

There are two months left in 2010. Perhaps Congress will manage approval of more new tax legislation, or possibly a quick extension of expiring tax laws. Maybe they will just go on holiday until 2011. The uncertainty in the financial environment is **not an excuse** to neglect year-end tax planning! Our Tax Planning Letter Year-End 2010 is now on our website, www.jwtcpa.com, on the Newsletters page. Please review it carefully for any suggestions that may benefit your unique tax position.

Inside the tax planning letter are some areas for individuals and businesses to consider in reviewing your specific tax situation. Review your 2010 incomes, income taxes already paid into the system and your deductible expenses. Be aware of any credits that you may be able to use. **Credits are always more valuable than deductions. They are subtracted from your tax liability, not your income.** Many expenses, purchases or stock trades can be planned based on which year you need the benefit most. Be sure to read the *8 Year-End Tax Cutting Moves* info bar along the bottom of the newsletter.

The article, *New Tax Breaks for Business* describes new tax saving possibilities for businesses, while *Harvesting Losses Can be a Smart Tax Strategy* teaches you about capital gains and losses. The article, *Gear Up for New Recordkeeping Rules* details the new filing requirements involving W-2's, 1099's and other information reporting forms for 2011 and beyond. These new filing requirements will affect both businesses and individuals.

The current economy does not have to leave you feeling powerless. Contact us for more information, a tax planning meeting or to have us mail you a copy of the newsletter. **Do not postpone your tax planning.** Two to three weeks is necessary to complete any strategies before year-end. **The best defensive step you can take towards your financial future is year-end tax planning.**

Sincerely,

John W. Trudell, CPA