



2009 **DVD's** Now  
Shipping!



Most DVD's have now 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 and C Corporations** and many more. New DVD topics available within the next month include **Business Tax Credits, Accounting Methods, Employee or Independent Contractor?**.

Our 1040 In Depth DVD will be recorded in early November for shipping December 1.

Upcoming Special 1,  
2,4 and 8 hour

**Live Streaming  
Videos**

10/28-Speed up  
your system

11/3 **Accounting &  
Auditing Update**

## IN THIS ISSUE: **IRS UPDATES**

- Effective for 2009 returns filed in 2010, taxpayers can check a box on their return to use all or part of their refund to purchase Series I U.S. savings bonds. The bonds, which are available in denominations of \$50, \$100, \$200, \$500, and \$1,000, will be mailed directly to the taxpayer.
- Initially, savings bonds will be issued only in the taxpayers name (or in the names of both spouses if the taxpayer and his or her spouse file jointly). The IRS intends to add co-owners in 2011. The IRS posted frequently-asked questions about the new savings bond option on its web site.

In CCA 200940030 the IRS Chief Counsel determined that where a taxpayers mortgage loan of more than \$1,000,000 was used to buy a home, the additional \$100,000 of borrowings qualifies as equity indebtedness. In a taxpayer-friendly holding by the IRS, this counters court cases from 1997 and 2000 holding otherwise.

In [TC Memo 2009-226](#) the Court determined that a gamblers aggregate winnings for the day are includible in income rather than individual winnings per slot machine.

In CCA 2009015 the IRS chief counsel advised that a professional gamblers gambling losses are limited to gambling income, but that his other expenses were fully deductible if ordinary and necessary business expenses and the gambler filed as a business. Additionally, they advised that unused gambling losses may not be carried forward, but that unused NOLs occurring as a result of other expenses may be carried forward.

11/4- Buying a new computer

11/6-7 1040 In Depth With Bob

11/9- Open Microphone Tech questions

11/16-Laptops, Tablets & Netbooks

11/30 Federal Tax Update

[www.TAXSPEAKER.com](http://www.TAXSPEAKER.com)

## New Technology Short Courses starting in 2 weeks!

Many of our attendees around the country know Ryan Jennings, who combines his computer expertise with a lifetime of growing up in his Dads tax practice. Starting **October 28** we will begin a series of live Webcasts to bring his hands-on technology experience to your office at an inexpensive price in our new live webcast series of 1 hour courses-The Geek Speaks! Come to one class **or all**.

- In TC Memo 2009-199 the court held that a fee paid to a 3<sup>rd</sup> party to renegotiate and reduce credit card debt was not deductible against the resulting COD income.
- We are told that there are incorrect rumors flying around about an automatic 75% safe harbor percentage on cell phone use. Sorry to tell you that these are just rumors, not law! In IRS [Notice 2009-46](#) the IRS has asked for comments on allowing a safe harbor 75% business use of cell phones, among two other proposals. A National Public Meeting will be held by IRPAC on October 28 requesting more input. We will provide the rule when it happens.
- The FTC's new Red Flag rules are scheduled to go into effect on November 1, and presently affect all tax professionals. We will be discussing these new identity theft rules and prevention in our 1040 seminars.
- The *2008 Worker, Retiree and Employer Recovery Act* suspended the RMD requirement for 2009. A beneficiary may also postpone 2009 RMD withdrawals. The rule applies not only to IRAs but also to any retirement plan that holds each participants benefits in an individual account, such as 401(k), 403(b) and 457(b) plans. Note that the RMD may still be taken from a 401(k) and rolled into an IRA.
- In [IRS Notice 2009-82](#) the IRS said that taxpayers who did take an RMD in 2009 may rollover the distribution tax-free through November 30, 2009. Distributions from pension plans may take the same treatment.
- Roth conversions in 2010 are not affected by AGI limits. Conversion advantages:
  - Conversion taxable at FMV on conversion date
  - Future appreciation is tax free
  - Conversion is taxable income, but no penalty, and may be offset by deductions and other losses
  - Conversions benefit from current low rates
  - Roth IRAs are not subject to RMD rules

Topics & dates:  
10/28-Speed up  
your system

11/4- Buying a new  
computer

11/9- Open  
Microphone  
Tech questions

11/16-Laptops,  
Tablets & Netbooks

12/2-Security

12-9-Avoiding the  
cost of a server

12/16-Open  
Microphone Tech  
questions

12/21-How to spend  
that Christmas  
present

#### 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](#)

[Illinois](#)

[Indiana](#)

[Maryland](#)

[Minnesota](#)

[Missouri](#)

[New Jersey](#)

[New Mexico](#)

[North Carolina](#)

[North Dakota](#)

[Oklahoma](#)

[Oregon](#)

[Virginia](#)

at 70 and and transfer to heirs without tax

#### Disadvantages:

Unknown future tax rates, but will be higher

Concern that Congress may make Roth accounts taxable in the future

Cash needed in 2010 to pay the tax on conversion-it may not come from the Roth!

Higher itemized phase-outs, higher taxability of Social Security, higher state income tax

Non-deductible IRAs will complicate the calculations

### New York Revenue Department Wants to Run the Country

The state of New York has passed a new, mandatory registration law that applies to anyone in the country who prepares New York returns. Do you practice in Oklahoma but have a client with a K-1 from a New York limited partnership? Get ready to add \$100 to their return preparation fee for this year! And only CPAs and Attorneys licensed by New York are exempt! New York EA's still have to register (Where was their PAC?).

Penalties for failure to register start at \$250 each.

You must register if you do one of the following:

- Prepare New York State income tax returns in 2010 as a tax return preparer.
- Help to issue or administer a refund anticipation loan or refund anticipation check.

You must pay a \$100 registration fee if:

- You were paid to prepare 10 or more New York State tax returns in 2009, and will prepare at least one personal income tax return in 2010; or
- You will be paid to prepare 10 or more tax returns for 2010.

If you do not believe this ridiculous rule go the New York State Tax Department website by

Washington

Wisconsin

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## **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 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!

[clicking the link.](#)

## **1040 In Depth Seminars**

- Early indications around the country tell us that attendance at our 1040 In-Depth seminars will be at record levels.
- Our 2009 **What's New** chapter includes 50 pages alone just summarizing the changes, including the new Home Buyer Credit, Energy Credit changes, the FTC's new Red Flag Rules, new business debt forgiveness deferrals, new sales tax deductions, and on and on and on through COBRA changes, (2) new IRS forms, new IRS examinations on sub-contractors, the new college credit rules, new attacks on foreign accounts, new real estate agent court cases and much, much more. We believe that 40-50% of the 2 day class will be spent just on law changes, not counting court cases and IRS rulings-you cannot adequately cover all of this in a one day update!

Our manual, already the best in the industry, has exploded to over 800 pages to cover these changes as well as our new high-emphasis chapters aimed at dealing with expected 2009 problems. We have added new chapters on tax credits, education, and dealing with the IRS, new HUD closing statement guidelines with examples, new capital gains special rates for lot sales, new analysis of COD exclusions and deferrals, new coverage of Schedule C fringe benefits and expanded coverage of IRA penalty exceptions.

We have also added dozens of quick reference elections and tables on retirement plans, fringe benefits, health insurance, education, the new debt deferral election, the 10-T interest election, the real estate grouping election, our 2009 1040 engagement letter, and a new 1040 interview sheet.

**Finally, all attendees at live seminars will also receive the free download link to the hyperlinked**

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 issues

3/30-Open Mike Questions

4/6-Last Minute Issues

4/13-Open Mike Questions

4/20-Tax season review

4/27-Dealing with Extensions

5/4-Tax software

5/11-Estate & Gift Planning  
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electronic manual and free underlying research library, as well as a **free 2-hour IRS ethics** self-study course good for 1 year.

Our speakers are all knowledgeable, energetic practitioners, our manuals are 800 page reference guides ranked at the very top in the industry and our practical add-ons complete the package for 2009. Please come see us at our live seminars for the biggest year of tax changes taught by America's favorite practitioner-speakers.

We just made available in the free Download section of [www.taxspeaker.com](http://www.taxspeaker.com) the following year end practice aids:

- [2009 Year End Business Client Letter](#)
- [2009 Year End 1040 Client Letter](#)
- [2009 1040 Tax Interview Sheet](#)

#### 2010 Pension Limits

- In IR-2009-094 the IRS announced 2010 pension plan limits as follows:
  - 401-k deferral limits \$16,500
  - 401-k catch up contributions remain at \$5,500
  - SIMPLE deferral limits are \$11,500
  - SIMPLE catch-up contributions are \$2,500
  - Maximum defined benefit pension plan benefits \$195,000
  - Defined contribution pension plan maximum contributions \$49,000

- SEP maximum contributions \$49,000

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### 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 1.

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

Our brand new [2009 Accounting & Auditing Update](#) class will be available via live-streaming or in our seminar offices in November. It will be held on November 3 and taught by America's leading accounting entertainer Jeff Saylor.

### Health Care Bill Update

In last months newsletter I mistakenly attempted to discuss one of the 5 health care bills in front of Congress. A few of you had HTML translation issues that caused the columns to look strange or not add, and a few of you mistakenly thought this was the law and started reaming me out for taking a political position.

***I have learned my lesson and will no longer discuss pending legislation!***

Immediately after I wrote that issue, the Senate instituted over 500 changes to all different versions of Bills, effectively rendering my discussion worthless anyway.

In either or any case, I apologize for any confusion I have that caused you confusion. My punishment will be to read the entire Internal Revenue Code chapter on passive activities followed by alternative minimum losses.

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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