

TIPS FOR AFTER THE 2008 TAX SEASON

Here are some suggestions you might take by year-end to cut your 2009 tax bill.

- **Itemize as many deductions as possible:** Be aware of some of the deductions that are often overlooked - such as personal property tax, investment advisor fees, child care expenses. If you think an expense might be tax deductible, flag it in your check register and/or keep the receipt in a special "tax" folder or drawer.
- **File your tax returns plus backup documents:** If possible, keep your tax returns forever but - at a minimum - retain them for at least seven years. Be sure to keep records of stock purchases (costs and dates) as long as you own the shares. Keep track of your basis in nondeductible IRAs. This information is usually found on Form 8606. And always retain records of capital improvements as long as you own your home.
- **Combine accounts:** If you are paying advisor and investments fees to several brokerage firms, you might want to consider consolidating them. It might reduce the fees. But - be careful - because this could result in capital losses or additional fees if the accounts must be liquidated.
- **Make your IRA contribution before the end of the year:** If you make an IRA contribution every year, then don't wait until April 15th to do so. You may want to set up a monthly contribution so that you aren't struggling to fund the account at tax time.
- **Submit a revised W-4 to your payroll department:** Did you receive a large refund? Then you may want to adjust your withholding so that you have more cash available to you with each paycheck instead of giving it to the IRS.

These are just a few of the steps you might take. Please contact us for help in implementing these or other year-end planning strategies that might be suitable to your particular situation.

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