

Kruger & Clary

CERTIFIED PUBLIC ACCOUNTANTS, P. C.

THE ADVISOR

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Audit Protection Services

The number of letters from the IRS has increased over the past few years, and is requiring a significant amount of time from us. As a result, starting in 2010, we will charge an hourly rate to respond to any tax return audits, inquiry letters from the taxing authorities, and other related tax matters that arise after the return has been prepared. We are now offering a separate additional service called **Audit Protection Services** to help protect you in case of an audit or letter, so that you won't incur additional accounting fees. As a bonus, if you purchase the Audit Protection Services for your 2009 tax return, it will also cover your 2007 and 2008 returns only if prepared by us.

What is Audit Protection Services?

Our audit protection service provides protections if you are contacted by the IRS or state tax departments. For an additional fee, we will relieve your

stress by reviewing, responding and representing you.

Our firm will submit a reply to both the IRS and state inquires concerning the tax return in question. In addition, we will represent you should your income tax return be selected for examination by the IRS or your state. This will include the appeal process, but not tax court representation. Replying to the IRS or state nuisance letters can be costly. With our Audit Protection Services, you will receive this service at a fraction of the ordinary cost.

How does it work?

If you receive a notice of tax audit, we immediately inform the tax authorities that we are representing you. You are not required to talk to the tax auditor. In fact it is best that you do not have any contact with the tax auditor, because that person may ask you questions other than what the audit is focused on and bring up other questionable items.

Why would I need these services?

Many tax rules are complex. It is important to have Kruger & Clary representatives answer questions and formulate the best response with regards to the audit. We do the necessary research to understand the tax rules for any issues that the tax auditor may bring up. We take the time to understand your side of things and present the information to the tax auditor in a way most beneficial to you.

What's the cost?

You can sign up for the **Audit Protection Services** at the time you bring in your tax information to us to prepare your return, or any time before the return is filed. The cost is just 10% of your tax preparation fee. Those fees will need to be paid by the time your return is finalized. The protection will last for three years from the date your return has been submitted. You must sign up for the service at the time you sign your return, and it is not available after that date.

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All information in this newsletter is for illustration purposes only and tax situations vary. Before acting please talk with your tax professional.

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EMPLOYEE SPOTLIGHT: Meet Jennifer Aley

What do you like about your job? *My co-workers are definitely the best part, but I also enjoy the variety through the different projects and clients we work with..*

What kind of work do you specialize in? *I'm responsible for the majority of the business accounting. This entails keeping our clients' accounting records up to date each month and completing other tasks such as payroll and sales tax reports.*

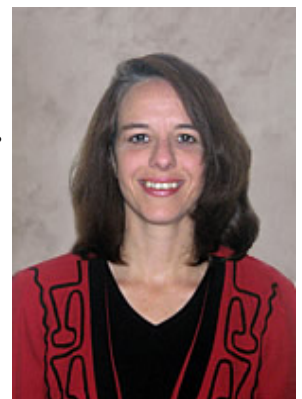
What is your favorite fun activity? *Not that it's really that fun, but I enjoy fishing. I think it's the peace and quiet.*

What is the most exciting thing that's happened to you recently? *I got engaged to my boyfriend of 3 years, and we are currently*

planning the wedding for 2010.

Where would you go if you could go anywhere and why? *I would like to go to Italy just for the culture and scenery. Most of my heritage originates from Italy, so I would like to experience what Italy has to offer.*

What grades are your kid's in? *My son is in 2nd grade and my daughter is a Senior in High School .*



"Working with Kruger & Clary is a wonderful experience. We love how they take the time to explain things to us, and how they pay attention to the details with everything we have going on. They help make taxes less painful!"

Rich & Barb Strick
Co-owner's of Aqua Spas, Inc.

Congratulations to Melissa for making the NCBR 40 under Forty list for rising business stars.

We have been in our same location for 10 years! Thanks for all your continued support.

Volume 5, Issue 3

Make Business Taxes and Life Easier

1. Are you tired of long laundry lists of questions from our office once you've dropped off your tax information?
2. Have you thought for the past five years that next year you would file your return on time?
3. Do you have accounting work hanging over your head that you just don't have the time or desire to complete?
4. Are you not sure how to read and understand your financial statements?
5. Does the thought of gathering your income tax information make your stomach turn?
6. Do you feel that every year when you drop off your tax information that you have no idea of what the result will be.

If you answered yes to any of these questions, you need to set up an appointment with us to figure out how we can alleviate the pain of filing your income taxes.



CHOOSING THE BEST TECHNOLOGY TO BETTER ASSIST YOU

Accessibility to your QuickBooks file is important when working with your accountant. By having easy access to your QuickBooks financial information, we are able to answer questions quickly, prepare the tax return, file payroll forms, prepare sales tax returns and provide accurate financial statements.

One of our goals at Kruger & Clary is to make you as business owners more efficient and accurate. We are always striving to stay current with technology to better assist our clients with their accounting and bookkeeping needs. Here are a few ways we can access your QuickBooks files, in order to provide ongoing, convenient assistance to you year-round.

The first is remote connectivity through Right Networks, which is a third party company that will host your QuickBooks application and data file for \$50 a month. By using Right Networks you can connect to your file at anytime from anywhere with an Internet connection using a simple program for Windows XP and Vista that can be downloaded and installed on your computer. There is no contract and you can simply use their services month to

month and terminate at any time.

Right Networks allows both you and our firm to **simultaneously** access your QuickBooks files remotely. This program allows us to both accomplish what needs to be done. To learn more you can visit www.rightnetworks.com. In addition, Right Networks backs-up your hosted data nightly and retains it for 90 days so if you accidentally delete a file, they will be able to restore it for you.

The second way for us to assist you with your accounting is to access your files through desktop sharing by using a website called **LogMeIn**. There is no cost associated with this service, and it allows another user to securely connect remotely to a computer, as if you were sitting in front of that actual computer. This would allow us to log into your computer where the QuickBooks files reside and review and make changes to the information. This program will allow us to help you immediately with any QuickBooks problems or questions. The downside is that computer will become inoperable for you because we will be directly controlling it. If you want to learn more about this service go to www.logmein.com.

Thirdly, there is a program through QuickBooks called Remote Access that is much like Log Me In. You can access the computer with the QuickBooks data file from anywhere with an internet connection and have unlimited access to that PC. The cost is \$3.95 a month for QuickBooks access only or \$7.95 a month if you want to access all files on that computer. There is no long-term contract with this service. Also, if you have QuickBooks Premier or Enterprise package, you automatically receive this service for 12 months for free, but only for one user. If you want to learn more about this product visit; http://quickbooks.intuit.com/product/add_ons/remote_access.jsp.

Whatever your specific needs are, Kruger & Clary, CPA's want to make your business run smoothly and efficiently without having to struggle with your accounting. Do not rely on using our services only once a year; we can provide a much greater value to your business if we are involved consistently throughout the year. We are here to help by solving issues as they arise, providing ongoing tax planning, and overall making your life easier.

TAX PLANNING

Many of former President George Bush's tax cuts are set to expire in the near future, and President Obama is facing huge budget deficits that may require significant tax increases to repay money that has been spent this year. In these uncertain tax times, you may want or require professional answers to your specific tax questions. For this reason, we are launching a project this fall to review your 2009 tax situation and project how you may be affected in the next few years.

As part of our service, we will review your year-to-date information and

determine if you have underpaid, or overpaid, your taxes. We will then make planning recommendations to attempt to reduce your 2009 tax burden. The next step will be to analyze your tax situation for 2010 and beyond to determine if you should accelerate, or delay income or expenses to put you in a better tax position. We can also review your employer retirement plan options to ensure that you are taking full advantage of these offerings.

For business owners we can expand on the services discussed above by

reviewing their year-to-date business activity. Many opportunities exist for businesses because they can prepay anticipated expenses by year-end and deduct them in the current year. Equipment purchases have very liberal tax incentives this year. They disappear, or are severely limited in 2010.

To take advantage of our offer, please contact us. This fall we are offering a \$150 discount for up to three hours of tax planning service for a total cost of \$300. Don't wait until it's too late, contact us today to get started.

Seven Facts about the New Vehicle Sales and Excise Tax Deduction

Taxpayers who buy new motor vehicles this year may be entitled to a special tax deduction for the sales or excise taxes on those purchases when they file their 2009 federal tax returns next year.

Here are seven facts you need to know about the deduction.

- 1) State and local sales and excise taxes paid on up to \$49,500 of the purchase price of each qualifying vehicle are deductible.
- 2) Qualified motor vehicles generally include new cars, light trucks, motor homes and motorcycles.
- 3) To qualify for the deduction, the new cars, light trucks and motorcycles must weigh 8,500 pounds or less. Motor homes are not subject to the weight limit.
- 4) Purchases must occur after Feb. 16, 2009, and before Jan. 1, 2010.

- 5) Taxpayers who purchase qualified motor vehicles may claim the deduction when they file their 2009 tax return in 2010.

- 6) This deduction can be taken regardless of whether the buyers itemize their deductions or choose the standard deduction. Taxpayers who do not itemize will add this additional amount to the standard deduction on their 2009 tax return.



- 7) The amount of the deduction is phased out for taxpayers whose modified adjusted gross income is between \$125,000 and \$135,000 for individual filers and between \$250,000 and \$260,000 for joint filers.

ESTATE PLANNING AND PROBATE

For the last nine years estate or inheritance taxes have not been a major concern for most people. The amount free from taxation upon someone's death has steadily increased from \$1 million in 2001 to \$3.5 million this year. Next year, there is no taxation on any amounts. However, this law "sunsets" and reverts to \$1 million beginning on January 1, 2011. This is only 15 months away and now is the time to take action to position you for this change.

A married couple with a net worth of \$1.5 million can face an estate tax of over \$200,000 without proper planning. Titling of assets is



very important, and with some easy changes this tax can be eliminated in this scenario with minor costs. We highly recommend anyone (single or a married couple) with a net worth of over \$1 million to contact us this fall to prepare for the future change in inheritance tax laws.

Even if your net worth is under \$1 million, you may still need our professional advice to avoid probate. Probate is the legal process to validate a will, determine the correct estate beneficiaries and distribute the assets. Involving the court system, an attorney, a CPA and a personal representative can lead to large estate administration costs. With proper titling of assets and use of beneficiary designations, a decedent's assets can be distributed quickly and with only the presentation of a death certificate, and virtually no cost.

Included in our offer will be a review of your wills and trust agreements and to make recommendations. We will recommend an attorney if your information needs to be updated.

Reminder Howes is now a two way street so watch for traffic and the changes with the lights and stop signs when visiting us.

WHAT TO DO: FALL EVENTS IN NORTHERN COLORADO

Fall is a great time for fun activities. Here are a just a few upcoming events:

Harvest Farm Fall Festival in Wellington

October 1st—31st

Time: 9:30 AM - 4:00 PM

Ticket Price: \$10/adults, \$8/children 4-12, free for children 3 and under

Location: Harvest Farm in Wellington

Website: <http://www.harvestfarm.net>

Annual Fall Festival with a corn maze, pumpkin patch, corn cannons, hay rides, a children's playground and lots more!



October 9th—11th Colorado State Homecoming

<http://www.homecoming.colostate.edu/>

Friday, October 9

50-year Club Luncheon and Class of 1959 Reunion Dinner

Reunions on the Oval

Homecoming Parade and Festival

ASCSU Reunion

Saturday, October 10

Homecoming 5K Race

Ram Town and the Alumni Association Tailgate

Homecoming Football Game

Sunday, October 11

Family Weekend Golf Tournament

Ram Scholars Brunch

Lighting of Downtown Fort Collins Ceremony

Friday, November 6, 2009

6:45 pm— 8:30 pm

Oak Street Plaza and College Avenue

At 7:00 pm thousands of strands of holiday lights will illuminate historic downtown.

THANK YOU for your business and your referrals. We are always accepting new clients, and appreciate you telling friends, colleagues and family about our firm. If you do refer someone specifically to our business they will be interviewed to find out what their specific needs are and then they should be paired up with the professional staff that specializes in their particular tax situation.

Fort Collins Dancing With the Stars

Help support Melissa Clary in upcoming charity event



Melissa will be participating as a star in the 3rd annual Dancing with the Stars of Fort Collins.

This event benefits the Canyon Concert Ballet and Dance Center and is taking place **Friday, February 12th, at 7pm at the Lincoln Center.** This event is always a lot fun and it would be wonderful if you would attend to help support her. The cost of the event is \$50 which include hors d'ouvres, two drink tickets, a professional picture and lots of entertainment. The tickets will be on sale at the

Lincoln Center Box Office.

Also, if you are interested in getting a great seat and want some more exposure for your business, you can sponsor the event for \$750. This includes your name on the website, advertising at the event and seats for 8 people at one of the premium tables up front.

If you can't attend the event Melissa would greatly appreciate if you would make a donation to Canyon Concert Ballet by voting for her. Every

vote costs just \$1. You can choose any dollar amount, and you can either mail a check to Kruger & Clary made out to Canyon Concert Ballet or vote online at http://www.ccballet.org/support_eventpayment.html.

The ballet is a 501(c)3 organization and money contributed towards votes qualify as a tax-deductible contribution. Please help her make this benefit a success.