



# DONOVAN SULLIVAN & RYAN

October, 2008

A Newsletter for our Clients and Friends



## FROM THE PARTNERS PEN....

Dear Clients and Friends,

Must be fall in New England again. Nights and mornings are brisk, the leaves are turning and, once again, our Red Sox have made it to the playoffs. Go Sox!

The Presidential election is coming up fast. I hope you are all properly registered and get out there and vote on November 4th. As we learned back in 2000, every vote does count! Regardless of who wins, we are sure to see some significant changes in the tax law within the next year or two.

Once again, we will have a booth at the MAIA's Annual Trade Fair ("The Big Event") which is being held November 7th & 8th at the Marriott Hotel, Copley Place in Boston. Be sure to stop by and say hello and enter our raffle.

Sincerely,

Mike Ryan



## TAX SCAMS - THE LAST THING YOU NEED

Life is complicated enough without having to worry about con artists trying to scam you out of your hard earned dollars. It can be very costly if you become a victim of a scam that trades on the image or mission of the IRS. Everyone should be vigilant in protecting personal, financial and tax information.

Here are a few tips from the IRS to help you avoid becoming a victim of tax scams:

- \* Watch your personal and financial information very closely, particularly during electronic transactions. The IRS is among a growing group of government agencies and corporations whose names and Web sites are being copied by imposters posing as employees conducting official business and seeking your personal information. Be aware that **THE IRS DOES NOT USE E-MAIL TO INITIATE CONTACT WITH TAXPAYERS ABOUT THEIR ACCOUNTS.** Do not open links in unsolicited messages claiming to come from the IRS.
- \* Not all scams are through the Internet or e-mail. Some are done by telephone. Do not give away personal information to callers claiming to be from the IRS unless you have verified the caller's identity. You can confirm the identity of any IRS contact by calling 1-800-829-1040.
- \* Remember that for the genuine IRS website be sure to use .gov. Don't be confused by internet sites that end in .com, .net, .org or other designations instead of .gov. **The address of the official IRS governmental website is [www.irs.gov](http://www.irs.gov).**

For more information about these and other tax scams visit the IRS website at [www.irs.gov](http://www.irs.gov).

## SECURE FILE EXCHANGE SYSTEM



We are making great progress on our Secure File Exchange System. This is a system we are setting up through our website that will allow us to instantly exchange information, data and files/documents of any type or size via a secure server with our clients. This includes extremely large QuickBooks files, Microsoft Word Documents, PDF Documents, Excel Spreadsheets, Tax Returns and Financial Statements.

If you are interested in having a secure, password protected portal set up that can be accessed through our website, please contact Joyce Foley at [jfoley@dsr CPA.com](mailto:jfoley@dsr CPA.com). Our goal is to use this secure system for transmitting confidential data to all of our clients.

***"More than accountants...business advisors"***

# How Do Your Deductions Compare To Other Filers?

If you're wondering how your itemized deductions compare with those of other filers, refer to the chart below. It compares key deductions for different adjusted gross incomes using IRS data from 2006 returns.

When reviewing the data, keep in mind that the last column includes casualty and theft losses as well as miscellaneous itemized deductions - two items not included on the chart. The totals for itemized deductions reflect the phase-down of write-offs for taxpayers in upper-income brackets. The averages for state and local taxes also may seem low because they include taxpayers who elect to deduct sales tax instead of income tax. Only medical expenses that exceed 7.5% of adjusted gross income are deductible and the medical expense figures below are averages for those who are eligible for the deduction.

Adjusted Gross Income	Taxable Income	Interest Expense	State and Local Taxes	Charity	Medical Expenses Deducted	Total Itemized Deductions
Under \$15,000	\$ 3,062	\$ 8,761	\$ 720	\$ 1,373	\$ 7,179	\$ 14,569
\$15,000-\$30,000	9,999	8,362	994	1,897	6,720	14,506
\$30,000-\$50,000	22,663	8,451	1,671	2,123	5,791	1,5290
\$50,000-\$100,000	47,161	9,813	3,100	2,673	6,354	19,319
\$100,000-\$200,000	98,188	12,892	6,139	3,860	9,302	27,820
\$200,000 & above	519,436	23,274	30,597	18,539	29,509	73,995



Sue O'Brien and Anne Kraus recently returned from a trip to South Dakota. Here they are in front of Mt. Rushmore

**IMPORTANT  
UPCOMING TAX DEADLINE**

Just a reminder that if your Individual or Partnership return (12/31 year end) is on extension, the six month extension due date is **October 15th**.



"Everyone must take time to sit and watch the leaves turn."  
~Elizabeth Lawrence

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