Jennings Seminars 877-466-1040

Tax Pro News

By Practitioners, For Practitioners

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2009 *DVD's* Now Shipping!

Most 2009 DVD's have been completed and are available now: 1041 Trusts & Fiduciaries, Farm & Ranch Tax, Depreciation, Clergy Tax, Business Tax Update, Business Tax Planning, Business Tax In-Depth , S Corporations, Partnerships & LLC's , C Corporations , Business Tax Credits, Accounting Methods, Employee or Independent Contractor?.

Our 1040 In Depth DVD will be recorded on November 6 &7 for shipping December 1.

Our 1040 in Depth En Espanol DVD will be ready for shipping by December 10.

Our Federal Tax Update for individuals and businesses will be recorded November 30 for shipping in mid-December.

Upcoming Special 1, 2,4 and 8 hour

Live Streaming

IN THIS ISSUE: **Tax Planning**

Roth IRAs

As we near the end of the year many of our clients will be in an unusual position for 2009 with low taxable income and low retirement plan values. This might be an ideal time to suggest converting the taxable accounts to Roth IRAs by the end of the 2009 year.

A few things to remember for conversion in 2009:

1. Modified AGI (without the conversion $$) must be under $100,000 for both single and married filers. Married separate filers may not convert.

2. All conversions for 2009 must be completed by 12/31/2009.

3. The conversion dollars create taxable income, not tax. If a client has minimal income in 2009 this may mean the conversion is made at no net tax cost.

4. Conversions are not subject to a penalty upon conversion.

5. All future appreciation will be tax-free. This means that the conversion of current low-valued stock may reap the benefit of any future price appreciation without tax,

Videos

11/3 Accounting & Auditing Update

11/4- Buying a new computer or converting to Windows 7

11/6-7 1040 In Depth With Bob

11/9- Open Microphone Tech questions

11/16-Laptops, Tablets & Netbooks

11/30 Federal Tax Update

12/2-Security

12-9-Avoiding the cost of a server

12/16 COD Income, Repossessions, Short Sales & Foreclosures

www.TAXSPEAKER.com

New CPE

"On Demand"

We are rapidly uploading 1, 2 and 4 hour specialty topics so that you may literally watch them "when you want" to get that specialized knowledge without having to wait for a

while being converted at the current low fair market value.

6. Any amount may be converted from nearly any account, including traditional IRAs, SEP's, SIMPLE's, 401-k's and other traditional qualified plans. There is no requirement to convert the entire balance in any account.

7. Future Roth IRA amounts are not subject to RMD requirements, and may be passed on to the heirs. The heirs do not usually have to pay tax on the withdrawals, unless the deceased had not yet met the 5 year holding period test for the Roth account, and even then just on the earnings. The kids have to take the money out either over their lifetime or in full by 5 years after the date of death, benefitting from all those years of tax-free growth, making the Roth IRA the golden goose of inherited assets.

8. The current tax rates on the conversion dollars are the lowest rates most of us will ever see in our life times.

9. Effective 1/1/2010 the $100,000 test is eliminated, but that will only affect 2010 conversions. If the taxpayer has income in 2010 and minimal income in 2009, more of the conversion will be taxed and waiting is NOT the correct choice. Taxable income arising from 2010 conversions will be included in 2011 and 2012 tax returns, making this a factor to consider for someone approaching 2010 retirement.

10. Some of us, the author included, believe that Congress at some point in the future will make Roth IRAs taxable, and may counsel against conversion. If you do not think this is possible, think of the Social

live class or DVD. Click the link above to see what classes are available and check back as Ryan gets more converted and uploaded over the next few weeks.

Society Sponsored 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 remaining society sponsored seminars include:

Alaska

Indiana

Maryland

Minnesota

Missouri

New Jersey

New Mexico

North Dakota

Oklahoma

Oregon

Virginia

Washington

Wisconsin

Back to top

New Tax Season Help!

We have 2 new products to help you through tax season without leaving your office!

Our Tax Season Tune-Ups are 2-hour last minute reviews to avoid

Security system.

11. Smart retirees will draw from their Roth IRAs tax-free at retirement, postponing tax and taxable withdrawals from other accounts until mandatory withdrawals for those other accounts kick in at age 70 and 1/2. This plan also keeps Social Security from becoming taxable in these years for many taxpayers!

2010 Interview Reminders

- Remember that a lot of our clients will be holding stock that has minimal or no value at the end of 2009. To be treated as a worthless stock, the stock may not be traded on an exchange, so a mere 90% decline in value does not make it a deductible loss!

- On the other hand, brokerage statements will not include the sale of any stock that may have become totally worthless this year, so make sure to ask every client if they own any such stock, particularly GM!

- During your 1040 interviews make sure not to miss the new 2009 energy credits. In particular remember there are credits for hybrid cars, diesel cars and electric cars. And when addressing these credits, particularly on vehicles, remember to get a copy of the invoice to determine the exact year, make and model of that new hybrid or diesel car. The other reminder is that the insulation and storm window credit is back for 2009 and greatly expanded, as we will

major mistakes.

On February 10 we will do our 1040 filing season update and on February 24 we will do our Business return filing season update.

Our other package is our new "Lunch with Bob" streaming set. Every Tuesday from February 9 until May 11 we will offer a 1 hour lunch class. Three classes each month will be topic specific and 1 class each month will be open microphone questions/answers. You can attend using a package for all, by month or just pick and choose!

2/9-Computer Tips

2/16-Engagement Letters

2/23-Open Mike Questions

3/2-Out of state returns

3/9-S Corporations

3/16-1040 Problem Clients

3/23-1040 filing

discuss in our 2009 1040 classes.

- Another big reminder this year is the new car sales tax deduction. Any new car, light truck, motorcycle or RV purchased new after February 16, 2009 qualifies for a front-of-the-return deduction on sales tax paid for up to $49,500 of the purchase price. This is a "per-vehicle" deduction, so multiple new cars qualify for multiple deductions, and since it is on the front of the return it will not be reduced for AMT. Get a copy of those invoices and ask about new vehicles. Our 2009 1040 interview sheet is available in the free download section at www.taxspeaker.com

- You will see literally dozens of clients this year who have taken early withdrawals from retirement plans. If the client is under age 59 and 1/2 there is a strong possibility that they may be subject to the early withdrawal penalty. Our task as tax professionals is to determine if they meet one of the many early withdrawal exceptions, ***because the 1099-R may not reflect the exception code!***. So what do we do? We must ask the client what they did with the money.

- The many exceptions to the penalty include college, first home, medical costs (in certain cases), health insurance (in certain cases), the special age 55 rules, the series of equal periodic payments rules and many more. Because the penalty is so severe, we must undertstand the exceptions so that we can help the clients when help is most needed. Our speakers have all been carefully instructed to clearly discuss the Form 5329 exceptions in our 1040 in depth classes this

Back to top

year.

Back to top

New 1040 In Depth in Espanol!

Our 1040 In Depth course will be available for 2009 via DVD translated in Spanish. The 1040 In Depth 2009 E-book DVD Package-DVD EN ESPANOL will be translated via voice-over by our friend, Chicago accountant Hector Borquez and will include the full manual in English, but with a Spanish glossary. It should be available by December 15.

As America's first Spanish language translation of a full 1040 In Depth live seminar, Jennings Seminars is making a positive entry into this market, and will provide other Spanish language courses in the future, based upon demand.

Our 2009 Mandarin voice over will also be available if demand warrants it-please let us know.

2009 New Accounting Class

This is your last chance to take our 2009 Accounting & Auditing Update class which will be available via live-streaming or in our seminar offices on November 3. It will be held in our Clarksville, Indiana seminar offices and will be taught by America's leading accounting entertainer, Jeff Saylor CPA.

Seminar Offices

- When you call our seminar offices at 877-466-1040 you usually speak with Teresa Canter our seminar director, Kathy Wright our CPE director or Ryan Jennings our IT-expert. These folks happen to be some of the nicest, most-helpful people you will ever meet, and I constantly receive praise for their friendly, excellent support. I am proud of working with them and believe they represent the values we do: friendly, professional, satisfaction guaranteed assistance. Let me know of your experiences, please!

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.

www.TAXSPEAKER.com

Jennings Seminars
300 N. Sherwood
Clarksville, Indiana 47129
Phone: 812-288-1513
Fax: 866-223-2696