

Tax Update
January 2012



**Let Our Experienced
Team Members Help
You**

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What's Happening**

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www.treasurevalleytax.com

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2011 / 2012 Tax Update

**Charitable Contribution
Notes**

You may receive a deduction for contributions on your Federal and Idaho tax returns if you itemize.

Regardless if you itemize, some contributions qualify for the state tax credit.

Non cash donations to organizations such as Idaho Youth Ranch and the Arc, and cash donations to educational institutions, public libraries or public radio stations are eligible for the state credit.

NICE! The credit that impacts educational institutions increased in 2011. If you itemize, file MFJ, are in the 25%/7% tax brackets: a \$2,000 donation to a qualified institution only costs you \$344 out of pocket.

Sales / Use Tax

Reminder: Idaho businesses that purchase taxable goods and supplies in Oregon must calculate and pay Use Tax to Idaho

1099 Preparation

Businesses are required to distribute 1099's to independent contractors and most vendors who were paid \$600 or more during the year. We have the forms and can assist you in filing these.

**E-Filing with Direct
Deposit**

Combine IRS e-filing with direct deposit and you will usually receive any refund due in less than two weeks. This expedited refund has

no additional fees.

~bring your information in early for a prompt refund~

2011 Mileage deductions

In 2011 the allowed mileage deduction rates for business miles and for medical miles changed in July. Mileage information should come to us broken out Jan – Jun and Jul – Dec. The charitable deduction mileage rate remained the same for all of 2011.

2012 Mileage Rates

Beginning on Jan. 1, 2012 the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- \$0.555/mile for business reasons (same for last 6 months of 2011)
- \$0.23/mile for medical or moving purposes
- \$0.14/mile for service of charitable organizations.

Tax Time Is Here...

The sooner you bring in your **complete** tax information package the better and more efficient service we will be able to give you. If you would like to have a Tax Organizer sent to you, please call the numbers below or e-mail:

Fruitland, Barb ~ barb@treasurevalleytax.com or
Eagle, Deb ~ deb@treasurevalleytax.com.

Thank You . . .

We have been Treasure Valley Tax for four years now. We want to take a moment to thank you for being clients and friends and for allowing us to serve you. We will strive to bring you efficient and effective tax services to the best of our abilities and experience. God's Blessings to you all, for a Happy and Prosperous New Year.

Ken, Bruce, Deb, Barb, Ann & Norma

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