

Since
1977

R.E.J.'s
ACCOUNTING &
TAX SERVICE

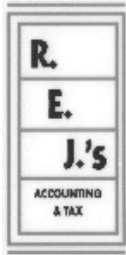


The Jack Jacob Building
13740 Dix-Toledo Road
Southgate, MI 48195

EFTPS: The Electronic Federal Tax Payment System

Since **January 1st 2011** all employers **have to use the EFTPS system**, call our office to set up yours today **(734) 284-8833**

We are offering a 1099 Misc. service for those who need 1099's for Interest, Rent paid, Lawyers paid, Non-employee compensation, etc. Contact Dana Catt in early January to set up an appointment with her to prepare. These forms are due out by January 31st, 2011.



You may qualify for the new REJ's Drop off service, Prices began at a low \$50.00 and are capped at \$100.00 this includes, e-filing, federal, one state and up to one city return.

No appointment and your taxes will be done within a week of being dropped off. Times will vary if additional, information is needed.

New REJ's Drop Off Service

REJ's is continuously striving to provide professional and affordable tax preparation to its valued clientele. You may be selected due to your previous returns basic characteristics, to qualify for our new "Drop Off Service". If interested please contact our office and a "Drop Off" package will be made available to you. (you can pick it up at our office or for a small charge we can mail the package out to you.)

The package will have your basic information already filled out, you will be responsible to check it, or update it if any changes need to be made. On reviewing the packet our tax professionals will prepare your return, they may contact you during that period with any additional questions they may have, so be sure to give us good phone numbers and times that you will be available to answer any questions. After your return is completed you will be contacted for pick up, signing and payment. We accept all major credit cards or you can have your payment taken from you refund if you prefer. (There is a charge by the bank, we do not charge extra for this.)

If you know now that you would like this service, give us a call and we can have your package available for early in our tax season. If you believe you may want to continue this service for the following years, let our receptionists know so we can continue preparing your drop off worksheets.

No Price changes from last year!!!!!!!!!!

Prices range as follows	1040EZ.....	\$50
	1040A.....1 schedule.....	\$75
	1040 no schedules.....	\$100

If you are a senior (over 65 years of age, you or your spouse) , you may have additional schedules at a cap of \$100 if you are receiving this letter. This incorporates our senior discounts in that cap price.

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Year End 2011 Newsletter 35th year in business Issue #1

Flagstar Bank is our Gold Sponsor for our 35th Year!!!!

Below is a picture of your new appointment card. We have filled out the space for you with your tax advisor's name along with the date and time of your tax appointment. We have also included your preparer's business card along with their extension.

We have added to our website the ability to confirm your appointment on-line, or if you need to change it, a form to highlight the next best three

dates and times that you would like us to attempt to book you in for. Dana Catt our new office manager is in charge of client appointment times and she can be reached during the day hours. Other staff members are available to assist you during the evenings and weekends regarding your appointment.



Dana Catt 734-284-8833
dcatt@rejaccounting.com

Special points of interest:

- **New tax appointment Card to remind you. Call or email Dana for changes.**
- **Tax Law changes pg 7**
- **REJ's Drop Service, for clients under \$100 cost**
- **35th Year in business**

Since 1977 R.E.J.'s ACCOUNTING & TAX SERVICE BBB MEMBER

Your Tax Appointment

Your Appointment with: _____

Date: ___/___/___ Time: ___ AM / PM

Please confirm your tax appointment online at:
www.rejaccounting.com or call (734) 284-8833

Governor Richard Snyder is all smiles as he announces massive changes to the Michigan Tax system. (new rainy day fund?)



Some of the changes include, **taxing pensions** for seniors with a three tier approach. **Eliminating credits** to the Homeless, Community Foundations, city income taxes, state colleges, Public television and Radio. **Cutting back on Homestead Property Credits**, eliminating the credit for most taxpayers. Eliminating the Michigan Business Tax and replacing it with a more fair Corporate Tax on businesses. **Too much too fast?** I personally think so. Any unclaimed personal property, don't forget to send it up to Mr. Snyder (see pg 5). Continued on pg 7 along with Federal tax changes.

Inside this issue:

Returning staff at REJ's & 35th yr	2
Bob's E.A. trips	3
D&H and trips for you.	4
New Voice Mail system	4
Unclaimed Property continued.	5
What about Bob & Mary?	6
REJ's Drop Off service	8

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REJ's returning Staff celebrating our 35th Year. (special pens this year!) also Gold Sponsor Flagstar Bank.

We are giving out 35th anniversary pens and other items this year, your folder will have a 35 year label on it. Thanks for your patronage. We have a Gold sponsor Flagstar Bank see their insert in this newsletter.

R.E.J.'s has maintained our current staff positions and brought aboard additional staff to better serve our clients. **Joshua Onkala** our "**Accounting Manager**" who is also working as our **Sunday reception during the tax season.** Note from Bob: "We had to say farewell this season to **Jason Jacob** and his fiancée **Melissa Beard**, they both moved in August to **Fairfax Virginia**. Jason is working at **Deque Systems** as their Office Manager and Melissa is working at **George Mason University** while she completes their **Phd** program in cultural studies. We have a new Office Manger **Dana Catt** who has her accounting and management degrees from **Davenport University**. We also welcome part-timer **Maria DeAngelis**, **William Catt**, **Jake Yacuone** and **Autumn Horton** office staffers.

We welcome back , **Joshua Calderone**, **Lisa McGaw**, and **Mary Jacob**, office staffers, Tax accountants: **James Nygord**, **Michael Rae**, and **Richard Wilkowski**. Each of our tax accountant's holds at least a **Master degree in Business**: all are registered with the Internal Revenue Service and have been on our staff for at least nine years.

Need a get away but done have a fortune? How about a nice relaxing bus ride from Travel Treasures and Tours?

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MORE TRIPS COMING SOON: Keep this flyer handy until you receive the next copy!
For more information on any trip, please don't hesitate to call us!
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Be the first to know about trips, receive discounts, and much more!

Kewadin Casino 3-Day! Kewadin Casinos have become known for their wonderful gaming getaways. Two nights hotel stay at Kewadin Casino in Sault Ste Marie, with gaming stops at St. Ignace and Bay Mills. Breakfast buffet included! \$70 total in casino incentive. **Departs: 3/5/12 - 3/7/12 for \$119 p/p d.o.**

Island Resort & Casino U.P. 3-Day! Give your mom the best gift of all! Spend 2 breath taking nights at the Island Resort in Harris, MI in the U.P. Experience God's Country as you see the beauty of Northern MI. Your package starts with a visit to Kewadin Casino in St. Ignace, Manistique and Odawa. Breakfast daily at hotel. Receive \$95 in casino incentives and meal discounts for lunch and dinner and much, much more. **Departs: 5/13/12 - 5/15/12 for \$159 p/p d.o. - Mother's Day Trip!**

FIY: Pick-up Information: We have pre-determined pick-ups we use on almost all trips. These pick-ups are Dearborn Public Library on Michigan Ave., between Southfield and Greenfield, The K-Mart at 15 Mile Rd & Grossbeck, and the Huntington Bank on 23 Mile & Gratiot near K-Mart. We can have additional pick-ups when we receive enough people booked in a certain area. New pick-ups can include, but are not limited to Jackson, Lansing, Brighton, Novi, Livonia, Southgate, Taylor, Detroit, Southfield, Port Huron, Flint and our newest location Meijer off of Dix in Lincoln Park. We will add ANY other pick-ups if we receive enough passengers interested.

Eric M. Karn
Sales Executive
ekarn@kspinsurance.com

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REJ's uses KSP for its business insurance and personal needs. Eric is a **Coast Guard** guy like my

Ask us about the October 2012 Italian Lakes and Greek Islands featuring a 7 night Eastern Mediterranean cruise Call one of the Cindy's listed above or 313-386-4948

State and Federal Tax Law changes for 2011 and Beyond - Continued from front page

Federal Law changes

The Affordable Care Act was enacted March 23, 2010. It contains some tax provisions that take effect this year or more that will be implemented during next several years. The following is a provisions now in effect; B=Business, everyone.

PAYROLL TAX ISSUES all

Employees enjoyed a reduction of Social Security withholding tax down from 6.2% to 4.2%. Congress is looking to extend that 2.0% tax. President Obama would like the reduction from 4.2% to 3.2% for both employees and employers stayed tune to see which one is

SECTION 179 all

The Sec. 179 limit has been increased to \$500,000 for tax years beginning in 2010 and 2011. The phaseout level starts at \$2,000,000.

INSURANCE FOR CHILDREN all UNDER AGE 26

Part of the Health Act (Affordable Care Act) permits taxpayers to keep insurance on their children as long as the children are the age of twenty-six.

Flexible Savings Accounts all (FSAs) & Health Savings Accounts (HSAs)

Funds from these accounts can no longer be used for over-the-counter medications starting January 1, 2011. (Sec. 213(a)).

SMALL BUSINESS HEALTH all CARE TAX CREDIT

The credit is up to thirty-five percent of the premiums paid for taxable years beginning in 2010 through 2013.

FORM 1099 CHANGE: B Credit Card Information Reporting

Beginning with payments received on or after January 1, 2011, credit card companies are required to issue 1099 type forms to businesses. Reporting is not required if the business does not have credit card sales exceeding \$20,000 for the calendar year or the aggregate number of transactions does not exceed 200.

FUTA TAX SURCHARGE B

This 0.2 percent surcharge has been around many years and is why our FUTA tax rate is 6.2 percent instead of the "normal" six percent. This surcharge is now extended to run through June 30, 2011.

E-FILING all

E-filing of individual income tax returns is now mandatory starting with returns filed after December 31, 2010. This requirement applies to all return preparers except those who reasonably expect to file ten or fewer individual and fiduciary tax returns during the calendar year.

EARNED INCOME TAX all CREDIT (EITC)

First, there is a higher EITC for families with three or more qualifying children, resulting in a credit percentage of forty-five percent with a maximum credit of \$5,656.50. Second, the phaseout amount for MFJ filers is changed to \$5,000 above the threshold phaseout amounts for single, head of household, and qualifying widow/er. Therefore the phaseout of the credit will end at more than \$40,000 in 2009. This amount is indexed for 2010. Both of these provisions are effective for 2009 and 2010.

ADDITIONAL CHILD TAX CREDIT all

The refundable portion of the Child Tax Credit is based on fifteen percent of the taxpayer's earned income in excess of \$12,550 for 2009 under the prior law. This is now changed to earned income in excess of \$3,000 for tax years 2009 and 2010.

MAKING WORK PAY CREDIT all

This credit is not gone.

FAILURE TO FILE PENALTY all

Again not a new law, but first effective this year is a higher failure-to-file penalty for partnerships and S corporations. It is increased from \$89 per month to \$195 per month, effective for tax years beginning after December 31, 2009.

ROTH IRAs all

Again this is not something new, but it finally takes effect. The \$100,000 limitation no longer exists for conversions in tax years beginning after December 31, 2009.

A taxpayer who makes a conversion in the taxable year beginning in 2010 reports the conversion income as received fifty percent during 2011 and fifty percent in 2012.

A taxpayer who makes a 2010 conversion can elect to report the entire amount of income in 2010. Because the tax rates return to their old levels for tax years beginning after 2010, we will have to calculate the expected tax results both ways in order to determine which appears best.

"There are many more potential tax law changes being fought out in the Senate and House. A lot of Politics and not a lot of action" (Bob Jacob)

(most of the article is based on)

David Mellem is an enrolled agent who has been in the tax profession for more than twenty years. He and his wife Mary own Ashwaubenon Tax Professionals in Green Bay, WI. They serve approximately 1,000 tax and accounting

<p>Dawn Hoy Sales Consultant</p> <p><small>Provisional Provider of Payroll & Retirement Plan Services for AICPA business solutions</small></p>	<p>PAYCHEX</p> <p>29065 Cabot Drive Novi, MI 48377</p> <p>Office (248) 488-1100 Ext. 59161 Mobile (248) 943-5798 Direct Fax (866) 260-6043</p> <p>dhoy@paychex.com</p>	<p>Flagstar Bank</p> <p>HOME LENDING</p> <p>Shane Modi Senior Loan Officer</p>	<p>15783 Eureka Rd. Southgate, MI 48195 Direct: (734) 284-4258 Toll Free: (866) 372-3215 Cell: (313) 516-8350 eFax: (248) 250-5672 shane.modi@flagstar.com www.flagstarloans.com/smodi</p>
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What about Bob? (and Mary!)

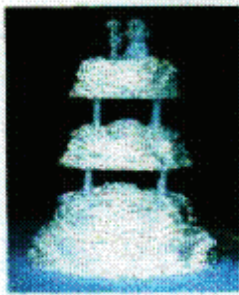


Jason and Melissa just before leaving for Virginia.

We had to let our youngest son move away to Virginia with his beautiful finance Melissa. Jason comes home as often as he can. We will see him at Christmas, we saw him during Thanksgiving. I went to the National conference in Las Vegas and the Michigan/Conference in Lansing this year along with Frankenmuth. I also saw the Spartans lose to the Wisconsin Badgers in Indy this year, a great game, wrong outcome.



Bob is now on the board of **Adult Well Being Services** in Detroit, (seated with Mary Jacob) at the Roostertail at the AWBS annual meeting. AWBS is an eastside Detroit Non-Profit, Bob grew on the eastside of Detroit. AWBS has been recognized as one of Detroit's best managed nonprofits, it serves some of the most vulnerable adults and their families in Michigan.



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As we have mentioned in previous newsletters, REJ's is a reseller of **Delforms checks and forms** for all accounting software products. If you are using Quickbooks, Quicken, Peachtree, MIP non-profit series, Solomon, MAS 90, or any other software products needing checks, or specialized forms give REJ's a call. We can usually beat your existing supplier prices. We now do **manual paper checks** for businesses and **ink stamps** also.

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(UPS)

REJ's is also a reseller for UPS units ranging from your home office to your mainframe at work. We have UPS units to safeguard telephone equipment, networks, copy machines as well.

Give REJ's a call if you need this protection for your equipment. (just about every major piece of equipment should have a UPS)

Regarding Computers make sure you get the battery back-ups to insure safe and continuous operations even in blackouts.

Don't forget about the August 03 Blackout! It could happen again!

Visit our web-site for pricing on checks and deposit tickets.



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Page 3

This year's travels to the National Association of Enrolled Agents, National Conference in Las Vegas, and the Michigan Society of EA's

To help keep up with the ever changing tax laws, I attended my Second **National Association of Enrolled Agent's Conference** in *Las Vegas* from August 7-10th. I used *Cinfully Affordable Travel* to book my flights (see pg 6 for their advertisement). The conference focuses on representation of clients (you guys). Some of the courses I took were: *The form 1040 Audit, Formal Appeals, Audit Reconsideration, Non-Filers and Substitute Returns, Freedom of Information act and Transcripts, Collection Information form 433, Collection Appeals, Liens and Levies, Ethics, and finally Trust Fund Penalties.*

This conference, and attendance at the next conferences will qualify me as a "Fellow"; this prestigious designation will allow me to more effectively represent our clients before the IRS. While at the conference, I also attended the National board meeting of the NAEA, representing the state of Michigan as Past **President** of the **Michigan Society of Enrolled Agents.**

In addition I interviewed for a national board position with the National Association of Enrolled Agents. Unfortunately, there were more worthy enrolled agents who got the nod.

While in Las Vegas my sister **Lynn Jacob Cox** joined us for a few days keeping my wife Mary company while I was at the conference. After Lynn returned home, our friend **Tim Sinnott** showed us the sights, the things you don't normally see in Las Vegas.

We stayed a few days after the conference to get a feel for this city and area.

I also attended the two day tax update hosted by the MiSEA in **Frankenmuth** in November of this year, along with attending a number of monthly meetings throughout the state.

In addition to attending the MiSEA and the NAEA meetings, I attend the monthly meetings of the **Institute of Management Accountants.** I have attended at least three meetings this year. Being a **Certified Management Accountant** I need to maintain my Continuing Education in this area along with Taxation.

Just for fun I am teaching computers this term on Monday through Thursday in the mornings. Really I need to teach to earn credits towards my pension which I am scared that the Governor may take away from us, he is already starting to tax it beginning in 2012.

Last term I taught four computer courses at **Wayne County Community College**, along with running the REJ's until Dana Catt started. I thank my existing monthly clients who really knew what was going on. I was the accountant, the bookkeeper, the janitor, the salesman and anything else we needed. This was too much. I don't think I'll do that again. Well tax season is here and as you can see on page two I have lots of help now.



Our friend and tax client Tim Sinnott was a great host and showed us around Las Vegas. Here we are with the Red Rocks.

Bob has served as the President of the Michigan Society of Enrolled Agents.



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REJina our company's mascot see oil painting in front office



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REJ's is a reseller of hardware through its affiliation with D & H Distributing. As the nation's leading technology distributor, D&H provides a wealth of resources to empower solution providers and consultants, delivering a broad selection of SMB categories, products and applications. The company's offerings span server and infrastructure, SOHO and mobile applications, consumer electronics and gaming. D&H's multi-market expertise, account-dedicated sales teams, sterling service and flexible financing options are unmatched in the industry.

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The link shown →

REJ's sells not only the accounting software for Quickbooks but also Point of Sale equipment for its clients. We provide on-site training as well as training at our facility. See our website for more details.

Click Here to Buy QuickBooks at Resale Prices!!!



Colleen did the painting of our firm's mascot REJina see the painting in our front office.

NEW Voice Mail system at the REJ's. You will have a live person during the tax season but after hours and after tax season here's the

We have enhanced our phone system to allow you to confirm your appointment initiate a change in your appointment time, and or leave a voicemail to your Tax Professional. Most of the time you will be greeted by a live person, (during our normal tax season hours 9 am until 9 pm Monday through Saturday and 10 am until 6 pm on Sunday.

If you are calling after hours or during an exceptionally busy time you will get

the voice mail or if you request the receptionist to give you your tax professional's voice mail. The Voice mail or auto attendant system will give you the options to enter the extension numbers to reach each party. The extensions are **Robert Jacob—202** **Richard Witkowski—203**

Michael Rae—204 **Jim Nygord—205**

Dana Catt—201 and the main receptionist is **—200**

The tax professionals especially our full

timers will return your call within a day, Mike and Jim will return their calls on their next scheduled day. If you haven't heard back within three days please call back and ask to speak to either **Robert or Richard** our full time accountants. If it is urgent, leave a message to the preparer and their



Thanks goes out to **Matt Horton** my son and telephone guru!!!!

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New Retained Business Clients of 2011

We have a number of new clients; Superior Comfort, a heating and cooling business, Mobile Fleet Services, as the name implies a mobile truck and bus repair business,

floors, PCS Services, a company that removes and installed gas tanks, Rose's Good Company a 501c3 non-profit, and Seaway Boat Club in Wyandotte MI.

Mobile Fleet Services

Action Body Shop

The Book Bin

Mohawk hardwood Floors

PCS Services

Rose's Good Company

Seaway Boat Club



Action Bodyshop,
The Book Bin,
Mohawk hardwood

Superior Comfort

State of Michigan Unclaimed property forms

The state of Michigan always looking to boost up the state general fund has sent all businesses notice that they most turn in unclaimed property to the state by 7-31st of each year. Unfortunately they did not provide the form 4305 which most businesses should file certifying that they have no unclaimed property. This form needs to be filed by 1-31-2012.

This is an old law getting a lot of attention because after so many years the property reverts to the state.

The form4305 is available by asking at our front desk and is a "Attestation of compliance with Unclaimed Property Reporting (No Unclaimed Property to Report)"

Michigan Department of Treasury
4010 Park 11210

**Attestation of Compliance with Unclaimed Property Reporting
(No Unclaimed Property to Report)**

An authorized representative of an entity having no unclaimed property reportable under the Uniform Unclaimed Property Act (1995 PA 29, Michigan Compiled Law 567.221-567.295) must complete this form and file it with the Michigan Department of Treasury.


By my signature below, I attest to the following:

- I am an authorized representative of the entity named below.
- I am aware of the unclaimed property types and dormancy periods under the Uniform Unclaimed Property Act.
- The entity named below has no unclaimed property in its possession that has reached its legal dormancy according to the Act.
- I acknowledge that Section 31(2) of the Uniform Unclaimed Property Act provides authority to the State Treasurer to conduct an examination of the company's books and records.
- I am aware that an unclaimed property examination will cover up to the last ten reportable years and result in assessment of penalty and interest.

Entity Name	Federal Employer Identification Number (FEIN or EIN)	TIN or MI Number (if applicable)
Address		
City, State, ZIP Code	Primary Business Activity	
Authorized Representative (print or type)	Title of Authorized Representative	
E-mail Address of Authorized Representative	Telephone Number of Authorized Representative	
Signature of Authorized Representative	Date	

Visit the Michigan Department of Treasury Web site at www.michigan.gov/unclaimedproperty for more information on the Uniform Unclaimed Property Act. If you have questions, contact the Unclaimed Property Division at (517) 538-6440.

Return completed form to:
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