plans ok	Employer sponsored, other plans ok
Distributions	Plan based Usually 70 1/2	Plan based Usually 70 1/2	Later of 70 1/2 or retirement (Not required in 09)	Later of 70 1/2 or retirement (Not required in 09)
Bankruptcy Protection	Unlimited	Unlimited	Unlimited	Unlimited
5500 Required	No	No	Yes	Yes
More Information	Publications 560	Publications 560	Publications 560	Publications 580



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[Technology](#)
[Farm & Ranch](#)
[Estates & Trusts](#)
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[Reducing Health Care Costs](#)
[Clergy Tax](#)
[EA Ethics](#)
[Oil & Gas Tax](#)
[Business Tax In Depth](#)

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So What is Coming in 2009?

First, a greatly expanded streaming schedule of topics and dates, including special West Coast friendly times for all seminars. We have had several streaming attendees from Alaska, and this week we have our first streaming attendee from Hawaii!

Second, an expanded discount program **just for society members**. For those individuals whose society sponsors a live Jennings Seminar in 2009, your society has entered into a discount program with us. The discount program, **only available to sponsoring society members**, provides you

with discounts for streaming seminars and self-study products and access to various other great deals, similar to this year's FREE 2-hour ethics class offered to society members around the country. Get your discount code from your society headquarters.

Third, our 2009 schedule is full. We have added several sponsoring states: Maine, Michigan, Missouri and Montana, but will stop most of our physical presence in California, Florida, Idaho, Minnesota and Utah. After long thought we have decided we do not want to add more cities at the risk of substantially reducing our quality of speakers, so we apologize to those of you in those states. Streaming videos will be our only access in those states.

Fourth, our live streaming classes are now fully accepted for NASBA approved CPE credit in all states-please see the course detail for that information.

2009 Streaming Schedule

Stream from Seminar Offices Unless Otherwise Noted

<u>May</u>	<u>Date</u>
Technology (Denver)	5/18
Accounting-Compilations (Denver)	5/19
<u>June</u>	
Accounting-Compilations Day 1	6/30
<u>July</u>	
Accounting-Compilations Day 2	7/1
1041 (Cleveland)	7/30
Technology	7/13
<u>August</u>	
1041 (Louisville)	8/4
Reducing Health Care Costs	8/5
Fringe Benefits	8/5
Pension Plans & IRAs	8/6
Like Kind Exchanges	8/6
Clergy	8/7
Depreciation	8/7
Business Tax Update (Ft Collins)	8/12
Business Tax Planning (Ft Collins)	8/13
Farm & Ranch (Ft Collins)	8/14
Business Tax Update (Cleveland)	8/24
Business Tax Planning (Cleveland)	8/25
Business Tax Update (Indianpls)	8/26
Business Tax In Depth	8/27-28

September

LLC's & Partnerships	9/3
C Corporations	9/3
S Corporations	9/4

November

1040 In Depth (Ft Collins)	11/11-12
1040 In Depth (Cleveland)	11/19-20
1040 In Depth (Indianapolis)	11/23-24

December

Federal Tax Update	12/21
1040 In Depth (Louisville)	12/17-18
Federal Tax Update	12/30
Accounting-Compilations	12/31

January 2010

1040 In Depth (Albuquerque)	1/4-5
1040 In Depth	1/18-19

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