



Tax Preparation, Accounting, Payroll, Business Consulting and Financial Services

"Give, and you will receive. Your gift will return to you in full—pressed down, shaken together to make room for more, running over, and poured into your lap. The amount you give will determine the amount you get back." Luke 6:38

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CHECK YOUR STATUS:

GO TO THE
JMU WEBSITE
WWW.JMUTAX.COM

Click on [refund status](#)
and follow the
prompts at the links

FAST REFUNDS:

**If you need your
refund faster, we
provide RALS and
Electronic Filing.**

COME PREPARED:

Please bring
SOCIAL SECURITY
CARDS for
everyone on your
tax return.
See page 3
for a complete list.

NEW OFFICE IN SILVER SPRING

Many of our clients have been asking for a JMU Tax office in Maryland, so we are proud to announce that our 7th office will be opening on February 1st at 512 E. Randolph Rd., Unit 3C, Silver Spring, MD 20904. The phone number is 301-288-0709. Shafin Husain and Richard Smith will be in Silver Spring alternate days. Please tell your Maryland friends.

What does the current crisis mean for you and your money?

The housing crisis pulled the rest of the economy into the undertow. You've likely seen your portfolio take a nosedive and have experienced fluctuating costs in gas and groceries along with deflating values in your home and credit. The economic slowdown is likely to continue for several more months, but history shows that our economy is resilient. In the meantime, there are a few things you can do:

- Review your financial plan, if you do not have one, GET ONE!
- Stay within your budget.
- Employ an asset allocation strategy¹ and adjust your mix of stocks, bonds and cash to meet your situation.
- Ensure that you are dollar-cost averaging¹. If you are contributing to a retirement plan, you are already doing this.
- Ensure that you are diversified¹.
- Ensure that your bank accounts are insured by the FDIC. Don't put all your money in the bank (see page 4).
- Don't watch the stock market on a daily basis.

Going forward

As unsettling as they are, bear markets, even volatile ones like we are experiencing now, are a normal part of the market's cycles. History proves that those who stay the course during difficult times will be rewarded. While past performance does not guarantee future results, one hundred percent of 10-year stock market periods have made money¹ even though each 10-year period saw some years of highs and lows. The markets will come back. It's just a matter of time. With these depressed prices, stocks maybe selling at bargain prices increasing your opportunity to add to your financial goals. However, do not put additional money in the market that you are not going to leave alone for the long-term, five years or more.

At JMU Tax & Financial Services, we are not only committed to helping you reduce your taxes, but also to helping you achieve your financial goals and improving your overall financial health, especially during these tough economic times.

If you'd like to review your financial goals or you'd like to talk through what is happening, set up an appointment with our Financial Advisor, Pamela Sams.

Pamela Sams, Financial Advisor

(703) 473-0143 or email at pamela.sams@jmutaxandfinancial.com.

**Send a Friend
Get \$20**

**Send a
Business
Get \$100**

Refer your family & friends to JMU Tax.

We will give you \$20 for each new tax client. We will give you \$100 for referred friends who pay for new accounting services.

Office Locations

Annandale Office

4532-B John Marr Dr.
Annandale, VA 22003
703-333-3005

Washington DC Office

1933 18th St. NW
Suite C-1
Washington, DC 20009
202-328-2385

Centreville Rd. Office

7233 Centreville Rd.
Manassas, VA 20111
703-368-6194

Manassas Office

10754-B Ambassador Dr.
Manassas, VA 20109
703-365-9384

Herndon Office

171 Elden Street
Suite 110
Herndon, VA 20170
703-464-7793

Gainesville Office

7330 Heritage Vlg Plaza
Suite 202
Gainesville, VA 20151
571-261-9599

Silver Spring Office

512 E Randolph Road
Silver Spring MD 20904
301-388-0709

➤ **Adoptions Benefits Increased** maximum adoption credit has increased to \$12,150.

➤ **Earned Income Credit** can be claimed for up to three children versus 2. The maximum amount of the credit has increased. The most you can get for 2009 is: \$3,043 if you have one qualifying child, \$5028 if you have two qualifying children, \$5657 if you have three or more qualifying children or, \$457 if you do not have a qualifying child.

➤ **Education Credits:** Hope Credit has been expanded to \$2500 for 4 years per student. Lifetime credit remains 20% of the first \$10,000.

➤ **Standard deduction** for non-itemizers is expanded to include real estate taxes and new vehicle sales taxes.

➤ **Residential Energy Credit:** is reinstated for 2009 and 2010 for a 30% credit not to exceed \$1500. Can include insulation, storm windows, and geo-thermal heaters.

➤ **Foreign Earned Income Exclusion:** for 2009 is \$91,400.

➤ **Mileage Rates:** are 55 cents for business use, 24 cents for medical and moving and charity remains at 14 cents.

First Time Home Buyers Credit: has been extended to April 30th 2010. The credit is

\$8000. Along with that long term residents (5 years ownership) can get \$6500 credit. If filing MFS, one half of the above applies.

➤ **Qualified Tuition Expenses:** can include computer, software and internet expenses besides tuition, books and supplies.

➤ **IRA & Roth IRA Contributions:** for 2009 is \$5000 or \$6000 if over the age of 50. And no minimum distribution from IRA for 2009 due to economic situation.

➤ **Net Operating Losses:** can be carried back 3, 4, and 5 years instead of 2 years.

➤ **HSA Contributions:** for 2009 is \$3000 for single persons and \$5950 for family coverage. For people 55 or older they can add an additional \$1000.

➤ **AMT Exemption:** for 2009 is \$46,700 if single or head of household, \$70,950 if MFJ and \$35475 for MFS.

➤ **Gifts to Relatives and Friends:** – up to \$13,000 doesn't require a Gift Tax return.

➤ **Penalties for failure to file:** or file an extension have increased and applies to both individual and business tax returns.

➤ **Debit or Credit Card Convenience Fee:** can be deducted on the tax return as an itemized deduction if the income

tax balance due is paid with those.

➤ **Making Work Pay credit** Reduced tax refunds should be expected due to the revised withholding tables in 2009. For further details see your tax advisor.

➤ **Casualty and Theft losses:** floor has been increased to \$500 plus 10% of your AGI.

➤ **Personal Exemption:** increased to \$3650 from \$3500.

➤ **Net Self Employment Tax:** earnings up to \$106,800 are subject to the maximum social security tax. No limit on Medicare tax.

➤ **Custodial Parents** who have released the claim to an exemption for a child to a noncustodial parent may revoke the release on form 8332 now.

➤ **Car Donations:** over \$500 can be claimed if you receive a form 1098-C.

➤ **Qualified Transportation Fringe Benefits:** the monthly exclusion for commuter highway vehicle transportation and transit passes increased to \$230.

➤ **Wage Threshold for Household Employees:** The social security and Medicare wage threshold for household employees is \$1,700 for 2009.

Annandale Office

Richard Smith – Tax accountant and tax instructor with JMU for the past 16 years. He does business consulting and conducts tax preparation courses. Richard is an Enrolled Agent with the IRS. He is also a notary public.

Nausheen Shahid – Tax Accountant and Payroll Manager in her 6th year at JMU. She has managed our main office in Annandale for the past two years. She speaks English, Urdu, Hindi, and Punjabi.

Nammal Faryad – Receptionist and payroll coordinator in her 2nd year at JMU. She speaks Urdu, Hindi and English.

Roy Reynolds – Tax accountant and accounting specialist in his 5th year at JMU. He is also pursuing his accounting degree. He speaks Spanish and English.

Manassas Office

Zahid Mahmood – Tax accountant and franchise owner of the Manassas office starting his 5th year with JMU. He has a BS in Information Systems and speaks English, Urdu, Hindi, and Punjabi.

Jessica Flores – Bilingual Spanish-English tax accountant and payroll specialist. She has been with JMU for 10 years.

Tasneem Baluch – Receptionist, payroll assistant and bookkeeper at JMU. She speaks English, Urdu, Hindi, and Punjabi.

Centreville Office

Donnita Whittier – Tax accountant in her 9th year at JMU. She is an Enrolled Agent with the IRS and a notary public. She speaks Spanish, Russian, French, German

and English. She is available Mondays and Thursdays in this office.

Prashant Goel – Tax accountant and franchise owner of the Centreville branch is in his 5th year with JMU. He has a bachelor's degree in accounting and is working towards his CPA.

Herndon Office

Mickey Sood – Co-founder of JMU Tax & Financial Services and an Enrolled Agent with the IRS. He has over 24 years experience doing taxes, accounting and providing financial services. He will be seeing clients in Herndon on Tuesdays, Fridays and Saturdays.

Bhavna Malik – Tax Accountant and payroll assistant in her 4th year with JMU. She has an MBA and speaks English, Urdu, Hindi, and Punjabi.

Pamela Sams – Financial Advisor for JMU. She provides clients with financial services which include comprehensive financial planning, investment strategies, life, disability and health insurances, as well as banking services. She is located in the Herndon Office and can meet clients in any JMU office.

DC Office

Shafin Hossain – Tax accountant in his 4th year at JMU. He has a bachelor degree in business and pursuing masters in MIS. He has 4 years of administration experience in the financial field. He is fluent in Bengali and English.

Naser Hossain – Tax accountant & Franchise Owner of the DC office. He graduated from University of Buffalo, and speaks English, Urdu, Bengali, Hindi, Bahasa Malay. He has 5 years of management experience in the financial field.

Gainesville Office

Mickey Sood- Mondays.

Donnita Whittier- Tuesdays, Wednesdays, Fridays and Saturdays.

Silver Spring Office

Shafin Hossain and Richard Smith (call to check which days).

Network Manager

Muhammad Tayyab – JMU's network manager since 2003. He has a master's in computer science and speaks Urdu and English.

Come Prepared

Bring all your tax documents.

- W-2's
- 1099's
- 1098's for mortgage interest and bank interest
- Records for real estate taxes and personal property taxes
- Charitable donation receipts and/or letters
- Settlement sheets if you have purchased or refinanced real estate
- Investment portfolio summaries and original purchase price of stock transactions
- The last pay stub of the year is also very useful
- Correct names, dates of birth, and Social Security or Tax ID numbers for yourself, spouse, and all dependents
- Social Security cards or ITIN numbers
- Checking account number and routing number for direct deposit of refunds
- Please give your email and all home, work and cell phone numbers at the time of service.

**Convenient
payment
options:**

We accept Visa, MC, Debit cards, checks and cash.

Please make all checks payable to JMU TAX. If you pay by cash, please get a receipt.

If you want to pay the JMU fees from your tax refund, please let us know.

JMU Franchises Available

**You can have your own successful business
Come and join our winning team!**

- Our business is growing and our Franchises are doing great.
- If you want to own your own JMU TAX franchise, then call us. We have a great opportunity.
- Get in on the ground floor.
- We have many locations available but you have to call now !! Get trained before next Tax Season.

IS YOUR MONEY SAFE IN THE BANK? By Mickey K. Sood

Some of our clients have asked us if their money is safe in the bank. For over 70 years we have never had to worry or be concerned about our money in the bank in the USA. But now this seems like a legitimate question. Not since the Great Depression have we had so many bank failures as we have had recently. To date some 140 banks in US have already failed. The FDIC (the agency that insures our deposits) is asking Congress for another \$60 Billion to safeguard US deposits. What does all this mean for you and me? Let's look at history as our guide. What happens to a country when it has massive debt and can't pay its obligations? It keeps borrowing more and more to meet its basic needs, and the interest payment on that debt gets bigger and bigger. History repeats itself. The fact is that no country has ever been able to survive with massive debt. I repeat no country. The USA is not exempt from the basic fundamental laws of economics. If I live beyond my means, sooner or later it catches up to me, and I have to pay the price. Why should the USA be any different?

To begin with, I think we need to face some hard realities. No other country today has as much international involvement as the USA. We are involved in 2 wars, have bases in 63 countries, and military personnel in 153 countries. To pay for all this plus take care of all of the domestic problems at home, we have run up a deficit of 12 trillion dollars. No other country on the face of this earth has ever run up such a big deficit.

Now back to the question of whether your money is safe in the bank. My answer is that your money is only as safe as the insurance that guarantees it. The insurance is only as safe as the government that backs it up. If the government is under such heavy debt then the insurance (FDIC) is basically dependent on the government's solvency. Could the US Govt. collapse? Is it unsinkable as many have asserted? Remember the Titanic, the ship that couldn't be sunk? No matter how big the country, it is bound by certain inescapable financial laws.

Before a major natural disaster there are always warning signs. Before a volcano or earthquake there are fires and tremors. Before a tsunami many animals climb to higher ground. Similarly, economic tsunamis also have warning signs. Such as banks closing, stock market and real estate bubbles, high unemployment and the inability of governments to get their debt under control. The US has had all of these early warning signs, but doesn't appear to be taking them seriously. We keep borrowing more rather than living with less. Rather than decreasing spending, we keep increasing it. All this is a recipe for disaster.

Where, then, should I put my money? Under the mattress? In stocks, gold, or real estate? The answer depends on a number of factors. For example, do you have kids in college, are you close to retirement? Do you have a secure job? How much debt are you in? How long can you live off your savings? How old are you and how long do you expect to live? The best advice is to meet with one of our financial planners and make sure you are properly balanced in your investments, so you don't have all your savings in one basket (including the bank). Our financial planners are there to help you through thick and thin. They have vast experience and training in stocks, mutual funds, foreign investments, gold, and money funds (funds that invest in money only but not just USA). They are licensed professionals who are there to make sure you don't put all your eggs in one basket should the unthinkable happen. Remember the Titanic? The ship that was "unsinkable". Call them and set up an appointment before it's too late.