



# **SHEPHERD & GOLDSTEIN**

*Business Consultants and Certified Public Accountants*

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## **TAX SAVINGS ACTION STEPS FOR END OF YEAR PLANNING**

1. Put equipment in service before year-end to qualify for the 50% bonus first-year depreciation allowance.
2. Make expenditures qualifying for the \$250,000 business property expensing option.
3. Increase basis in partnership or S corporation to make possible a 2009 loss deduction.
4. Set up company retirement plan and defer contributions to extended due date of return.
5. Set up self-employed retirement plan.
6. Consider deferring a debt cancellation event until 2010.
7. Dispose of passive activity to free up suspended losses.
8. Defer employment bonus until 2010.
9. Increase withholding to eliminate or reduce estimated tax penalty.
10. Increase withholding of state and local taxes to pull the deduction of those taxes into 2009.
11. Realize losses on stock while substantially preserving investment position.
12. Make gifts taking advantage of the \$13,000 per person gift tax exclusion.

October, 2009