

September is stealing past. Students are back in school, the Chargers are winning, the Padres need to sweep the Dodgers, and our September *Tax Report* can be found on our website www.jwtcpa.com. It contains articles on estimated taxes, retirement plans, college expenses, wash sales, and vacation home rentals. Your homework is to read it and to get ready for year-end tax planning.

Here is a tax planning study guide for you:

- Remember, **credits reduce your actual tax liability**. Deductions only reduce your taxable income
- Taxes are **pay as you earn**. If you are getting taxes withheld from your earnings, check to see if these withholdings are in line with your last year's tax liability, or 90% of your estimated 2010 tax liability
- Pay your **estimated tax payments** if you are required to do so
- Have a good idea of your **total gross income to date**
- Social Security Benefits can become taxable** based on your other income, including gambling winnings
- Organize your deductible expenses**
- Don't hesitate to call us** for a tax planning consultation

Tax laws are complicated, convoluted, and multi-faceted. They contain many ceilings and floors, limits and maximums, multiple effective dates and special situations. Do not ignore the importance of tax planning. We are here to help you keep your tax liability controllable. As far as your favorite sports teams, keep your fingers crossed.

Copies of the newsletter are available at our office. Stop by to pick up a copy, or give us a call, and we will mail you one.

Sincerely,

Rowe and Trudell Tax Solutions