IN THE BLACK

Volume 7, Edition 1 Spring 2008

BRUCE A. RUKKILA, CPA, PC

CERTIFIED PUBLIC ACCOUNTANTS

What We Offer You:

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- √ Nonprofit
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We would like to send this newsletter to you electronically, please forward your e-mail address to: help@brucerukkila.com

If you have questions, comments or suggestions for us, visit our web site at www.brucerukkila.com, send us an email at help@brucerukkila.com, or give us a call at (906) 482-6601.

Bruce Rukkila, President, CPA, MA,CVA

I-9 Form

All employers are required to complete a Form I-9 for each employee hired in the United States.

On Nov. 7, the U.S. Citizenship and Immigration Services (USCIS) announced the availability of the revised version for Form I-9 [includes the revision date — (*Rev. 06/05/07*)*N* printed on the lower right corner of the form] This is the only version valid for use.

The revised form and the "Handbook for Employers, Instructions for Completeting the Form I-9" are available online at www.uscis.gov. To order forms, call USCIS toll-free at (800) 870-3676. For forms and information on immigration laws, regulations, and procedures, call the National Customer Service Center at 1-800-375-5283.

For more information go to: www.uscis.gov

2008 Standard Mileage Rates

Beginning January 1, 2008, the standard mileage rates for the use of a car (including vans, pickups, or panel trucks) will be:

- 50.5 cents per mile for business miles driven
- 19 cents per mile driven for medical or moving purposes
- 14 cents per mile driven in service of charitable organizations

A taxpayer may not use the business standard mileage rate for a vehicle after using any depreciation method under the Modified Accelerated Cost Recovery System, after claiming a Section 179 deduction for that vehicle, for any vehicle used for hire or for more than four vehicles used simultaneously.

For more information go to: www.irs.gov

See our website regarding:

Tax Rebate Check Information

www.brucerukkila.com

Accounting on the Cutting Edge

HOUGHTON — Bruce A. Rukkila, CPA, PC, full-service accounting firm, is on the cutting edge in its ability to service clients not only locally, but virtually anywhere in the world. "We've recently invested in new technology," announced President Bruce Rukkila. "We have new individual computer units for all of the employees which allows us the increased speed factor for preparing of our client's tax returns, accounting, financial reports and servicing clients remotely." The newly installed technology also allows more efficiency, Rukkila said, including internally managed e-mail activity, scheduling, and marketing capability. "We now have remote access to our in-house computer system which allows us to work from home or anywhere," he said. "This, together with our Web-based library and research capabilities, is a benefit for some of our employees who live distances away."

Back row (L-R): Lucinda Enderby, Kelly Destrampe, Mary Rowe, Bruce Rukkila, Christina Smigowski, Angel Peters, Renee Tuoriniemi, Sara Marcotte
Front row (L-R): Jean Middleton, Debbie Bradford, Wendy Hill, Patti Kearly

Also, new to the Houghton firm, is Trust and Estate Tax Manager, Lucinda Enderby, CPA who joined the staff in November. Hailing from Santa Barbara, Calif., Enderby brings 25 years of experience in public accounting, specializing in trust and estate taxation for the past 10 years. "I have experience in advising clients in estate planning and preparing estate and trust tax returns," she said. "I also have experience in tax preparation with other types of business entities, so I can help clients with using different business entities in their income tax and estate planning." Enderby has experience working with families and helping clients plan for multigenerational tax issues, for example helping clients plan for how they can retain the most wealth in the family to pass on to their children and grandchildren. "Also, a lot of people today have charitable goals so I help them plan to optimize the tax benefits of their charitable giving," she added.

As a CPA, you have to stay well informed and current in the field of estate planning. "I just returned from an estate planning conference in California," she said, noting the agenda for the conference included discussion of current litigation and court cases that affect estate taxes. "My goal professionally is to help clients know what their choices are and the tools available to them to achieve their goals." To help clients achieve their goals, Enderby said she works closely with other professionals such as the attorneys, investment advisors and trust officers. "We have a team approach to our clients," Rukkila added. "In today's world we cannot do everything for the client. It's essential that we work with other professionals in serving clients." Bruce A. Rukkila, CPA, PC provides professional services to clients in auditing and reporting, tax preparation and planning, accounting and small business consulting services. The firm still does a considerable amount of audit work and maintain a year-round audit staff. For example, they audit several school districts in the area. It's an industry the firm knows well.

"We also provide services in business valuation," Rukkila said, citing he has been a Certified Business Valuation Analyst for the past 10 years. "It's the second largest growing specialty in the CPA business and it complements other services we offer. Business Valuation of non-publicly held businesses is a much misunderstood concept for most small business owners. What your business is worth is often tied directly to such things as how much a business can finance or an owner's future retirement."

Rukkila said "Currently, I probably have the most experienced and committed staff that I've ever had. We have experience in a number of service areas. And, if we can't provide certain services, we will provide you with the best possible resources and refer you to who can. One of the main reasons this office has been successful is because we follow an employee-hire-employee model meaning new hires are primarily interviewed and selected by the current employees. Because of the high degree of dependency employees have with each other in servicing a mutual client, finding employees who can work together day in and day out, especially during a demanding tax season, is a must. So far, it's been a real success for us."

"The staff is highly involved in the community as well," Rukkila added. "Some are members of the Chamber of Commerce, Rotary, and officers of their churches. We encourage our staff to have some level of involvement in the community because this is a service business. People skills are particularly important and we should be giving back to the community."

Come February 6th, Rukkila will mark 22 years of business in Houghton. "More and more my goal is to be virtual, i.e., almost an e-service kind of business while maintaining the ever important face to face communication," he said. "This allows us to provide faster, informative, and cost effective day-to-day services to our clients, and then periodically get together one on one to discuss their needs."

Bruce A. Rukkila CPA, PC is located at 310 Shelden Ave. in Houghton. Business hours are 8 a.m. to 5 p.m. Monday through Friday and extended hours during tax season. Evening and Saturday hours are available by appointment. Call 482-6601 or visit www.brucerukkila.com

Re-printed courtesy of the Daily Mining Gazette

Congress's Revenue Raisers

Failure to file partnership returns will be more costly. The new law extends the period for charging the monthly partnership return failure-to-file-penalty from 5 to 12 months and increases the monthly per-partner penalty from $50 to $85. This change applies to partnership tax returns due after December 20, 2007.

Failure to File S-Corporation returns will also be more expensive. The new law imposes a monthly penalty for failing to file an S-Corporation return or failing to provide information required to be shown on the return. The penalty amount is $85 per shareholder per month up to a maximum of 12 months. This change applies to S-Corporation tax returns due after December 20, 2007.

Bruce A. Rukkila, CPA, PC welcomes Lucinda Enderby, CPA as the firm's new Trust and Estate Tax Manager.

Lucinda's 25 years of experience in public accounting, the former partner of a Santa Barbara, California accounting firm has specialized in trust and estate taxation over the last ten years. Lucinda has a broad base experience providing diverse tax services to clients. Lucinda is able to coordinate estate and income tax planning with attorneys, investment advisors and trust officers; counsel with individuals and families on multi-generational income, gift, estate and trust tax issues; advise clients with multiple business entities on tax and cash flow implications; and provide information to clients on the use of entities to reduce estate and income taxes and transfer of assets between generations. Lucinda is available for tax planning and tax return preparation for individuals, business entities, and estates and trusts.

Lucinda's experience and expertise compliment our business valuation and tax planning services and allows the firm to address all our clients' needs when working with other professionals.

You can contact Lucinda at 906-482-6601 or at lucinda@brucerukkila.com

2008 Employer Retirement Plan Contribution Limits

	Profit Sharing	401(k)	SIMPLE IRA	SEP
Employee Elective Deferral:				
< Age 50 ≥ Age 50	N/A N/A	$15,500 $20,500	$10,500 $13,000	N/A N/A
Employer Contribution:				
Per Participant	Lesser of: 100% of comp or $46,000	Lesser of: 100% of comp or $46,000	N/A	Lesser of: 25%[2] of comp or $46,000
Total Deductible Contribution	25% of total comp[1] paid to all participants	25% of total comp[1] Paid to all participants (excluding employee deferrals)	Either: 1) 100% match up to 3% of comp or 2) 2% of comp[1]	25% of total comp[1] paid to all participants

[1] Limited to $230,000 per participant
[2] 20% of net SE income for self-employed

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TEMP-RETURN SERVICE REQUESTED