



JANUARY, 2013

## In This Issue

[Highlights of the American Taxpayer Relief Act](#)

[Tax-Exempt: Taxpayer relief provisions](#)

[Tax Deadline Notification](#)

[New Employees](#)



[Click Here for QuickBooks](#)

Tip "Memorizing Reports."

## Blogs

[www.thefaithfulsteward.com](http://www.thefaithfulsteward.com)  
for churches and ministries

[www.990taxhelp.com](http://www.990taxhelp.com)  
for nonprofit organizations

[www.the401kcpa.com](http://www.the401kcpa.com)  
for sponsors of employee benefit plans

## The American Taxpayer Act of 2012 - What it means for your business



H.R.8, the American Taxpayer Relief Act of 2012 was signed into law by the President on January 2, 2013.

The following are eight key items that are enacted by the American Taxpayer Relief Act of 2012:

- 1. Income tax rates** - The individual marginal tax rates will remain the same as 2012. However, a new top rate of 39.6% will be imposed on individuals making \$400,000 and \$450,000 for married taxpayers filing jointly.
- 2. Phase out of deductions** - The personal and itemized deductions phase-out is reinstated at \$250,000 for individuals and \$300,000 for taxpayers married filing jointly. The phase-out reduces itemized deductions by 3 cents for each dollar of excess AGI. A taxpayer cannot lose more than 80% of his deductions.
- 3. Capital gains tax and dividends** - The capital gains rate will only increase to 20% for single taxpayers whose income is more than \$400,000 and married taxpayers above \$450,000. Other taxpayers remain the same.
- 4. Alternative minimum tax** - The exemption amount for AMT is permanently indexed for inflation. For tax year 2012, the exemption amounts are \$50,600 for individuals and \$78,750 for married filing jointly.

[Click here](#) to read the rest of the article.

## 5 taxpayer relief provisions related to tax-exempt organizations

The American Taxpayer Relief Act of 2012 has five provisions that are especially related to tax-exempt organizations. The first four you may remember expiring December 31, 2011. These are officially reinstated, and may be counted as retroactive to January 1, 2012.

- 1. Corporate contributions of stock:** Shareholders of S Corporations previously had to reduce their shareholder basis by the pro-rata share of the property's fair market value. The reinstated provision allows the shareholder taxpayer to reduce the basis by the

pro-rata share of the corporation's basis of the contributed stock.

**2. Contributions from Traditional and Roth IRA's:** For tax years 2012 and 2013 only, a 70 ½ or older taxpayer may contribute up to \$100,000 from an IRA without including the amount in gross income. Because this provision is retroactive, a taxpayer that took out a distribution in 2012 and made a donation to charity can treat the amount as an eligible rollover. This is good news to share with your 2012 donor base.

[Click here](#) to read the rest of the provisions.

## Tax Deadline Notification

In order for us to have your return processed before April 15th, it is essential that you submit your tax information to us no later Friday, March 29th.



Because of Congress' delay in enacting the American Taxpayer Relief Act of 2012, both the IRS and providers of tax preparation software have significantly delayed the starting time for processing tax returns. Consequently, returns receive April 1st and later may not be processed before April 15th

## New Employees

Staff auditor, Amelia Plasterr is a native Texan raised in Plano, Texas. She received her BA from the University of Oklahoma and is currently attending the University of North Texas to acquire an MBA in strategic management and accounting. She likes to travel as much as possible and loves to cook/bake just about anything and everything.



Amelia Plasterr

Mike Battista, CPA is a staff auditor, His father was in the US military which gave him the opportunity to live in many places; however, he calls South Dakota his true home. He attended the University of Sioux Falls and earned a bachelor's degree in accounting. Between work and family, Mike likes to squeeze in time to run, mountain bike, catch a movie or read a good book.



Mike Battista

### Focused on your success,

Thank you for your continued trust in us. We are always looking for clients like you. If someone you know needs a tax, audit or

consulting partner, we hope you will keep us in mind.

Salmon Sims Thomas

Salmon Sims Thomas 12720 Hillcrest Road Suite 900 Dallas, Texas 75230  
Phone: 972.392.1143 Toll Free: 888.332.4829 Fax: 972.934.1269  
[www.sstcpa.com](http://www.sstcpa.com)