

Carr Talks

TAXLOGIC



WEEKLY SUMMARY

With the US coming to a standstill for the Super Bowl XLVI, the worlds' problems are put on hold for 3 hours. The fact Syria is spinning out of control, that Russia and China are blocking any attempts at resolving an increasingly volatile situation, and that Israel is coming closer to launching a preemptive strike against Iran's nuclear facilities, and that Greece cannot agree on the imposition of austerity measures and that the Euro group of countries will continue with tough economic conditions. Spain already anticipates a contraction in their economy of almost 2% and unemployment of 20 year olds at 20+%.

The euphoria from Friday's job numbers seems to have been overdone. Many have left the job market, and those looking are taking longer to find work. One months' jobs numbers a recovery does not make. The February deadline for the extension of the FICA reduction is only two weeks away and Congress has been deafening in what they will end up doing. It seems a no brainer that they will extend the 2% reduction through the end of the year. Some sleight of hand and smoke and mirrors will cover the additional shortfall.

It seems a given at this point, that Mitt Romney will be the GOP candidate up against the incumbent president in November. All polls now show that that match up is 50/50.

Slow start to refund checks – Missing W2's

The Internal Revenue Service warned Thursday that tax refunds could be delayed a week this tax season because of new anti-fraud safeguards.

"The IRS has opened its filing season successfully this month, and refunds have started going out to many taxpayers," the agency said in an email to tax professionals on Thursday. "As with the start of any tax season, there are system validations that occur requiring some fine-tuning of our systems. As part of this, some taxpayers will receive refunds approximately one week later than initial projections they may have received, but these are still in line with historical refund delivery times."

The IRS noted that the one-week delay is related to the fine-tuning of IRS systems to adjust for new safeguards that were put in place this tax season to provide for stronger protection against tax refund fraud. The agency has come under heavy criticism for the increasing number of identity theft case related to tax refunds, and it recently added more stringent measures to combat fraud.

What to Do If You Are Missing a W-2?

Make sure you have all the needed documents, including all your Forms W-2, before you file your 2011 tax return. You should receive an IRS Form W-2, Wage and Tax Statement, from each of your employers. Employers have until Jan. 31, 2012 to issue your 2011 Form W-2 earnings statement. If you haven't received your W-2, follow these four steps:

1. Contact your employer If you have not received your W-2, contact your employer

to inquire if and when the W-2 was mailed. If it was mailed, it may have been returned to the employer because of an incorrect or incomplete address. After contacting the employer, allow a reasonable amount of time for them to resend or issue the W-2.**2. Contact the IRS** If you do not receive your W-2 by Feb. 14, contact the IRS for assistance at 800-829-1040. When you call, you must provide your name, address, Social Security number, phone number and have the following information: Employer's name, address and phone number• Dates of employment• An estimate of the wages you earned, the federal income tax withheld, and when you worked for that employer during 2011. The estimate should be based on year-to-date information from your final pay stub or leave-and-earnings statement, if possible.**3. File your return** You still must file your tax return or request an extension to file by April 17, 2012, even if you do not receive your Form W-2. If you have not received your Form W-2 in time to file your return by the due date, and have completed steps 1 and 2, you may use Form 4852, Substitute for Form W-2, Wage and Tax Statement. Attach Form 4852 to the return, estimating income and withholding taxes as accurately as possible. There may be a delay in any refund due while the information is verified.**4. File a Form 1040X** On occasion, you may receive your missing W-2 after you file your return using Form 4852, and the information may be different from what you reported on your return. If this happens, you must amend your return by filing a Form 1040X, Amended U.S. Individual Income Tax Return.

	Last Week	End of Week	Next Week	12/31/2012
Gold	\$1,671.10	\$1,740.30	\$1,700.00	\$1,950.00
Oil	\$97.93	\$97.84	\$100.00	\$120.00
Dow Jones	12,720.48	12,862.23	12,800.00	12,000.00
Prime Rate	3.25 %	3.25 %	3.25 %	3.25 %
Unemployment	8.30 %	8.30 %	8.60 %	8.30 %



Services that we provide:

- Tax preparation, individuals, corporations, LLC's, partnerships, overseas residents, non resident aliens, prior year returns
- Annual minutes for your company
- Ability to use QuickBooks and Quicken files, Online QuickBooks
- Certified QuickBooks Pro Advisor
- Monthly accounting – we will prepare your financial statements, bank reconciliations and depreciation calculations
- Payroll preparation and filing – we offer turnkey payroll solutions
- Human Resource Management – we can prepare an employee handbook for your particular situation
- Entity selection and compliance with various State and Federal regulations
- Efficient tax strategies – we can **recommend** the most appropriate strategy for your particular situation
- Financial planning - we can give you appropriate financial planning and budgeting information
- Forensic accounting – we can investigate “white collar” crime committed against you, or your business
- Valuation services – we can assist with the valuation of your business and investment assets for specific applications, estate planning, divorce, buy and sell agreements

New for 2011 tax year in 2012:

- You will be able to check on the status of your refunds www.irs.gov
- We will store your source documents online in a PDF file format for easy access in future years
- Electronic filing of Sub S and C Corporations and Partnerships
- We will be able to file multiple state returns this year – in the past we were limited to the number of state returns we could file for you
- Medical records – we are giving you the opportunity to have all your medical records in one secure location – www.allmymedicalrecords.com
- Charitable donations. Maintain your charitable deductions during the year at www.allmydeductions.com. In that way whether you use cash, credit card, debit card, checks, or donation of clothes etc you won't miss any deductions. Use our convenient list of accepted valuations to value your donated goods to Goodwill, Salvation Army, church, etc
- Entity selection – we have extensive information on company formation, whether it is an LLC, S Corporations, or C Corporations. Once you are incorporated we will walk you through the setup process
- Federal Identification applications – we can file and receive federal identification numbers – all on line for your convenience
- On line legal forms – we have the ability to prepare basic legal forms online
- Payroll preparation – we offer a comprehensive, competitively priced online payroll preparation service



Payroll Processing Services

You provide:

- Hours worked and employment information and forms for the staff. You can email, (Karen@psspaysroll.com) fax (580) 286 5818 or call toll free (800) 937 8868 to give us this information

We will provide the following services:

- No long term contract
- Payroll preparation for your employees and direct deposit of payroll checks and ACH transfer of payroll amount
- Payroll calculation within 24 hours
- Compliance with all government and state withholdings requirements
- Detailed invoice for all payroll related costs

Each Pay Period you will get:

- Payroll stubs for employees
- Management report detailing cost breakdown but only one amount to pay for all federal and state taxes
- Direct deposit of net payroll

Each Quarter

- We will file all required state and federal quarterly reports

What we need to get started:

- W4's for each employee
- I-9's for each employee
- Direct deposit information for the employees
- Bank details for the company's payroll account
- Your Federal ID number for the business