

Our New
ADDRESS3500 Easy Street
Dallas, TX 75247
Phone: 214-951-9746
Fax: 214-819-9736

LET'S TALK TAXES!

Tax season is just around the corner and Salmon Beach & Associates, PLLC, hopes to make things a little easier for all DFWAE members by shedding some light on important tax changes that pertain to associations. Take some time to understand how the 2006 tax changes affect you and how you might take advantage of them to reduce your liability.

TOP TAX CHANGES FOR THE NEW YEAR

◆401(k) aggregate elective deferral limit:

\$15,000, up from \$14,000 in 2005.

◆Social Security wage base:

\$94,200, up from \$90,000 in 2005.

◆Mileage rate:

- Business miles – 44.5 cents/mile
- Medical mileage – 18 cents/mile
- Charitable mileage – 14 cents/mile
- Katrina related mileage for deduction purposes – 32 cents/mile

◆Sales tax deduction:

In 2006, individuals who itemize will no longer be able to take a sales tax deduction.

◆New retirement alternative – the Roth 401(k):

Participants in an employer's 401(k) or 403(b) plan may designate some or all of their elective contributions as a Roth contribution. These contributions to a Roth 401(k) will be taxed, but all investment gains are tax free and there are no required distributions.

◆Standard deduction – joint return filers:

For taxpayers who do not itemize the deduction is \$10,300, up from \$10,000 in 2005.

◆Standard deduction - single return filers or married filing separately: For taxpayers who do not itemize, the deduction is \$5,150, up from \$5,000 in 2005.

◆Phase out for tax payers who itemize deductions:

Begins at \$150,500. For joint return filers, up from \$145,950 for 2005. Single filers or married filing separately will have a threshold of \$75,250, up from \$72,975.

◆Energy Tax Incentives Act of 2005:

The Act is effective, in most cases, for tax years beginning January 1, 2006. The impact of the Act is in four major areas:

- Conservation
 - Alternative energy sources
 - Energy infrastructure tax and incentives
 - Enhanced credits that focus on domestic energy production
- consult financial advisor to find out about additional energy incentives.*

*For additional information, visit www.salmonbeach.com, or call Bill Sims at 972-392-1143.

*This material is presented for informational purposes only. Please consult your retirement plan administrator or tax professional for advice.



LUNCH FOCUSES ON HEALTH COVERAGE

Luncheon features:

Cindy Stamer

WHEN:

January 18, 2006
11:30 am.

Where:

Hotel Za Za
2332 Leonard St
Dallas, TX

Cindy Stamer, chair of the American Bar Association's Health Law Section Managed Care & Insurance Interest Group and RPPT Welfare Plan Committee, is a popular speaker nationally recognized for her legal and practical experience on health coverage and other health and human resources concerns. Stamer is ready to speak with DFWAE at this month's luncheon!

Don't miss out on your chance to learn about: high deductible health plans, health savings accounts, limited benefits plans and much more!

To register please visit: DFWAE.org

NAMES IN THE NEWS

HONORS AND PROFESSIONAL MILESTONES

Dallas HR has been awarded the Society for Human Resource Management (SHRM) 2005 Pinnacle Award. The SHRM Pinnacle Award Program is an annual recognition program honoring the highest achievements in chapter development and contributions that enhance the development and advancement of effective human resource management. As a 2005 Pinnacle Award winner, Dallas HR received special recognition during the November SHRM Leadership Conference in Washington, D.C. Dallas HR will also receive a Pinnacle Award plaque, a \$1,000 monetary grant, specially designed Pinnacle Award pins, and special recognition in SHRM publications. For more information on Dallas HR, call 214-631-8775, or visit www.dallashr.org.

SHARE YOUR NEWS WITH DFWAE!

Do you have information you wish to share with your colleagues in DFWAE? Then please forward that info to Becky DeCourcy at beckyd@nata.org. We'd love to include your announcements, updates and other relevant information in the DFWAE Flyer.