

ISSUE

01

OCTOBER  
2008

QUARTERLY  
ABOVE ALL  
ACCOUNTING, INC  
NEWSLETTER

# Above All

## 75% Oregon Tax Credit

Imagine making a charitable donation for \$100 that also cuts your state tax bill by \$75. This 75% state tax credit is possible if you contribute to an Individual Development Account or IDA.

An IDA is a way to provide hard-working, low-income Oregonian's an opportunity to obtain greater financial security. This program is sponsored by the Neighborhood Partnership Fund, an Oregon 501(c)(3) non-profit. For details about the IDA Initiative, visit <http://ida.tnfpf.org>.

Many taxpayers will greatly benefit from their contribution to this program; particularly those in AMT or with significant, one-time state tax liabilities.

Unfortunately, these tax credits are limited and sell out quickly. Check the current IDA tax credit availability by calling 503-226-3001 x101.

Above All Accounting, Inc. is glad to assist you in finding legitimate venues for donating, and reducing your tax liability. We are happy to be your tax specialist, and look forward to answering any questions you may have.



## In this issue

New Quarterly Newsletter  
Capital Gains Tax Rates 2008  
75% State Tax Credit  
First-Time Home Buyer Tax Credit  
Client Referral Program  
Year-End Tax Planning

## The Above All Accounting, Inc. Quarterly Newsletter.

Welcome to issue 01 of the new quarterly newsletter from Above All Accounting, Inc. We are so happy that we have taken one more step in keeping great communication with our clients. We hope that you will find our quarterly newsletter helpful and informative. In each and every issue, you can expect to see new tax laws and information that may affect you, or your friends and family. Starting in 2009 each newsletter will feature a business who is also a client of Above All Accounting, Inc. This is a great way for us to assist in the success of our clients the way they have been a part of ours. If you would like a chance to be the featured business in a future newsletter, please introduce your company in 100 words or less and email it to us at [leeanno@aboveallaccounting.com](mailto:leeanno@aboveallaccounting.com). We are very anxious to know what you think of the information provided in this issue. If you are one of the first 25 people to email your thoughts to us at [leeanno@aboveallaccounting.com](mailto:leeanno@aboveallaccounting.com), you will a \$5.00 Starbucks gift card. We are looking forward to hearing from you.

## Change in Capital Gains Tax Rates in 2008.

From 2008-2010 the long-term capital gains tax rates for some investors will be zero. However, before you begin to plan sales of your stocks and mutual funds, check your eligibility. This zero-percent tax rate will only be available for those who fall in the two lowest tax brackets. Remember that gains from the sale of stocks and mutual funds will increase your income. This could cause non-qualification of your capital gains, as it could push you into the next tax bracket even if you originally met the income limits. Tax laws like these are sometimes difficult to understand. Always consult your tax advisor to get the details on how each law could effect you. We are happy to assist you with your tax planning needs. You can contact us at our Hillsboro office 503-648-6184 or our Scappoose office 503-543-5437.





## Client Referral Program

If you know someone who could use great accounting services, please pass on our information. All clients who refer someone who contacts us regarding our services, will be rewarded with a \$25 gift card. It's how we say thank you for your loyalty and patronage.

## First-time home buyers and the new Housing Bill

President Bush signed the Housing Bill on July 30, 2008 in an attempt to calm the housing crisis. One of the features of the bill is the \$7,500 tax break for first-time home buyers. To qualify, you must be a U.S. citizen and a first-time home buyer, or have not owned a home in the past three years. The adjusted gross income limit is \$75,000 if single, and \$150,000 if married. There is a partial credit for those who earn up to \$20,000 above the limit, and no credit is available after that. The taxpayer must purchase the home between April 9, 2008 and July 1, 2009 to qualify. Taxpayers can take the credit for the 2008 or 2009 tax year. The tax credit acts as an interest-free loan which must be paid back over the following 15 years. If the home is sold before the credit is paid back in full, then the remaining credit is paid from the profit of the home sale. If no profit is made, then the debt is forgiven.

**Note to our clients:** The IRS currently is not making information available on their webpage. However, Above All Accounting, Inc. will continue to search for information for our clients. Please contact our office if you would like more information on the housing bill.

Above All Issue 01 October 2008

## Getting Ahead With Year-End Tax Planning



Can you believe that it is now the fourth quarter of 2008? While the leaves change color and the new year sneaks up, don't forget about year-end tax planning. We know that it's not fun, but it will most likely help you reduce your tax liability come April 15th. By meeting with a tax advisor, you can decide which financial moves will be beneficial for you. Making a contribution to an IRA could help you save when it comes to taxes you owe. Putting money into a college savings account is a great way to save now and for the future. Buying a home, selling stocks, or cashing out your 401K will all influence the amount of your tax refund or liability. Don't wait until April to start thinking about your tax return. If you are rushed, you could end up paying more than necessary. Planning ahead will save you in the long run.

Help us make it easier for you by letting us know when your information changes. Many things have a large impact on your tax return including: the purchase or sale of a home, a child turning 17 years old, having a new baby, retirement, starting a business, getting married or divorced, etc. If you have had changes in your life, don't forget to let us know when you drop off your tax documents or meet with a tax advisor. Also making us aware of a new address or phone number will help us in getting information to you more quickly. Please take a moment and let us know if your contact information has changed.

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