

# Debits and Credits

The newsletter of Hugly & Company, P.C.

January 2010

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## Message from Donna

As we end 2009 and enter 2010, all of us at Hugly & Company would like to wish you and your family a very happy, healthy and prosperous New Year

## TAX CALENDAR

### January 15th, 2010

Fourth quarter individual estimated tax payment

### January 20th, 2010

Sales tax return for quarter or year ended 12/31/09

### February 1st, 2010

Fourth quarter forms 941 and C3, 2009 W-2s and W-3s, 2009 form 940, 2009 forms 1009 and 1096

### March 15th, 2010

Corporate income tax returns

### March 26th, 2010

Deadline for getting 1040 tax data to our office-otherwise your return will go on extension

### April 15th, 2010

2009 individual income tax returns

2009 partnership tax returns

2009 trust tax returns

First quarter corporate estimated tax payments

First quarter individual estimated tax payments



## The Lighter Side



## WOMEN'S SHELTER SUPPORT

Under leadership provided by Cara, we organized a drive within our office complex to collect toiletries and paper goods for The Family Place, a shelter in Carrollton for women and children that are victims of domestic violence. The response was great and we took a full load to them right before Christmas. Sadly, this is a busy time of year for them. We were glad to help them out and hope to do more for them in the future.



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## YEAR END QUICKBOOKS MATTERS

### Software Updates:

QuickBooks has issued two updates for 2009, R9 and R10. While QuickBooks should automatically update your program for these, this feature is not properly working for some clients. You need to confirm you have the most current update of QuickBooks. To do this, Open QuickBooks and press the F2 button on your keyboard. At the top it should read QuickBooks Pro (or Premier) Edition 2009 Release R10. If it shows Release R9 or lower, then you need to manually download the update. To download the update:



Close QuickBooks

Click on <http://support.quickbooks.intuit.com/support/ProductUpdates.aspx>

You will see a button to download release R10.

Click on update

Click on Run

When prompted install the software.

Once update is done **reboot your computer**

### Update your Texas Workforce Commission rate for 2010:

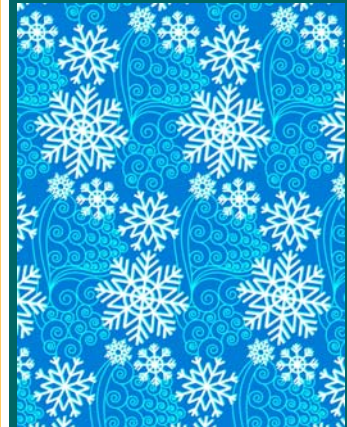
For those of you who prepare paychecks within QuickBooks, you will need to update your Texas Unemployment rate for 2010. (You must do this regardless of who prepares your quarterly payroll reports.) If your company has the 2009 or 2010 Pro or Premier Versions you can now change your rate for 2010 before your last payroll in 2009. Note that you must download the latest payroll update from QuickBooks first.

**If you have 2008 Pro or Premier you will need to wait until 1/1/10 to update.**

To change the unemployment (SUI) rate in QuickBooks:

- Click on the drop down menu **Lists** and **Payroll Item List**.
- Double-click on the State Unemployment Tax item, typically named: [state abbreviation] - Unemployment Company.
- Click on **Next** twice to the **Company tax rates for [year]**, and enter the new rate for 2010.

Once the new rate has been entered, click **Next** twice until you can click **Finish**. Your SUI rates will be updated.



SOI rates will be updated.

## Update Employer Identification Numbers, Social Security Numbers and Addresses for 1099s

Please update the vendor information for any 1099 Vendors. Correct addresses and ID numbers are required by the IRS.

- Go to the **Vendor Center**
- Double-click on the Vendor you would like to update
- Update address information
- Click on the **Additional Info tab**



## REMINDER ABOUT CORPORATE MINUTES

As a reminder all corporations should prepare annual minutes to ratify the prior year's transactions. Much of this information can be obtained from your tax return. If you have your attorney prepare the minutes, they also can provide a checklist of items needed for the minutes.



## 2010 STANDARD MILEAGE RATES

The IRS has announced that the standard mileage rate for 2010 will be 50 cents per mile for business miles driven. This is down from 55 cents in 2009. Also, medical and moving miles are down to 16.5 cents per mile and charitable miles remain at 14 cents per mile



## 2010 TAX CHANGES

Listed below are the 2010 changes in tax law as we have them today:

- No changes in standard deductions (\$11,400 for joint and \$5,700 for single)
- The Kiddie tax exemption remains at \$1,900. This means a child will not have to pay his or her parent's income tax rate on investment income up to this amount
- The personal exemption amount will remain at \$3,650
- The phase-out of personal exemptions no longer applies in 2010. However, please note that Congress could restore this phase-out as part of the healthcare reform act.
- The reduction of itemized deductions also no longer applies starting in 2010. However, Congress could restore this limitation in an effort to raise revenue
- The gift tax annual exclusion will remain at \$13,000 for 2010



## SPECIAL POWERS OF ATTORNEY

We have told you in the past that there are certain legal documents that everyone should have, such as a Medical Power of Attorney and other documents that allow someone you trust to handle your financial affairs if you are incapacitated.

Often the Durable Power of Attorney will not be sufficient for some of the brokerage houses. You should contact your broker and find out if they require a special form or if the general Power of Attorney will be sufficient. If a special form is required, be sure to request a copy, complete and submit it as soon as possible just in case it is ever needed.



## KUDOS

We are proud to announce that Donna has been appointed to the Behavioral Enforcement Committee of the Texas State Board of Public Accountancy. The Board is the State agency that regulates CPA licenses, and the Committee addresses grievances that have been submitted regarding Texas CPAs.

Also, Donna was recently featured in a trade magazine called **CPA Technology Advisor**. The article was an overview of the firm and how it utilizes technology. We received a very high rating on our technology usage especially for a smaller firm.



## THE HUGLY TEAM

Donna Hugly CPA  
Lisha Russo CPA  
Cara Hugly

Nikki Spitzer  
Stephanie Golem CPA  
Stephen Franks Ph.D

& Crumpet!!

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