



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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Volume 9

Inside This Issue:

- Financial Planning
- Tax Law Changes for 2010
- JMU locations
- Our staff
- Send a Friend, get \$20
- Send a Business, Get \$100
- Come Prepared
- JMU Franchises

CHECK YOUR STATUS:

Go to the
JMU WEBSITE
WWW.JMUTAX.COM

Click on refund status and follow the prompts at the links.

REFUNDS:

Have your refund put on a debit card in our office.

COME PREPARED:

See page 3 for a complete list of what to bring to your appointment.

CENTREVILLE RD OFFICE HAS MOVED

Our office that was on Route 28 for many years has a new location near the intersection of Routes 66 and 29 in Centreville at 14637 Lee Hwy Unit 108. The phone number is still 703-368-6194 OR 703-815-2419, so please call for directions and come visit this brand new office.

Where do we put our money now ?

by Mickey K. Sood

That's the question everyone is asking. We have seen the real estate bubble and the stock market bubble. Everyone is nervous. No one seems to know where we are headed. If there is one thing that is certain, history tends to repeat itself. What happens in the future can sometimes be predicted by what happened in the past. Remember when oil was \$150 per barrel with no end in sight? It couldn't stay that way and it dropped all the way down to \$50 a barrel. Now it is going back up again. Sound familiar?

Real estate and the stock market tend to behave the same way. Remember when Real Estate was being bought sight unseen? It was not uncommon to have multiple offers on property where buyers did not even see the property, but made offers on it in "as is" condition. Buyers would buy and then a month later flip the house and make a quick \$50,000 profit. Sometimes they did it over and over again. Those days are gone, at least for the time being. In today's economy everyone is doing a double take. So how do we predict the future? The truth is no one really can, but let's look back and see what happened in the past. During the early 80's real estate soared. I remember a house that cost \$150,000 more than doubled in a matter of 3 years. From 1983 to 1986 the prices of houses doubled and sometimes even tripled. And then, the bottom fell out. By 1988 prices were slashed and there were bargains galore. They said the market would never recover, but they were wrong. Almost five years later it started to come back. From 2001 to 2006 it soared again. Prices doubled and even tripled in some areas. Then, beginning with 2007, the recession hit and then came the crash. History repeats itself.

Continued on page 4

**FREE FINANCIAL CHECKUP
BRING YOUR INVESTMENT STATEMENTS WITH YOU WHEN YOU
GET YOUR TAXES DONE AND GET A FREE REVIEW BY ONE OF
OUR FINANCIAL PLANNERS.
MENTION THIS AD.**

**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 Office

14637 Lee Hwy.
Centreville, VA 20121
703-368-6194 or
703-815-2419

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 Rd.
Suite 3
Silver Spring MD 20904
301-388-0709

➤ **Adoptions Benefits**

Increased: Maximum adoption credit has increased to \$13,170 and is now refundable.

➤ **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 2010 is: \$3,050 if you have one qualifying child, \$5036 if you have two qualifying children, \$5666 if you have three or more qualifying children or, \$457 if you do not have a qualifying child.

➤ **Education Credits:**

The Hope Credit has been replaced by the American Opportunity Credit and allows up to \$2500 credit for 4 yrs. Lifetime Learning Credit remains 20% of the first \$10,000, or up to \$2,000.

➤ **Standard deduction**

for non-itemizers again allows claiming real estate taxes up to \$1000.

➤ **Residential Energy Credit**

is reinstated for 2010 as a 30% credit not to exceed \$1500. Can include insulation, storm doors, new A/C and geothermal heaters.

➤ **Foreign Earned Income Exclusion** for 2010 is \$91,500.

➤ **New Mileage Rates:** are 50 cents for business use, 16.5 cents for medical and moving and charity remains at 14 cents.

➤ **First Time Home Buyers Credit:** 2010 is the final year to claim the first-time homebuyer credit. In order to claim the credit for a main home purchased in 2010, taxpayers must have written a binding

contract before May 1, 2010 to purchase a principal residence and the closing must have occurred by September 30, 2010.

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

➤ **IRA & Roth IRA Contributions** for 2010 is still \$5000, or \$6000 if over the age of 50, but the minimum required distribution from IRAs for 2010 is back.

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

➤ **HSA Contributions** for 2010 is \$3050 for single persons and \$6150 for family coverage. For people 55 or older an additional \$1,000 can be added.

➤ **Repaying the First Time Homebuyer Credit for a Home Purchased in 2008:** If you claimed the credit for a home purchased in 2008, and you owned and used the home as your main home during all of 2010, you must begin repaying that credit with your 2010 tax return. The minimum payment is 1/15 of the original credit received, or \$500 for a \$7500 credit. This can be deducted from your IRS refund.

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

➤ **Penalties for failure to file** have increased and apply to both individual and business tax returns. Late S

corp returns are \$195 per month overdue.

➤ **No More Phase-Outs** for Personal Exemptions or Itemized Deductions for high income taxpayers starting in 2010.

➤ **Making Work Pay Credit:** Reduced tax refunds should again be expected due to the revised withholding tables in 2010. However, for 2011 this credit is being replaced by lower withholding during the year.

➤ **Casualty and Theft losses:** The floor has been decreased to \$100 plus 10% of your AGI.

➤ **Personal Exemption:** remains at \$3650.

➤ **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 now revoke the release on form 8332.

➤ **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.

➤ **New Business Owners** can now deduct up to \$10,000 in startup costs.

Annandale Office

Richard Smith – Tax accountant and tax instructor with JMU for the past 17 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 7th year at JMU. She has managed our main office in Annandale for the past two years. She speaks English, Urdu, Hindi, and Punjabi.

Roy Reynolds – Tax accountant and accounting specialist in his 6th year at JMU. He is also pursuing his accounting degree. He speaks Spanish and English.

Nammal Faryad – Receptionist and payroll coordinator in her 4th year at JMU. She speaks Urdu, Hindi and English.

Manassas Office

Zahid Mahmood – Tax accountant and franchise owner of the Manassas office starting his 6th 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 11 years.

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

Centreville Office

Prashant Goel – Tax accountant and franchise owner of the Centreville branch is in his 6th year with JMU. He has a BS in accounting.

Natalie Jaramillo – New Bilingual Spanish-English receptionist and payroll specialist pursuing a degree in business.

Herndon Office

Mickey Sood – Co-founder of JMU Tax & Financial Services and an Enrolled Agent with the IRS. He has over 25 years experience doing taxes, accounting and providing financial services. He will be seeing clients in Herndon on Tuesdays, Fridays and Saturdays, in Annandale Wednesdays and Centreville Mondays and Thursdays.

Bhavna Malik – Tax Accountant and payroll assistant in her 5th year with JMU. She has an MBA and speaks English, Urdu, Hindi, and Punjabi.

Mariam Shahzad – Tax Accountant and payroll assistant in her 2nd year with JMU.

Karina Guevara – New bilingual Spanish-English receptionist.

DC Office

Shafin Hossain – Tax accountant in his 5th year at JMU. He has a bachelor's degree in business and is pursuing an MA in MIS. He has 4 years of experience in the financial field and 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.

Gainesville Office

Donnita Whittier – Tax accountant in her 10th year at JMU. She is an Enrolled Agent with the IRS and a Notary Public. She has an MA and speaks Spanish, Russian, French, German and English.

Allison Rose – New receptionist. She has a masters degree.

Marilyn Ramos-Rivera – Bilingual Spanish-English receptionist with a BA and new to JMU.

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 masters in computer science

Come Prepared

Bring all your tax documents:

- W-2's
- 1099's
- 1098's for mortgage interest
- Student loan interest
- Bank interest on all accounts
- Records for real estate taxes
- Personal property taxes for your vehicles
- Charitable donation receipts
- Settlement sheets if you have purchased or refinanced real estate
- Investment portfolio statements and original purchase price of stock transactions
- The last pay stubs of the year
- Correct names, dates of birth, and Social Security or Tax ID numbers for yourself, spouse, and all dependents
- Checking account number and routing number for direct deposit of refunds
- If a new client, please bring a copy of last year's tax return

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 ask for 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.

Where do we put our money now ? cont'd from page 1

The stock market did almost the same thing, just in different years. During the go-go 90's stocks like AOL, AMAZON, MICROSOFT, and NOKIA soared. We saw appreciation like there was no tomorrow. We saw prices increase a thousand fold. It seemed as if everyone was a stock professional. They were talking about which stocks they owned and how great they were doing. I had clients who became instant millionaires, at least on paper. No one needed financial planning. With portfolios appreciating 30, 50 or even 100 percent you couldn't go wrong. They were doing great themselves, so they thought why hire a professional?

And, then, beginning in 2000 the market retreated and many lost their shirts. What happened to these whiz kids? Almost overnight they went bankrupt. I had clients who literally lost everything. These clients did not have a financial planner and insisted on managing their money themselves. Who needs a planner when you are making 50% per year? This brings me to my point. A good financial planner is trained not to respond to market whims and emotions. They have the experience of history on their side. They can objectively look at a situation and tell you when to hang on and when to bail out. Two years ago when the market crashed, we repeatedly told our clients not to panic, and to ride it out. History repeats itself. Study after study has shown that when the market crashes it's actually the time to buy rather than sell.

At JMU we have brought in 2 new financial planners to assist you. We encourage you to schedule a complimentary financial checkup at the same time when you get your taxes done. When you call to have your tax appointment, ask our staff to have one of the financial planners available to review your investments. Bring the most recent statements from your current broker and let our financial planners help you. They can then analyze your portfolio and let you know how you are doing. Remember don't go it alone. At JMU, we're committed to saving you taxes and helping you with all your financial needs. Make your tax and financial appointment today.