

Winter Newsletter

December 2009

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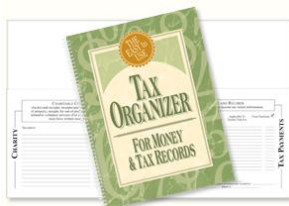


HAPPY HOLIDAYS AND THANK YOU!

It's hard to believe that 2009 has almost come to an end! While West End Accounting is preparing for the upcoming tax season, we wanted to make sure that we took the opportunity to say...

Thank you for your continued support! We truly appreciate all of our clients and our referral associates.

Happy holidays! It is our sincere hope that you will have the opportunity to enjoy the holidays with family and friends.



2009 TAX ORGANIZERS

Each year West End Accounting provides tax organizers to our individual clients to help with gathering and organizing tax documents. *This year we will be e-mailing the tax organizers to our individual clients rather than mailing them.* The tax organizers will be accompanied by a letter that includes information about our 2009 early bird discounts.

If you have changed your e-mail address or have not provided us with one in the past, please send an e-mail to jessie@westendaccounting.com and include "Current E-mail Address" in the Subject line.

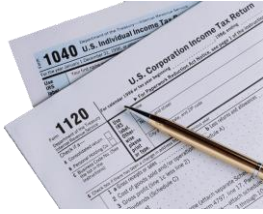
If you prefer to receive the tax organizer by mail, please call our office or send an e-mail to the address above.



WHAT IS AN ENROLLED AGENT?

An Enrolled Agent (EA) is a person who has earned the privilege of practicing, that is, representing taxpayers, before the Internal Revenue Service. Enrolled agents, like attorneys and certified public accountants, are unrestricted as to which taxpayers they can represent, what types of tax matters they can handle, and which IRS offices they can practice before.

In order to become an EA you must pass the Special Enrollment Examination which is comprised of three parts. As of this November I have passed the first two parts of the exam. With more hard work (and a little bit of luck!) I hope to pass the last part of the exam in December and be accepted as an EA prior to the start of the 2009 tax season. This will allow me to handle all of your tax audit, collection and representation needs without you having to meet with an IRS agent.



IMPORTANT TAX CHANGES

First time home buyers credit deadline extended and expanded to include "long-time residents"

The deadline for the 8,000 first-time homebuyer credit has been extended until April 30, 2010. Additionally, if a buyer enters into a binding contract by April 30, 2010, the buyer has until June 30, 2010, to settle on the purchase. To be eligible the buyer must not have owned a primary residence in the past three years up to the date of purchase.

The new law also provides a "long-time resident" credit of up to \$6,500. To qualify, a buyer must have owned and used the same home as a principal or primary residence for at least five consecutive years of the eight-year period ending on the date of purchase.

For all qualifying purchases in 2010, taxpayers have the option of claiming the credit on either their 2009 or 2010 tax returns.

As with most credits, there are income limitations, so make sure you do some tax planning before you make the decision to buy if you are counting on receiving that credit.

The Residential Energy Property Credit is back and better!

The new law increases the energy tax credit for homeowners who make energy efficient improvements to their existing homes. The new law increases the credit rate to 30 percent of the cost of all qualifying improvements and raises the maximum credit limit to \$1,500 for improvements placed in service in 2009 and 2010. The credit applies to improvements such as adding insulation, energy efficient exterior windows and energy-efficient heating and air conditioning systems. Remember that the maximum credit is \$1,500. Your credit may be less.



WATCH OUT FOR SCAMS!

In recent weeks, a phony e-mail claiming to come from the IRS has been circulating. The subject line of the e-mail often states that the e-mail is a notice of underreported income. The e-mail may contain an attachment or a link to a bogus Web page that directs taxpayers to their "tax statement". When the recipient opens the attachment or clicks on the link, they download a Trojan horse-type of virus to their computers.

You should know that the IRS does not send unsolicited e-mails to taxpayers about their tax accounts. Anyone who receives an unsolicited e-mail claiming to come from the IRS should avoid opening any attachments or clicking on any links. People can report suspicious e-mails they receive which claim to come from the IRS to a mailbox set up for this purpose; phishing@irs.gov. Those who believe they may already be victims of identity theft should find out what to do by going to the U.S. Federal Trade Commission's Web site; OnGuardOnline.gov.

We hope that this information has been helpful to you and we look forward to helping you with your 2009 tax preparation needs!

