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TAX PREPARATION & PLANNING

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“Prosperity is too apt to prevent us from examining our conduct;
but adversity leads us to think properly of our state,
and so it most beneficial to us.” Samuel Johnson.

Dear Clients,

It's a small world after all. We look at the news and it seems that everyone is affected by our financial dealings or having similar problems. Try to ignore the gloom and doom that permeates our daily lives. You can only affect your small world and control your finances and spending patterns. Government will try to improve economic conditions, but they seem to want to inflate their way out of this problem, to the demise of the value of the US dollar, with this everyone is a loser.

People are happy to see the end of 2008, but we have a new year and a new president to bring us hope and change. We have not seen this kind of enthusiasm in an election and it will serve us well in the challenges ahead. This year, we have included a general list of important things to remember as we open up 2009. These may not pertain to you directly, but may be helpful to other members of your friends and family. Consider them something to think about and remember!

The 2008 tax filings will be very similar to 2007. IRS is performing more audits, as we mentioned last year. We continue to encourage good record keeping in support of your tax filings. Alternative minimum tax remains a specter on more moderate income individuals, but it may soften with less capital gains (Is that a good thing?). This year's big story is the stock market collapse, we will be chasing cost basis on the fallout from people exiting the market.

Now is the time to start collecting the various financial mailings: W2, 1099's, mortgage and brokerage statements (required date 2/17). Anything that says, "IMPORTANT TAX INFORMATION" or "YEAR END SUMMARY" is a collectible. Remember to answer the questions on the front and back pages of our tax organizer as your situation changes and we need to know.

Our newsletter "Financial Insights" talks of retirement and important things you need to know. We encourage your earliest appointments. It gives us more time to ask questions, plan for changes in the New Year and make last minute maneuvers. WE WILL BE OFFERING WEEKEND APPOINTMENTS (Saturday/Sunday) DURING FEBRUARY ONLY. TAKE ADVANTAGE OF THEM.

Sincerely,

A handwritten signature in black ink, appearing to read "Barry B. De Marr".

Barry B. De Marr, CFP, EA