



Your IRS Tax Relief
Team!

July 2013
Newsletter
(770)939-7710

HOW MAY WE HELP?

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**Atlanta-based Tax Attorney & CPA serving
clients throughout Georgia and nationwide
since 1982!**

**See end of newsletter for Special \$50.00 Discount
Opportunity!**

Attorney Spotlight



Jeffrey S. Gartzman
Serving clients
throughout Georgia and
nationwide for over 30 Years!

Attorney Spotlight



Judson Mallory
Associate Attorney

Dear Norma,

Before you know it summertime will be coming to a close and fall will be approaching, Tax planning is best done sooner rather than later. If you take the time to plan now, you still have a few months for your actions to make a difference on your 2013 tax return.

Making time for 2013 tax planning now not only helps reduce your taxes, but also helps to put you in control of your entire financial situation. Tax planning should be a year-round process, but it's especially effective at midyear. Give us a call for guidance in implementing the best moves for your particular situation.

We at The Gartzman Law Firm want to remind you we are here to help with all your tax needs and would consider it an honor to handle your tax matters.

If you have been pleased with our service one of the greatest compliments you can give us is to recommend us to your friends and family!

Sincerely,
Jeffrey S. Gartzman
The Gartzman Law Firm, P.C.
(770)939-7710

Tax Filing Reminder:

July 31 is the deadline for filing 2012 retirement or employee benefit returns (5500 series) for plans on a calendar year.

Medicare taxes can be harmful to your financial health:

Two new Medicare taxes will inflict pain on the wallets of many higher-earning taxpayers, especially those with significant investment income. Knowing how these taxes are calculated might be your best remedy.

Single wage earners will have to pay an additional 0.9% Medicare tax on any pay exceeding \$200,000. This is on top of the 1.45% tax already owed under the previous rules. Joint filers will pay the extra 0.9% on combined wages exceeding \$250,000.

Your employer is responsible for withholding the extra tax, but they probably won't know how much your spouse earns. So if the salaries of you and your spouse individually are under \$200,000 but combined are over \$250,000, you will owe the tax when you file your return. This means quarterly estimated tax payments may be required.

The second new Medicare tax affects your investment income. You could pay an extra 3.8% tax on your interest, dividends, rental income, and capital gains. This is in addition to any capital gains or dividend income tax you might already owe.

Here is how it works. You first calculate your Modified Adjusted Gross Income (MAGI). The amount of MAGI that exceeds \$250,000 for a joint filer (\$200,000 for singles) is compared to just your net investment income. Whichever figure is smaller is multiplied by 3.8% to arrive at your tax. So it's possible that all of your investment income will be subject to the tax.

CPA Spotlight



Laura McAllister
Associate CPA

Testimonials

5.0 out of 5.0

The Gartzman Law Firm cares about you and your legal issues. The staff has the competency needed to address all your tax concerns. Knowing that your tax returns and all tax issues are being handled by true professionals gives this client a certain confidence and peace of mind that is priceless.

Posted by a Consumer on
03/02/12

Staff Spotlight

Now that you know how the new taxes work, here is how you can help avoid their impact. Before accepting any discretionary wages, watch the thresholds to see if you might owe the 0.9% tax. Minimize the 3.8% investment income tax by having as much of your portfolio in a tax-free retirement plan as possible. And keep your withdrawals from a regular 401(k) or IRA at a minimum to lower your MAGI.

This might also be the time for a Roth 401(k) or Roth IRA. Withdrawals from these are never included in MAGI.

In a taxable account, consider investing in municipal bonds which pay interest exempt from the 3.8% tax. Try to unload stocks that have lost value whenever you sell appreciated securities to help offset net capital gains with losses. Having growth stocks that pay very little in dividends might also make sense.

In the past, paying Medicare taxes was simple. Now these too require a little planning. Call our office for help in mitigating the painful effects of the new Medicare taxes.

Look into energy credits:

The IRS reminds taxpayers that certain energy credits are still available. If you haven't already taken advantage of them, this may be the year to make energy-efficient improvements to your home. You may be entitled to a credit of 10% of the cost of certain energy-saving improvements such as insulation, windows, doors, skylights, and roofs. The credit has a maximum lifetime limit of \$500; the credit for windows is limited to \$200. Not all energy improvements qualify, the IRS cautions taxpayers, so be sure you have the manufacturer's credit certification statement (usually available with the product's packaging or on the manufacturer's website).

Budget Issues Forces IRS Closures:

The IRS will close all of its operations on June 14, July 5, July 22, and August 30, 2013. The current



Tabitha Relota-Legal Assistant

Staff Spotlight



Norma J. Padilla
Associate Case Manager

From our Staff...

We are pleased and honored to be a part of serving your tax needs! We look forward to tax season every year because we get to see our loyal long-time clients! We also look forward to a great outcome in resolving your Tax Problems whether they

budget situation, including the sequester, has made these closures necessary. IRS employees will be furloughed without pay on these days. Taxpayers should continue to file returns and pay any taxes due as usual, though on these days the IRS will not answer toll-free hotlines or accept or acknowledge receipt of electronically filed returns. Electronic deposits of employment and excise taxes must be made as usual.

NOTE: This newsletter includes general legal and tax topics of interest for a broad range of readers. It is not legal or tax advice that readers may rely on as a recommendation for their particular situation nor is it a promise or guarantee of a particular outcome or result.



About Our Firm:

Atlanta tax attorney and CPA Jeffrey S. Gartzman has been helping individuals and businesses with tax solutions for over 30 years. Having a local [Atlanta tax attorney](#) and CPA on the pulse of current IRS laws and regulations will save you time, stress and money.

Jeffrey S. Gartzman bolsters his down-to-earth demeanor with a background in the big leagues - serving his clients with a practical, professional and effective approach to solving tax problems large and small. We are here to help!

are Federal, State or both. We are delighted to be a part of reaching a fair resolution on your behalf!

Team Spotlight



The Gartzman Law Firm Team!

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email:

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