



WILLIAMS & KECKLER, LLC

Certified Public Accountants



Working Knowledge Newsletter

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Client Highlight: ***Stanley Steemer of Richmond, Inc.***

Tired of the stubborn spot on your carpet that won't come out? Then call Stanley Steemer of Richmond, Inc. While Stanley Steemer has been around for over 50 years, Steve Brown has owned the local Stanley Steemer since 1999.

Stanley Steemer offers carpet, upholstery, tile and grout cleaning services with a quick drying process. They also offer 24-hour emergency response service and water damage restoration.

In addition to cleaning services, Stanley Steemer also sells new carpet.

You can call them to schedule an appointment at 935-2123 or visit their website at www.stanleysteemer.com to

schedule an appointment.

Our firm has been providing services to them since Steve became owner. Those services include monthly bookkeeping and financial statement preparation, income tax returns, payroll tax and property tax preparation.



Service highlight: ***Bookkeeping***

Do you find there doesn't seem to be enough hours in the day to get your bookkeeping done? Would you rather spend your time building your business and focusing on profits and less time on record keeping? Are you unsure about how to handle specific transactions?

If so, let us handle your bookkeeping needs for you.

We will provide any or all of the following services:

- ◇ Bank reconciliations and cash balance reports
- ◇ Posting of cash receipts, disbursements and other general ledger entries
- ◇ Accounts payable and receivable reporting

- ◇ Payroll tax reporting
- ◇ Preparation of balance sheet, income statement and other needed financial reports to assist in the management of your business.

We will work with you to determine your needs, and set up a schedule to insure data is collected, recorded and processed efficiently and timely. We will provide statements on the frequency that works best for you monthly, quarterly or annually.

The bookkeeping will be processed at your office or ours, whichever is more convenient for you.

Contact our office for more information and get back to running your business.

Points of interest:

- Individual income tax returns due April 15
- First quarter payroll tax forms due April 30
- Personal property tax forms due May 15

Staff Info: Our Office Manager



For over 15 years, **Laura Keckler** has assisted with tax filings, computer data input, and the preparation of payroll tax forms, along with her responsibilities as Office Manager.

For several years Laura was Jim's right hand during the years his original practice consisted of just the two of them. Today, with an increased staff and a much larger client base, Laura's job description has changed somewhat and she is even more proficient.

Outside the office, she is treasurer of her church, enjoys sewing, quilting and has volunteered her quilting skills at Adult Day Care of Richmond.

Laura and Jim have two grown daughters and one granddaughter.

More Staff Info: Tax Season Assistant

Mary Williams joins our office from January to April each year, as has been her routine for almost 18 years now. She is invaluable during the increased activity of tax season. Mary always has a smile and a kind word for everyone.

She holds degrees from Earlham College, IUPUI, and Ball State University in education and nursing. Also, Mary is an avid quilt maker with several awards to her credit.

Mary and her husband, Jan, are enjoying a recent addition to their family. They have adopted a greyhound named Joy, and are experiencing great joy from her company.



Have you moved or are you planning to move?
Please let us know so we can continue to send our newsletter and
other tax information throughout the year.

New Program INtax

In January 2005, the Indiana Department of Revenue implemented INtax. INtax is a voluntary, easy to use, secure electronic program for Hoosiers to file and pay sales and withholding taxes. INtax allows businesses to confirm their filings and payments are received in a timely manner, view their return and tax payment histories (starting with the filing of their first return), and schedule automatic payments from their bank accounts.

If we process your payroll or payroll taxes, contact our office about enrolling in this program and save the work of mailing forms and writing checks. If you prepare your own payroll taxes, call our office for more information about enrolling in this program.

Payroll Reporting Changes for 2005

- ◇ Form 941 Redesigned—Form 941 Employer's Quarterly Federal Tax Return has been completely redesigned for 2005. The forms have been revised to be easier to read and fill out. The new forms can be optically scanned which will capture data more accurately and efficiently and are easier for the IRS to process.
- ◇ 940 deposit requirement—The threshold for the deposit of the Federal Unemployment Tax has been raised from \$100 to \$500.
- ◇ Social Security Tax Threshold—After an employee reaches \$90,000 in wages stop withholding social security taxes, but continue to withhold Medicare.

Early Distributions From Retirement Plans

Are you thinking of taking an early distribution from an Individual Retirement Arrangement (IRA) or a qualified retirement plan? If so, there are some things you must consider.

Any payment that you receive from your IRA or qualified retirement plan before you reach age 59½ is normally called an “early” or “premature” distribution. These funds are subject to an additional 10 percent tax. But there are a number of exceptions to the age 59½ rule that you should investigate if you make such a withdrawal. Some of these exceptions apply only to IRAs, some only to qualified retirement plans, and some to both.

To avoid paying taxes on the early distributions you can rollover your assets to an eligible retirement plan. Eligible retirement plans are a traditional IRA, a qualified retirement plan or a qualified annuity plan. The rollover must be completed within 60 days of when you receive the distribution.

If an early distribution is paid to you, the plan administrator may withhold income tax at a 20 percent rate. If you roll over the distribution to a new plan, you must replace the 20 percent of the funds that were withheld and deposit that amount in the new plan or you will owe taxes on that amount. To avoid the tax, have your plan administrator rollover the amount directly to a new plan or traditional IRA.

For more information regarding early distribution from a retirement account and any tax consequences contact our office.

Does Your Computer Have Spyware?

An alarming 90% of internet connected computers are infected with spyware. Spyware is a piece of software that is installed on your computer without your knowledge, likely while you are on the internet. It can result in identity theft, data corruption, changing your computer configuration, slowing your computer to a crawl and more.

You can pick up spyware through normal internet activities, and be totally unaware of it. How does this happen?

- ◇ Visiting a media supported website
- ◇ Sharing music, files or photos with other users
- ◇ Install software applications without fully reading license agreements
- ◇ Viewing an unsolicited email

So, what can you do to keep spyware off of your computer? There are some very good resources available on the internet for free to clean spyware off of your computer. It is helpful to use more than one of these to identify spyware, because they often find different problems.

- ◇ Spybot finds and removes spyware and adware as well as immunizing your system against known spyware threats.
- ◇ Ad-Aware by Lavasoft often finds items missed by Spybot.
- ◇ Microsoft AntiSpyware is a free item and is still in testing stages, but it finds a lot of spyware and can run in the background stopping problems.

If you find your computer becoming slower try one of these products.

If you would like more assistance with checking out your computer and evaluating your system security speak with Krista in our office for an evaluation of your system.

Have You Hired A New Employee?

You are required to report all new hires to your state. Fax a legible copy of the employee's W4 to:

- ◇ Indiana 1-800-408-1388
- ◇ Ohio 1-888-872-1611

Personal Property Tax

The deadline for 2005 Personal Property Tax forms is quickly approaching on May 15.

Who must file? If you own a business you must file form 103, farmers must file form 102, and form 101 is to be filed for personal property such as boats, recreational vehicles and other vehicles not subject to the excise tax.

What do we need to prepare your returns? Your inventory value as of March 1, 2005, and an updated list of your equipment. You can review and update your depreciation schedule from your tax return with any additions or deletions.

If you are in the Enterprise Zone, we need your form EZB-R that is mailed to you as well as a copy of your UEA invoice.

No extensions are available to file property tax forms and there is a minimum penalty of \$25 for filing late.

Contact our office, if you would like us to complete your return.

Have you taken advantage of our Complete Payroll Service?

We accept new clients during the year. Call Jim or Jan for more info or check out our web site: www.keckler.com.

Tax Trivia

1. E-filing can dramatically reduce errors. The error rate for a paper return is 21 percent compared to an e-file return error rate of:
A) 25 % B) 15 % C) .5 % D) 5 %
2. How much does it cost taxpayers for each \$100 collected by the IRS?
A) \$10 B) \$2.55 C) 39 cents D) 99 cents
3. In the year 2003, there were 130,728,360 individual income tax returns filed. What was the total dollar amount of individual refunds?
A) 1.20 billion B) 4,657.24 billion
C) 229.81 billion D) 82.61 billion



(See our website www.keckler.com for answers to these questions or look in the next issue)

Note: Changing Office Hours

After April 15th, our office hours will return to:
Mon—Fri: 8:00—5:00
Sat—closed

Where's My Refund?

Have you filed your tax return and you are wondering when to expect your refund? Whether you are looking for a federal or state refund, you can get the information from their website or by calling the numbers listed below.

- Federal refunds www.irs.gov—Phone (800)829-4477
- Indiana refunds www.state.in.us/dor—Phone (317)233-4018
- Ohio refunds tax.ohio.gov—Phone (800)282-1784

Each of these web pages have a link to check your refund status. Have available your social security number, refund amount and filing status.

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