

IRS NEWS & INQUIRER

What's the Answer?

Tell me why should I hire an accountant to do bookkeeping for me? Won't their fee cost me more?

You will pay more, but it will **COST LESS**. Do business owners hire accountants to get their books done? Sure, on a superficially level. But what they really want is someone to *answer questions*. Why don't I have enough left over at the end of the month? How much will my taxes be if I do this rather than that?

They also want the accountant to *solve problems*. Let's say you get a notice about a payroll deposit incorrectly credited. It's an irritant for you, but your accountant can fix it.

These are the **real** reasons many business owners hire accountants. And they are willing to pay a lot more for *answers* and *solutions* than they are for bookkeeping.

Get FREE Tax Help!

Are you taking advantage of every tax break you can use? Call for your **FREE** analysis.

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What's Happening?

New Home Tax Credit Extension, Not Really More Time to Buy.

Under the new home tax credit extension law (Congress passed on Wednesday, June 30, 2010 and President Obama will soon sign) home buyers who signed contracts prior to April 30, now have until September 30, 2010 to close the purchase.

One of the main reasons for the extension is the fact that banks and settlement offices were overextended in dealing with the closing rush. Now they don't have to worry as much because these additional few months should help a lot of people, including the banks, out.

One key thing to clarify is the fact that this new bill does not actually extend the deadline for home buyers to sign a contract for a home but rather it just extends the deadline for closing out the transaction. The contract still needs to have been signed prior to April 30.

Employers Save \$1,000 a Month. Employees Get \$460 Tax-Free.

Is commuting to work and back home deductible? The answer is NO, UNLESS your employer takes advantage of the IRS Qualified Transportation Fringe Benefit program. Commuter benefits offered by an employer are exempt from withholding and employment taxes and are not reported as taxable wages on the employee's W2 form. It is estimated that employers can save as much as \$1,000 a month per employee.

Employees can save as much \$460 a month (\$230 for commuting and \$230 for parking) as long as the benefits apply to work-related trips taken on a publicly or privately owned or operated transit vehicle, including bus, rail, subway, ferry, subscription bus, shuttle, or a contracted commuter highway vehicle. Employers that provide parking on or near the business work premises can also deduct the cost of that parking.

Call me at 404-762-1030 or email bill@billdavistax.com if you have questions or want to set up this program. **Do it today**. This program, like many of the other tax cuts good through this year, is set to expire December 31, 2010. Legitimately saving you tax dollars is our job.