

# The TAX LADIES Inc. TAX & ACCOUNTING SERVICE

The Tax Ladies, Inc.

## THANK YOU SO MUCH!

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We are so excited about our new location at 5908 Bardstown Rd. It's just across the street from our old office. We purchased this building, so we won't be moving again anytime soon!

August 31, 2011 started at 8:30 a.m. with the first moving truck load of stuff being loaded. It took 15 hours, three trips, three moving guys, one BIG truck and several Tax Ladies (as supervisors) just to move our office across the street. Novalee and Marcus (our office kitties) spent the day at the beauty parlor. They were picked up from the old office the morning of moving day and delivered to the new office that evening.

We had "their office" ready for them to be "trapped" in until we were done moving stuff in and could close the doors.

By 11:30 p.m. everything was out of the old office and placed "somewhere" in the new office. Then we could let Novalee and Marcus explore their new home.

Our new building is a whopping 3,108 square feet on two floors. We have a total of 12 offices, a kitchen, two bathrooms, a waiting area and a large conference area. The larger space will allow us to hire additional staff to serve you better.



Our new Office Building!

We are anxious for you to come see what you have helped build. We couldn't have done it without you. THANK YOU SO MUCH!

**Finally, a place to call home!**

**CONTACT US ABOUT:**

- Letter from Government Agency
- Marriage, divorce or separation
- Job change
- Significant change in income or deductions
- Sale, purchase or start a business
- Sale or purchase real estate
- Retirement

## WE LIKE TO SHARE

You may have noticed in the past, our wall of business cards. These are cards of our clients and of businesses we have had professional experience with.

When you come by our office, please take time to visit our

"wall in the hall". We have a variety of clients with all sorts of businesses.

If you have a business (part-time, full-time or spare-time) talk to one of us about adding a supply of your cards to our

collection. We'll find room in our display for you, even if we have to purchase more business card racks to mount on the wall.

We love to refer our clients to other clients.



## WHAT'S NEW FOR 2011

**Filing Deadline  
April 17, 2012**

We all have a few extra days to file our 2011 tax return. Since 2012 is a leap year, we get an extra day in February. April 15th falls on a Sunday. And April 16th is the Emancipation Day holiday in the District of Columbia. So we have until Tuesday, April 17th, 2012 to file our 2011 returns or personal extensions.

There are many changes in the way we are to report capital gains and losses. If you sold a covered security (a security acquired after 2010) your bro-

ker will send you a Form 1099-B that shows your basis. If you sold a security you acquired during or before 2010, you may still have to calculate its proper cost basis (don't forget about re-invested dividends). Lastly, the IRS has developed Form 8949 to report these types of transactions. But considering the design of this new form, it may take as many as six individual 8949's to complete your return. However, the IRS still refers to the "Paperwork Reduction Act" at the bottom of this form!!! (HaHa)

The mileage rates for 2011 were as follows:

Business:  
(01/01-06/30) 51 cents  
(07/01-12/31) 55.5 cents

Medical & Moving:  
(01/01-06/30) 19 cents  
(07/01-12/31) 23.5 cents

**Breakdown mileage logs according to dates.**

Charity: 14 cents

**Mileage rates for 2012 are:**

Business: 55.5 cents  
Medical & Moving: 23 cents  
Charity: 14 cents

## OWN A BUSINESS OR RENTAL PROPERTY??

**The new Rental Property Form (Sch E) requires the number of days the property was not rented at "Fair Market Value"**

For those of you who are self-employed or own rental property there are two additional questions that require an answer. They are: Did you make any payments in 2011 that would require you to file Forms 1099?, and, if "Yes," did you or will you file all required Forms 1099? Therefore, if you plan to deduct payments made to subcontractors, etc., then you must

file Form 1099MISC if payments amount to \$600 or more, this includes CASH payments. See Page 3 of this newsletter for more information.

For rental property, we are now required to ask and have answered questions about the number of days you rented the property at Fair Rental Value and the number of days of per-

sonal use, including days rented at less than Fair Rental Value. If rented to anyone, including family members or friends at less than Fair Rental Value, you may not be able to deduct the full cost of upkeep and other expenses. You may consult the classified ads for similar properties in similar locations to determine if you are renting at Fair Rental Value.

## NEW RULES FOR EARNED INCOME TAX CREDIT (EITC)



Life's a little easier with Earned Income Tax Credit.

The Earned Income Tax Credit (EITC) is a refundable credit for "working people, not cheats and scam artists". The EITC can be a very generous credit to those that qualify; it is also a widely abused credit.

To determine if you qualify, the IRS is **requiring** tax preparers

to meet the new due diligence requirements. In order for us to do this, we are required to ask many questions regarding your income, expenses and your living arrangements.

Please, be prepared by bringing the documents needed. The checklist on page 3 should help

you gather your documents.

If you have a business, we will be required to ask more in-depth questions regarding your record keeping for the business.

Being ready, with the right documents to prepare your return, will save you time and reduce the chance of mistakes.

## 2011 DOCUMENT CHECKLIST

### √ Last Years Tax Return

- √ Social Security Cards for everyone listed on return
- √ Income Information Statements: W-2's, 1099's, etc.
- √ Final pay stub for 2011
- √ IRA Contribution Information
- √ Students Loan Statements
- √ College Tuition & Fees Paid Statements (Form 1098T)
- √ Totals for out of pocket medical expenses. Doctors, Dentist, Hospital, Lab Fees,

Eyeglasses, Prescriptions, etc.  
Also totals for out of pocket or after tax health insurance premiums and total medical miles driven in 2011.

- √ Personal Property Taxes paid on vehicles, boats, motorcycles, RVs, etc.
- √ Real Estate Taxes paid
- √ Mortgage Interest Statements (Form 1098). Closing papers if you re-financed, sold or purchased a home in 2011
- √ Documented Charitable Contribution Information.

Amount of money donated, charitable miles driven & value of items donated. Check our web-site for a valuation guide.

- √ Documented work related expenses. Union dues, uniforms, tools, licenses, job education, work related mileage logs, etc. Plus any amount reimbursed by your employer.
- √ Child Care Information including amount paid, name, address & social security or federal ID # of provider
- √ Amounts & dates of estimated tax payments.



Check to make sure you have ALL your necessary documents or we'll assign you "home-work"

## ADDITIONAL INFORMATION FOR THE SELF EMPLOYED

If you own a business, have a paper route, received a Form 1099MISC for work you did for someone, or have rental property, we need additional information.

√ Total gross income from the business and/or your 1099MISC & **the new 1099K** forms.

√ Your 12/31/11 ending inventory cost if applicable

√ Mileage logs for vehicles used for the business

√ Total of your expenses by category (office supplies, insurance, postage, etc.)

√ Description, date purchased and cost of any equipment purchased

√ To qualify for an Office in Home deduction, the area must be used regularly and exclu-

sively for business. If you qualify, we need the square footage of your office and your home. We also need the total spent for utilities, insurance, repairs and maintenance, etc.

√ If you paid \$600 or more to anyone, you are required to issue them a 1099MISC before 01/31/2012. If you had employees, you must issue their W-2 by 01/31/2012.

**The new IRS Form 1099K will report Gross transaction amounts you received for credit card payments. Don't forget to total your credit card fees.**

## OFFICE INFORMATION

### Office / Appointment Hours

Monday—Friday 9am—7pm  
Saturday 9am—3pm

If you will require more than 30 minutes, have more than one return or if you need to discuss tax matters; please let us know so we can schedule enough time. We can also prepare your return on a drop off basis.

We also offer online tax filing on our web-site. Simply go to [www.TaxLadiesInc.net](http://www.TaxLadiesInc.net) and click on the link titled "Prepare Your Return Online".

- Free Return Preview
- Nothing due till you file
- Federal & State(s)

- Printing & E-file included
- Safe, Reliable & Accurate
- Capable of Multiple States for one low fee
- Pay your fee from your Federal Refund
- Very Affordable. Simple Federal returns are FREE.



View of our new office building that faces Bardstown Road.

**The Tax Ladies, Inc.**

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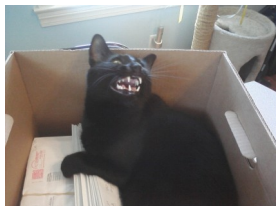
[www.TaxLadiesInc.net](http://www.TaxLadiesInc.net)

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**Tax & Accounting Service**



## THE TAX LADIES, INC. PRIVACY POLICY:



We go to great lengths to protect your privacy.

Please visit our website at [www.TaxLadiesInc.net](http://www.TaxLadiesInc.net) to review the [Consent to use of Tax Return Information](#) and the [Consent to Disclosure of Tax Return Information](#) forms.

Stated, as required by law:

As your tax preparer, we collect nonpublic personal information about you from various sources, including the following:

- Information we receive from interviews regarding your tax situation;
- Information we receive on applications, organizers, or by other means, such as your name, address, telephone number, social security number, dependents, income and other tax related data and;
- Information from tax-

related documents you provide that are required to process tax returns, such as Forms W-2, 1099R, 1099INT and 1099DIV, and stock transactions, etc.

We do not disclose any non-public personal information about our clients to anyone, except as requested by our clients or required by law.

We restrict access to nonpublic personal information concerning you, except to employees who need access to such information in order to provide products or services to you. We maintain physical, electronic, and procedural safe-

guards that comply with federal regulations to guard your non-public personal information.

If you have any questions about our privacy policy, please contact us.

Per IRS Regulation 7216, we will provide a [Consent to Use of Tax Return Information](#) to you prior to preparing your return. If you wish to apply for a product to have your fees withheld from your refund, you must sign a [Consent to Disclosure of Tax Return Information](#) form. Both of these forms are available in PDF format for your review and/or to print on our website at [www.TaxLadiesInc.net](http://www.TaxLadiesInc.net).

