

NEWSLETTER



Happy New Year!

We would all like to wish you a Happy New Year and look forward to being your go-to Tax and Insurance Agency in 2011 providing you with superior customer service and our high quality products.

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IMPORTANT DEADLINES THIS QUARTER

January 10: Employees who work for tips. If you received \$20 or more in tips during december, report them to your employer with form 4070.

January 18: Make your last 2010 estimated payments with form 1040-ES.

January 31: All business should have sent annual tax information statements to recipients - 1099, 1098, 3921, 3922, 5498, W-2G, and W-2's.

February 15: If you claimed exemption from income tax withholding last year, you must file a new form W-4 to continue your exemption.

March 15: Business returns or 6-month extension of time to file are due. Examples are Corporations, S corporations, and S corporation elections (to be treated as a S corporation beginning 2011).

April 15 and 18: State returns are due on April 15th but with a Federal holiday, IRS income tax returns are due on the 18th.

If you are looking for more information call us or find the 2011 IRS Tax Calendar at <http://www.irs.gov/pub/irs-pdf/p509.pdf>.

TAX CREDITS FOR THE EMPLOYER

There are 2 credits possible for the employer to take advantage of due to a new hire or employer sponsored health care benefits.

The first is the HIRE act which is in effect for 2010. The employer may be entitled to relief from the employer share of social security taxes on wages paid to your newly hired employee. If the new employee meets the requirements, you may qualify for this credit.

The other is the Health Care Tax Credit, also in effect for 2010.



This credit helps small businesses and small tax-exempt organizations afford the cost of offering health care to the employees. The employer must pay at least half the cost of single coverage for the employees, and pass the 3 steps required to be considered for this credit.

Check out the IRS website to see if you qualify for either of these credits at www.irs.gov and look under “Business” on the top left of the toolbar.

FILING A 1099 MADE SIMPLE



Businesses are required to file Form 1099 to report annual payments over \$600 to each provider of goods or services. The IRS will consider rental properties a trade or business. People receiving rental income from real property will be required to file Form 1099 for providers of services such as cleaning and maintenance if it exceeds \$599 for the year. This will take effect in 2011. We advise all businesses (including rentals) to have all service providers complete a Form W-9 to be retained by the business. The IRS has added and increased penalties for non-compliance.

FEATURED EMPLOYEE OF THE QUARTER: LISA FAHEY

Lisa Fahey has been a member of the Speiker & Company team for over 5 years! Lisa manages the Belle Plaine insurance office for Speiker & Company but doesn't stop there. She is also the President of the BP Economic Development Authority, on the board of the BP Chamber of Commerce, and a member of the Keystone Women's Circle, as well as a wife and mother to 2 active boys. Her favorite part of Belle Plaine? "To live and work in a small community where the people are very friendly." And her favorite quote is:

Life is not about waiting for the storm to pass, it's about learning to dance in the rain.



FEATURED INSURANCE COMPANY OF THE QUARTER



Midwest Family Mutual Insurance Company was organized in 1891 as Minnesota Farmers Mutual

Insurance for the purpose of writing crop and hail insurance for Minnesota farmers. In 1906, operations were broadened to include farm windstorm insurance. General fire and inland marine lines were added in 1929. Automobile and dwelling coverages were added in 1930. In the late 1970's, the company expanded its product offerings to include homeowners and personal automobile coverages. To more accurately reflect

the company's broadened product lines and its lesser focus on the farm market, in 1983, the board of directors changed the name of the company to Midwest Family Mutual Insurance Company.

In 1991, the company introduced its first commercial lines insurance products allowing the company to further broaden the products available to its independent agent sales force. In 1997, the company further diversified by adding the states of Iowa, Nebraska, North Dakota and South Dakota to the two existing states, Minnesota and Wisconsin.

INSURANCE FOR STUDENTS AWAY AT COLLEGE



When students go away to college they have insurance needs. If the child is financially dependent on the parents then 10% of the personal property of the parents would cover the student living away from home. If the parents have 100,000 on personal property the student has \$10,000 of coverage. If they live off campus in rented property their needs may require a renter's policy. For an auto policy if they do not have the car with them and they go to school over 100 miles away the policy can be changed to reflect a distant student. If the car goes to college then the rates are based on the territory they are attending school. If the car goes out of state then insurance will need to be purchased in the state they are driving in. It is always best to check with your agent since every company has different rules.

PERSONAL INJURY PROTECTION

Minnesota is a "no-Fault" state. They require Personal Injury Protection (PIP) on all auto policies. They adopted this policy to ease the burdens in the courts and to provide quick payments for injuries resulting from auto accidents. This will cover you and your household regardless of who is at fault.

The minimum (PIP) coverage for Minnesota is \$40,000. The amount available to each person is \$20,000 for medical expenses and \$20,000 for non-medical expenses. It covers medical costs, wage loss, replacement services such as house keeping, and in the event of a death, \$2000 towards funeral expenses. Additional coverage may be purchased. See your agent for further information.



NEW YEAR RESOLUTIONS



Spring cleaning doesn't mean you have to wait until spring arrives. Winter is a great time to take on this unpopular task. As long as you are stuck in the house hiding from the cold and snow you may as well attack that garage, basement or room that seems to accumulate all the unwanted items. As you are sorting the items put them into separate categories.

1. Items to keep – these are items that you will still use over the next 2 years.
2. Items with value but no need – these are items to be sold at garage sales or better yet, donate them to a non-profit organization and receive a tax deduction. Clothing, furniture, household items, and cars are some items where you can receive a tax deduction. Why not help someone in need, plus most organizations will pick up the items.
3. Garbage – these are items that are of no value and just represent clutter. If it can be recycled, great, send it to a recycling facility. If it is garbage, throw it away.

When the project is complete you will have the satisfaction of seeing a clean room or finally getting to park the car in the garage or by helping someone with your donated items. You may have also prevented a possible fire hazard. Stop procrastinating and get started on those cleaning projects. Summer is coming and the last thing you want is to be stuck inside and not be able to enjoy your days and nights in the warm weather.

SCHEDULE YOUR TAX APPOINTMENT TODAY!



SPEIKER & COMPANY, LTD

Maria Belden, Don Kes, Jim Speiker II, and Joseph "Buck" Meuwissen are our experienced tax professionals. They will be taking appointments Mondays - Saturdays throughout tax season. Call our office today to schedule your tax appointment 952.440.6500

SPEIKER & CO DONATES TOYS FOR TOTS!

The Speiker & Company team brought in toys this past holiday season to be donated to a local Toys for Tots drive. Thanks to Cathy Busse for coordinating this!



Contact US

PRIOR LAKE



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LAKEVILLE



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BELLE PLAINE



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56011

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Important Email Addresses

TAX QUESTIONS

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INSURANCE QUESTIONS

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PAYROLL QUESTIONS

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