

# Jennings Seminars Tax Pro News



By Practitioners, For Practitioners

Volume 5, No.2

2009 Selected  
**E-Books** Now  
Available!



Our **EBooks** are  
Reference Manuals in  
Hyperlinked PDF  
format to read at your  
leisure!

Upcoming Special 2,4  
and 8 hour

## Live Streaming Videos

June 23-Tax Stimulus Act

June 30-Compilations

July 1-Reviews & Disclosures

July 13-Technology

July 30-1041  
Trusts/Fiduciaries

Aug. 3-HSA,HRA & More

Aug. 3-Fringe Benefits

Aug. 7-Farm & Ranch Tax

Aug. 10-Pensions & IRAs

Aug. 10-Like Kind Exchanges

Aug. 11-Clergy Tax

Aug. 11-Depreciation

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### IN THIS ISSUE:

- 2009 Tax Cases
- Debt Cancellation Update
- Technology Update

Look for our live seminar  
brochures in your mailbox in the  
next few weeks.

### 2009 Tax Cases

- The 2009 Stimulus Act made some major changes to the first time home buyer credit, increasing the credit to the lesser of 10% of the home's cost or \$8,000, extending the credit period through November 30, 2009, and making the credit a real credit, rather than one that has to be repaid. There is a lot of erroneous advice floating around, particularly with realtors, so let's answer a few questions:
  1. The credit ***may not be taken in advance***, the home sale ***must close*** before you can take the credit. To claim a credit before the closing would be preparing a fraudulent tax return. HUD is now considering offering to make an \$8,000 bridge loan to HUD financed buyers until closing and refund issuance from an amended return.
  2. The credit may be taken by amending the 2008 return now, or taking it when filing the 2009 return next spring.
  3. Mobile homes, trailers, RV's and boats will qualify if they meet the normal qualified residence rules.
  4. Prior ownership within the last 3 years disqualifies the owner, without exception. If 2 unmarried individuals buy a home and one does not qualify, the other may take the entire credit. If a couple marries and then buys a home, prior ownership by either party in the last 3 years disqualifies the couple from the credit.
- The American Recovery Act added a new "front of the return" deduction for sales tax paid on the

# 2009 Stimulus Act

Our webmaster twice sent out mistaken emails for the March streaming video, so we decided to **really** do one more just to confuse you!

***We have scheduled an encore presentation of our 2-hour 2009 Stimulus Act Streaming Tax Seminar on June 23, 2009 at 12 noon EDT.***

[Back to top](#)

## Upcoming Society Seminars

We are sponsored in many states by a state society. Many of the societies also offer discounts on our self study products purchased through their website. Our upcoming society sponsored seminars include:

[Alaska](#)  
[Georgia](#)  
[Idaho](#)  
[Illinois](#)  
[Indiana](#)  
[Iowa](#)  
[Kansas](#)  
[Maine](#)  
[Maryland](#)  
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purchase of a new vehicle after 2/16/2009 and through 12/31/2009.

The deduction applies to AMT and regular tax for new vehicles only, including cars, light trucks (GVW<8,500), motorcycles or motor homes of any weight but is limited to the first \$49,500 of purchase cost, *per vehicle!* If you buy 1 car for more than \$49,500 you lose the remaining deduction, but if you buy 2 cars for \$40,000 each you get the deduction for both without limit!

The deduction phaseout starts at \$125,000 (S) or \$250,000 (MFJ). If the individual chooses to take the sales tax deduction on Schedule A (instead or in place of the income tax deduction) then no deduction is available on the front of the 1040.

- In [TC Summ. Op. 2009-29](#) (Agarwal) the court determined that real estate agents are considered real estate professionals for purposes of the exemption from passive loss rules. This is the same law used by brokers, dealers and developers requiring that for at least ½ of their time and at least 750 hours per year they must be materially involved in the real estate business to meet the exemption. Note that this is a Tax Court Summary Opinion, which is not a precedent-setting opinion.

[Back to top](#)

## Debt Cancellation Update

The American Recovery Act relaxed COD income recognition rules (by election) for any corporate or business debt discharged in 2009 or 2010. The income recognition may be delayed until 2014 and then recognized ratably over 5 years. Partnership members may defer only debt forgiveness in excess of basis.

[Back to top](#)

## Technology Update

We have already presented a few 2009 Technology seminars, and the response this year has been the greatest ever. Even though it is always exciting, 2009 is the most valuable Technology seminar we have ever presented, with the latest revenue enhancement and practice management tools displayed live during class. This year's seminar actually makes you money! Our rollout of client portals has been a resounding success both financially and professionally and we will provide you with the client letters and instructions to show you how to add literally



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[Back to top](#)

## Commentary

One of our major discussion areas in this fall's business tax seminars will be the future re-emergence of the C Corporation as an entity of choice. Some of the reasons:

1. SE tax will apply in the future to all income from LLC's and S Corporations.
2. The capital gains rate will still apply to dividends paid by a C Corporation.
3. Fringe benefits are totally deductible for owners of a C Corporation.
4. Double tax can be avoided with proper structuring.
5. Paying low wages in a C Corporation has never been an audit issue.

Come to our summer business tax seminars throughout the country for in-depth

tens of thousands of dollars in income to the bottom line. We also are now using a brand new automatic synchronizing backup system we will show you, netbooks and great new software from several sources that continue to make this an exciting, yet inexpensive year to come to a 2009 Technology seminar. We have dates scheduled in [Salt Lake City](#); [Fargo](#); [Boise, Idaho](#); [Clarksville, Indiana](#); [Tulsa, Oklahoma](#); [Missoula, Montana](#) and via live streaming video.

[Back to top](#)

2010 Alaska Cruise CPE!

We have just inked the deal on our 2010 Alaska cruise CPE, and wow is it a great package.

## **7 Night Alaskan Cruise Plus 2 OPTIONAL TOURS 2 Day Pre-Tour & 3-Day Land Tour Option**

What a seminar to attend aboard a 7-night cruise in Alaska. Enjoy the splendor of the ocean, vast glaciers, wildlife excursions and pristine mountains. Along with Alaska's extraordinary vistas and ports we are offering 8 hours of live CPE while at sea on day 1 and day 2. Or get 40 hours total CPE hours (8 live on cruise with 36 self-study or live streaming webcasts to complete when you return home. Your companion will enjoy the many activities available to them while you are enjoying your Jennings Seminars.

Ports of Call: Vancouver, Ketchikan, Juneau, and Skagway  
Land Tour Stops: Anchorage/Fairbanks, Fairbanks/Denali National Park, Denali National Park/Anchorage, Anchorage  
Land Tour highlights include a sightseeing transfer along an Alaska Scenic Byway, flight from Anchorage to Fairbanks, one night in Fairbanks, a Natural History Tour into Denali National Park, and travel on the McKinley Explorer Domed Railcar.

**July 16—July 18, 2010**

### **2 Night Pre-Tour in Vancouver option**

Arrive in Vancouver for a two-night stay at a deluxe downtown hotel. Travel to Vancouver Island via ferry through Gulf Islands. Stop at the world famous Butchart Gardens. Next, British Columbia's capital city, Victoria, maintains its rich sense of history with beautiful Victorian architecture, tree-lined streets and old British charm. Return to Vancouver for your second night.

**July 18—July 24, 2010**

### **7 Day Cruise**

Day 0—SAIL FROM VANCOUVER— Seminar  
Day 1—SCENIC CRUISING INSIDE PASSAGE— Seminar  
Day 2—Ketchikan, Alaska  
Day 3—Juneau, Alaska  
Day 4—Skagway, Alaska  
Day 5—GLACIER BAY NATIONAL PARK SCENIC CRUISING  
Day 6—COLLEGE FJORD SCENIC CRUISING

commentary in  
these topics.

[Back to top](#)

July 24-26, 2010

### 3 Day Landtour Option

Land Tour Stops: Anchorage/Fairbanks, Fairbanks/Denali National Park, Denali National Park/Anchorage, Anchorage  
Land Tour highlights include a sightseeing transfer along an Alaska Scenic Byway, flight from Anchorage to Fairbanks, one night in Fairbanks, a Natural History Tour into Denali National Park, and travel on the McKinley Explorer Domed Railcar.

Our 2010 Alaska cruise CPE is scheduled for July 18-26th on Holland America lines from Vancouver to Seward. Call Wayne McCaulley at Holland American Cruise Lines at 800-355-3017 x 29301 to get pricing and to reserve your cabin today! Call Jennings Seminars at 877-466-1040 with any questions or to register for onboard seminars.

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