



**Tax Update**

**August /September  
2010**

**Professional Staff**

- Ken Priebe, CPA
- Bruce Peterson, CPA
- Deb Priebe, CPA  
QuickBooks  
ProAdvisor
- Barb Peterson,  
Payroll Specialist
- Ann Bennight,  
QuickBooks  
ProAdvisor

**Efficient**

**Effective**

**Experienced**

**Social Media**

We offer legislative updates and tax tips via Social Media.

Find us on:

- Facebook
- Twitter

Go to our website

[www.treasurevalleytax.com](http://www.treasurevalleytax.com)

to easily 'friend' us on Facebook, or 'follow' us on Twitter.

**How can we help you?**

Please contact us with any questions related to this newsletter or other areas where we can be of assistance:

- Tax Preparation
- Tax Planning
- Payroll Services
- Accounting Services
- QuickBooks ProAdvisor
- Business Consulting

**2010 ~ ~ What's Happening in the Tax Arena ??**

**H.I.R.E. Act**

The "Hiring Incentives to Restore Employment" Act was signed into law March 18, 2010. The intent is to encourage employers to hire employees. If newly hired employees fit certain criteria, the employer qualifies for one, and possibly two, benefits.

First, the employer would be exempt from their share of the employers 6.2% of FICA of the qualified employees.

Second, if the qualified employees remain employed for one year, the employer may claim a credit on their tax return for the lesser of \$1,000 or 6.2% of that employee's wages.

For more information, please give us a call, or check out our Facebook updates.

**Unemployment Compensation Extension Act**

The Unemployment Compensation Act, signed into law July 23, 2010 did more than extend unemployment benefits. It also extended tax deductions that expired after 12/31/2009, through the 2010 tax ending

- Final December tax law extended all but the real estate property items below through 2011.
- can deduct state and local sales tax instead of state and local income tax
- contributions of capital gains property made for conservation purposes
- qualified tuition and related expenses (don't need to itemize)

**RESCINDED**

**Health Care and Reconciliation Act**

The Health Care and Reconciliation Act, signed March 30, 2010 amended the Patient Protection and Affordable Care Act of 2010, signed March 23, 2010. Besides overhauling our health system, here are other highlights:

- 2010: small employers who offer group health insurance may be eligible for up to a 35% credit of premiums paid
- 2011: Cafeteria plans no longer accept over-the-counter drugs; doctor prescriptions only; plan accordingly
- 2011 reporting-year W-2's: must include health insurance premiums for informational purposes (this is not taxable)
- 2012 reporting-year 1099-Misc: **all** vendors must be reported if over \$600

**Proposed Regulations:** The IRS is proposing to eliminate the use of paper-based federal tax deposit (FTD) coupons after 2010, utilizing the EFTPS (electronic) system. Being able to deposit 24 hours a day, 7 days a week from home or work is easy. Please go to <https://www.eftps.com/eftps/> to enroll, or contact us if you need assistance.

**It's Time to Tax Plan ~ ~ Are You Ready for Year-End?**

Mid-year tax planning is the best way to prevent end-of-year "gotchas" and surprises. Have you been withholding enough? Too much? Has your income changed? Our professional staff can help you plan for tax year-end, and make necessary adjustments now while there is still time. Please call for a consultation.

**Thank you for your business. We look forward to seeing you.**

2400 N Alder Drive  
Fruitland, ID 83619  
(208) 452-5700  
Fax (208) 452-5711

Eagle Island Crossing  
20 N Fisher Park Way Suite #100  
3300 W State Street  
Eagle, ID 83616  
(208) 938-5600  
Fax (208) 938-3556

[www.treasurevalleytax.com](http://www.treasurevalleytax.com)