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## **ExacNews**

“I am proud to be paying taxes in the United States. The only thing is – I could be just as proud for half the money.” — Arthur Godfrey, entertainer

### **Exactax Client:**

The tax laws for 2010 remain in flux right up to the year-end. Even with a lame duck session of Congress to begin shortly we still expect there to be some action taken for 2010 on the expiring Bush tax cuts (see the article on AMT at the end of this issue). We will let you know how these and other changes affect the input forms at the Exactax update workshops.

### **2011 Update Workshop Schedule is Available**

The previous issue of ExacNews contained the 2011 Exactax update workshop schedule and reservation form. Please make your reservations as soon as possible to ensure a seat at the location of your choice. To get another copy go to [www.exactax.com](http://www.exactax.com) and click on *Support / Bulletins / November issue 2010.22*.

### **Tax Newsletter Orders**

The first run of our year-end tax newsletter began mailing last week. If you would still like to order some of these professional and personalized newsletters, it's not too late. Allow at least one week for orders to be processed.

### **Tax Organizers**

Tax Organizer order forms for 2010 were sent out two weeks ago. If you did not receive your order form, please contact Customer Support.

To change an order or client information and have the change included in the first run, you must have returned your order forms by **November 12<sup>th</sup>**. The first run of organizers is scheduled to begin shipping the end of November.

If you do not request any changes, **OR** you do not return the order form, organizers will be printed based on your original selections shown on your order form. **You will be billed for all printed Organizers and credit will not be issued.** To make changes to a taxpayer's address on the organizer, labels and proforma, submit changes on the 2010 Taxpayer Permanent Address Change Request Form that was included with the Tax Organizer Order Form.

⇒ **Tax Organizers will not be printed for non-renewed or C.O.D. accounts. Late renewal or C.O.D. status will delay the shipping of organizers, proforma and supplies.**

### **Client Labels**

A set of client labels will be shipped at the same time as the Tax Organizers, at no additional charge. The set contains two labels for each 1040 return processed by November 12th. An order form for requesting additional billable label sets will be included. To order billable labels prior to the no-charge set, contact Customer Support. The cost of a label set is 18¢ per client; minimum order is \$18.00.

**Note:** A label set will be sent to all renewed accounts that processed more than 5 individual returns, whether Tax Organizers are ordered or not.

### **Billing Queries and Reminders**

When requesting adjustments to your billing, state the problem in the comment section of your remittance and include it with your payment. Any problems or questions regarding billing queries may also be faxed directly to the Accounting Department at 714-999-6566. Requests for credit must be made in writing.

**IMPORTANT: Accounts with an outstanding balance over 15 days will be placed on C.O.D. status. C.O.D. accounts will be shipped UPS C.O.D. until the account is current.**

**→ C.O.D. status will delay shipment of proforma, organizers and labels!**

### **Taxwriters assure IRS that 2010 AMT patch will be enacted (RIA Newsstand 11/10)**

In a November 9 letter, Senate Finance Committee Chairman Max Baucus (D-MT) and House Ways and Means Committee Chairman Sander Levin (D-MI), along with Finance Ranking Member Chuck Grassley (R-IA) and Ways and Means Ranking Member Dave Camp (R-MI), wrote to IRS Commissioner Douglas Schulman to assure him that Congress was working on legislative AMT relief. They committed themselves to AMT legislation in which, in the aggregate, not one additional taxpayer faces higher taxes in 2010 due to the onerous AMT. Such legislation will allow the personal credits against the AMT and set the AMT exemption amounts for 2010 at \$47,450 for individuals and \$72,450 for married taxpayers filing jointly.

For tax years beginning in 2009, the American Recovery and Reinvestment Act of 2009 (ARRA, P.L. 111-5, 2/17/2009) increased the AMT exemption amounts to:

- \$46,700 (up from \$46,200 in 2008) for unmarried individuals;
- \$70,950 (up from \$69,950 in 2008) for married couples filing a joint return and surviving spouses; (Code Sec. 55(d)(1))
- \$35,475 (up from \$34,975 in 2008) for married individuals filing separate returns.

ARRA's increases in the AMT exemption amounts were only a temporary fix. Absent Congressional action, the 2010 AMT exemption amounts for individuals revert to the levels they were at for 2000. Thus, the AMT exemption amounts for tax years beginning in 2010 presently are \$33,750 for unmarried individuals; \$45,000 for married couples filing jointly and surviving spouses; and \$22,500 for married individuals filing separately. Under present law, more than 21 million taxpayers will be subject to higher taxes in 2010 unless legislation is enacted to limit the reach of the AMT.

ARRA also extended the Code Sec. 26(a)(2) AMT offset rule under which nonrefundable personal credits could offset both the regular tax and the AMT for tax years beginning in 2009. In other words, individual taxpayers could offset their entire regular tax liability and AMT liability by the nonrefundable personal credits. ■