



**LINDENBUSCH**  
**ACCOUNTING & TAX SERVICE, INC.**  
**2121 PEA RIDGE ROAD**  
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January 6, 2014

Dear Client:

The chaos which contemporary secular America calls the "holidays" is subsiding. Although the twelfth day of Christmas our modern calendar says is January the sixth when our young savior enjoyed three visitors from the east. Dedra and I hope you could enjoy that aspect of the Christmas season. We wish you a grounded peaceful Christmas season and prosperous New Year.

As of January 2014, the Lindenbusch's, have been preparing tax returns in Centertown for 50 years. Many of my dad's clients still have fond memories that they share yet to this day. If Dad were alive today he would certainly have choice advice for our current "dear leader" dubbed by myself as Caesar. My thoughts on him and our current predicament was attached at the end of last years newsletter titled "Elections have Consequences." You can read that on our website at [www.lindenbuschtaxservice.com](http://www.lindenbuschtaxservice.com) as well as past newsletters and other information.

Inside this newsletter you will find insert pages 1 and 2 showing the 2013 TAX FACT SHEET. Regarding our Office Policy, please read insert page 3. Insert page 4 details our Privacy Policy Notice and an opportunity for charitable giving.

While our Caesar marches towards universal "Cuba Style" health care, Dedra and I have attended 16 total days of instruction on taxation, some of it pertaining to the "Affordable Care Act" also known as (Obamacare). A year ago I passed the RTRP (Registered Tax Return Preparer) licensing test so the IRS can make sure I'm doing this stuff right (whether the IRS can constitutionally do this is still pending). We will be hiring our secretary Gina approximately the third week of January to help with our scheduling. Please write the appointment down as she will be instructed to repeat it upon ending your conversation with her. We do not give appointment reminder calls.

There is a fine line between being a pragmatist and a pessimist. I sometimes struggle to remain in the former camp. Optimism with a healthy dose of realism is what I strive for. With that said, we once again thank our soldiers and veterans. Please remain safe and prosper in 2014. God bless you.

Sincerely,

Barry P. Lindenbusch  
President

**2013 TAX FACT SHEET**

.... **THE STANDARD DEDUCTION:**

Married Filing Jointly	under 65	\$ 12,200
Married Filing Separately	under 65	\$ 6,100
Head of Household	under 65	\$ 8,950
Single	under 65	\$ 6,100

The above standard deduction for those who are either 65 or legally blind is increased by \$1200 or \$1500 per person depending on filing status.

.... **10% TAX BRACKET:** is built into the tax tables for the very first dollars taxed. \$8925 for single and married filing separate, \$12,750 for head of household and for married filing joint the amount is \$17,850.

.... **THE TAX BRACKET FOR 2013:**

Married Filing Jointly	you leave the 15% bracket and enter the 25% when taxable income hits \$72,500.
Married Filing Separately	you leave the 15% bracket and enter the 25% when taxable income hits \$36,250.
Head of Household	you leave the 15% bracket and enter the 25% when taxable income hits \$48,600.
Single	you leave the 15% bracket and enter the 25% when taxable income hits \$36,250.

.... **THE PERSONAL EXEMPTION:** for 2013 is \$3900.

.... **THE BUSINESS MILEAGE:** rate for 2013 56.5 ¢ per mile

**THE MEDICAL MILEAGE:** rate for 2013 24.0 ¢ per mile

**THE CHARITABLE MILEAGE:** rate for 2013 14.0 ¢ per mile

.... **THE SELF EMPLOYED HEALTH INSURANCE:** deduction for 2013 is 100% of your premiums or net earnings from business whichever is lower. This deduction is an adjustment to income on the front of the 1040 and does not reduce FICA & Medicare taxes. It is available to Sub Chapter S shareholders who own more than 2% of the Corporation.

.... **THE EARNED INCOME CREDIT (E.I.C.):** Please see our new website for information regarding the earned income credit and thresholds. The web address is [www.lindenbuschtaxservice.com](http://www.lindenbuschtaxservice.com). Click onto “Useful Tax Information.”

.... **THE SECTION 179 ELECTION TO EXPENSE:** 2013 maximum deduction is \$500,000.

.... **DEPENDENT CARE CREDIT:** If your AGI is between \$15,000 and \$43,000 you can receive a credit ranging from 20% to 35%. This amounts to \$600 to \$1050 if you have one child or \$1200 to \$2100 for 2 or more children. Remember to get the child care providers Name, Address and ID# (social security number if provider is an individual).

.... **THE CHILD TAX CREDIT:** For a child 16 and under: 2013 remains \$1000 per child.

.... **NONBUSINESS ENERGY PROPERTY CREDIT:** was reinstated for 2012 and 2013. The same rules apply as the 2006 energy credits.

.... **MORTGAGE INSURANCE PREMIUMS:** (M.I.P.) deduction was reinstated for 2012 and 2013.

### NEW FOR 2013

Taxes are going up and deductions caps are being reinstated for taxpayers in the upper brackets.

.... The top marginal income tax bracket for married taxpayers with AGI's over \$450,000 is now 39.6% (up from 35%). For single taxpayers the AGI threshold is \$400,000.

.... There is a new capital gain tax of 20% (up from 15%) using the same thresholds as the above marginal income tax brackets. This is for long term capital asset, sales and for qualified dividend income.

.... The Phase-out on itemized deductions and exemptions are now reinstated. For married taxpayers the threshold amount is \$300,000. For single taxpayers it is \$250,000 and for married filing separately it is \$150,000.

.... There is now a 3.8% tax on net investment income that will hit married taxpayers with AGI's of \$250,000 and single taxpayers with \$200,000 AGI's.

.... There is a 0.9% medicare tax which apply to the same AGI threshold amounts above (net investment income tax).

Visit our new website for information on: Earned Income Tax Credit thresholds  
Click on [Useful Tax Information](#) “Who pays the Income Tax burden”

[www.lindenbuschtaxservice.com](http://www.lindenbuschtaxservice.com)

## OFFICE POLICY

Lindenbusch Accounting and Tax Service, Inc. is very small and we wish to remain that way. During the income tax season which starts in mid-January and runs through mid-April, our time is a precious commodity. We've grown to the point where we need to share some guidelines with you, our valuable client. We appreciate your trust in us and hope that with these few suggestions our accounting and tax practice can operate more efficiently to better serve you. THANK YOU.

### OFFICE HOURS (during tax season)

8:00 am to 6:00 pm Monday through Friday (secretary arrives at 8:30)

8:00 am to 5:00 pm Saturdays

Sundays by appointment.

### OFFICE HOURS (outside of the tax season)

By appointment only. To keep fees reasonable, we do not employ a secretary for the entire year.

### APPOINTMENTS

Please ring the doorbell once and be patient, someone will show you in. Try to be on time or 5 to 10 minutes early. If you are to be more than 10 minutes late, a quick phone call would be appreciated. To reduce communication errors our secretary has been asked to repeat the appointment time, day of the week and date. To help facilitate clear and concise appointments, we suggest that you jot down your appointment. Please refer to the section immediately to the right of the photo on the front of this newsletter. We do not make reminder calls. If children need to accompany you we have TV, videos, and books/magazines in the waiting room.

### DROP-OFFS

Returns dropped off are WELCOME. We ask that you include a daytime, evening and/or cell phone number(s). Tell us the best time to call you.

### INVOICING

If your return is dropped off and picked up later or if it is mailed back to you by us, our tax prep fee invoice will always be in the file copy folder in the left side pocket (when opened). Prompt payment would be appreciated.

### TELEPHONE

Our secretary will be here from 8:30 am to 5:00 pm Monday through Friday starting around the 3<sup>rd</sup> week of January. We would prefer that she make the appointments during those hours. To utilize her even more we ask that as many phone calls, return drop-offs and return pick-ups as possible occur during those hours. Advance appointments (November, December and January) will be taken by either Dedra or myself. Simple questions will be forwarded to one of us and we'll try to call you back as soon as possible. Limited tax planning can be done during your income tax appointment. In depth tax planning will need to be done from May through December. IF REQUESTED WE CAN SEND YOU A PERSONAL TAX ORGANIZER BASED ON LAST YEARS TAX INFORMATION. You can see at a glance all your data from last years return. If interested call to get this tax organizer prior to filing your taxes.

**PRIVACY NOTICES**

The Gramm-Leach Bliley Act and the Federal Trade Commission (F.T.C.) restrict the disclosure of personal financial information by us and those in our employ. Because we produce a “financial product or service” Uncle Sam is mandating that we supply you with a notice of our privacy policy. Please refer to our new website for additional privacy information.

**Lindenbusch Accounting and Tax Service, Inc. has never and will never sell or give away in part or in total our clients tax returns, information, client lists, or addresses. Your confidence in us is important and we want you to know that your personal and account information is safe. If you have any questions or concerns, please contact us.**

In fact we’re not that crazy about faxing returns even with the consent of the client. That return can be viewed by anyone on the other end. We furnish a copy of your tax return at the time it is prepared. If you think that you will need an extra copy please inform us at that time and we’ll throw another copy in for no extra charge. If at a later date you need us to make a copy to either mail, pick up or fax a fee of \$20.00 per return will be charged. I really want to discourage faxing tax returns for obvious privacy reasons. Please keep the Grey folder containing the CLIENT FILE COPY of your return that we make for you. That copy has your W-2’s and other source documents attached. We now have the capability to E-MAIL returns to the taxpayer(s).

How long should you keep your records? I’d keep for 5 years documents such as receipts, statements, check registers and computer hard copy. Your actual tax return I’d keep forever, it has a copy of your W-2’s/1099’s and often your working papers. 50 years of tax returns only take up 2 cubic feet. Any asset that you currently own, if upon sale or liquidation would create a taxable event, you need to keep the documents that show your cost basis for that asset. Depreciation schedules would fall into this category.



**CHARITABLE DONATION OPPORTUNITY**

Lindenbusch Accounting and Tax Service, Inc. is participating in Parish Assistance Coalition (P.A.C.). This is a coalition of businesses that agree to donate 5% of their fees/services upon request of the client, to St. Martin’s Parish. Just let us know and we will earmark your fee and forward 5% to St. Martin’s Parish, facilitating the servicing of their grade-school building expansion debt. Thank you.



If you have a conceal and carry permit, you and your firearm ARE welcome in our office. This castle (your tax info) is protected by the 2<sup>nd</sup> amendment and my willingness to exercise that right.