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TaxLogic provides prompt, professional, personal, one-on-one tax preparation from the comfort of your home. We are competitively priced and offer a lot of additional information on our web site - <http://www.taxlogic.com>. Just 19 days until April 15th!

PRIOR YEAR RETURNS? It's never too late to file and we can prepare them for you. We are one of the only sites that still do prior year tax returns.

Continuing our series on Helpful Tax Tips, they can help you with this years tax return preparation if you still haven't filed, but will also help you in your tax planning for future years. Not all these tips will be applicable to your personal situation but feel free to ask questions where some of these items may be applicable to your individual circumstances.

- 1) Spouse IRA Deduction: If one spouse does not work, or earns less than \$3000 a year, a spousal IRA can be set up. This credit allows a qualifying couple to take a full \$6000 deduction. Spousal IRAs will be allowed to incorporate the catch-up provisions discussed earlier.
- 2) Prepaid Medical Expenses: A one-time medical payment for a lifetime of medical care in a nursing home is fully deductible in the year it is paid, even though the care may not be provided until some time in the future.
- 3) Retirement Plans: There are numerous qualified and non-qualified retirement plans that can offer a small business owner a huge tax savings. From 419 plans to SEP IRAs, these plans can be set-up by a certified financial planner to meet the needs of the business and the owner. If you are a small-business owner, please contact us and one of our certified financial planners will be happy to assist you.
- 4) Excess Social Security Tax: If you work for two or more employees during the tax year, too much social security tax may be withheld from your wages. You may claim this excess amount as additional withholding against your income tax.
- 5) Sale of Parents' home to Children - then parents rent it back: In this scenario, the advantages to the parents are as follows:
 - There is no tax on proceeds if the gain is under \$500,000
 - There is an immediate lump sum of cash
 - The removal of substantial asset from the estate, and they don't have to move!The advantages to the children are in the rental income that becomes available to make mortgage payments, there is also a Net rental loss deduction on child's 1040, and they acquire a substantial asset and avoid estate taxes on future appreciation.

Thanks for choosing TaxLogic!

<http://www.taxlogic.com>

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Services we offer:

- Personal Income Tax Preparation
- Year-round Personal Financial Consultation
- Corporate Federal and State Preparation
- Quickbooks® Consulting
- Annual Minutes for your company
- Internet based Bookkeeping course
- Internet based Payroll Preparation Service