

BAINBRIDGE BANTER

SERVING BAINBRIDGE, AUBURN & S. RUSSELL

Vol. 14 No. 11

“Your Community Voice”

Dec. 19, 2003

BUSINESS BANTER

Timely Tax Tips— It’s beginning to look a lot like ... Tax Planning

By Cynthia Chatfield

It’s my favorite time of the year again - yes, it’s Tax Planning Season! I know that most of you are gearing up for Christmas or Hanukkah, but I am focusing on the year end, and the planning opportunities available to reduce or defer the impact of taxes on my clients.

When I meet with clients during this planning process we typically begin by analyzing their year-to-date income and expense figures, and then project December’s activity to arrive at projected yearly amounts. My goal is to educate, inform, and plan with my clients. We also discuss the client’s business activities for the current year to determine and perhaps to minimize exposure not only to federal taxes, but state (or multiple state) and local (or multiple localities) income, sales and use, and property taxes as well.

This is not just a numerical process; we also discuss the challenges of running the business over the past months as well as their hopes and prospects for the coming months and years. This year-end

planning process offers the opportunity to review the past, adjust the present, if possible, and forecast the future. We can offer the tools to our clients to help them achieve their goals, such as writing business plans and forecasts, assisting with debt refinancing, and performing operational assessments, for example..

There have been many law changes during 2003 at the Federal, state, and local levels which affect all taxpayers. Many of these changes in the law are temporary, such as the reduced long term capital gains and dividends tax rate, and timely planning can be essential to taking maximum advantage of them.

Cynthia enjoys the mental challenge that taxation presents and serves her clients with over 10 years of knowledge and experience on the subject. She serves her clients by reviewing and researching tax issues of closely held corporations, partnerships, trusts, estates and individuals. Cynthia provides her clients with yearly business and income tax planning, preparation of complex returns, and has

a niche in the preparation and negotiation of offers in compromise for individuals. She specializes in small to mid-size not-for-profit organizations and charitable trusts with unrelated business income

tax or other complex issues. She provides federal, state and local law analysis and fulfills filing requirements for all individuals and entities served.