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We are pleased to provide you with our online informational newsletter, which we believe you will find of interest. Every month, brief articles on relevant topics are included, along with a tax calendar for the current and following month.

Interested in knowing more about our firm? Please take a minute to browse our website at [www.cohensmithcpas.com](http://www.cohensmithcpas.com).

**Other helpful on-line services**

[www.IRS.gov](http://www.IRS.gov)

[www.MyFlorida.com](http://www.MyFlorida.com)

[www.Volusia.org](http://www.Volusia.org)

**June 2009**

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**Business Lending Relief**

Small businesses suffering financial hardship as a result of the slow economy may be eligible to receive temporary relief to keep their doors open and get their cash flow back on track through to a new loan program announced by the SBA.

Beginning on June 15, SBA will start guaranteeing America's Recovery Capital (ARC) loans. ARC loans are deferred-payment loans of up to \$35,000 available to established, viable, for-profit small businesses that need short-term help to make their principal and interest payments on existing qualifying debt. ARC loans are interest-free to the borrower, 100 percent guaranteed by the SBA, and have no SBA fees associated with them.

"These ARC loans can provide the critical capital and support many small businesses need to make it through these tough economic times," said Administrator Mills. "Together with other provisions of the Recovery Act, ARC loans will free up capital and put more money in the hands of small business owners when they need it the most. This will help viable small businesses continue to grow and thrive and create new jobs in communities across the country."

As part of the Recovery Act, the ARC program was created as a no-interest, deferred payment loan to help small businesses that have a history of good performance, but as a result of the tough economy, are struggling to make debt payments.

ARC loans will be disbursed within a period of up to six months and will provide funds to be used for payments of principal and interest for existing, qualifying small business debt including mortgages, term and revolving lines of credit, capital leases, credit card obligations and notes payable to vendors, suppliers and utilities. Repayment will not begin until 12 months after the final disbursement. Borrowers don't have to pay interest on ARC loans. After the 12-month deferral period, borrowers will pay back the loan principal over a period of five years.

ARC loans will be made by commercial lenders, not SBA directly. For more information on ARC loans, visit [www.sba.gov](http://www.sba.gov) <<http://www.sba.gov/>>

You can receive all of the SBA's News Releases via email. To subscribe, visit <http://web.sba.gov/list> and select "Press Office."

## **Compiling Important Records – Part II**

In last month's newsletter, we covered some items for consideration in maintaining and organizing your personal records. This month we continue to highlight personal records document management.

**Financial Information:** Your organizer should include essential information about assets you own, including any of the following that apply to you and/or your spouse:

- Bank and brokerage accounts (checking and savings accounts, money market accounts and certificates of deposit, brokerage accounts, and any other liquid assets), including the account number, type of ownership, estimated current value, and a copy of the most recent year-end statement for each account.
- Real estate owned, including the property description, address, type of ownership, the location of deeds, title, and title insurance policies, the location of purchase and improvement records, who holds any mortgages, liens, and encumbrances for the property, and the current estimated property value.
- Retirement accounts, including the type of account (traditional IRA, Roth IRA, SEP-IRA, 401k plan, Keogh plan, or other company retirement plan or tax-deferred annuity), where the account is held, account number, names of designated beneficiaries, current market value, tax basis (generally zero unless you have made nondeductible contribution or converted your traditional IRAs to Roth IRAs), and a copy of the most recent statements for each account.

- Annuity contracts, including the name of the owner, policy number, company name and address, beneficiary information, estimated current value, and location of relevant statements.
- Business interests (partnerships, LLCs, joint ventures, closely held C or S corporations, and sole proprietorships), including approximate percentage of ownership, estimated current value, and location of supporting documents.
- Trusts that you or your spouse created for which either of you is a beneficiary of the trust income or principal, including the name of trust, type of trust, name of beneficiary, estimated current value, and the location of supporting documents.
- Trusts created by someone else for which you (or your spouse) are a beneficiary of either the trust income or principal (provide the same information as described above).
- Other financial assets (for example, nonbusiness contracts and notes receivable, cash value of life insurance policies, deferred compensation, stock options), including cost basis, estimated current value, and the location of supporting documents.
- Motor vehicles owned, including the make, model, year, vehicle identification number, lender, and estimated current value.
- Motor vehicles leased, including the make, model, and lessor name, address, and phone number.
- Other personal property (for example jewelry, collections, antiques), including a description, the estimated current value, and the location of supporting documents.
- Summary of liabilities (real estate mortgages, bank loans, credit cards and charge accounts, investment loans, and any other liabilities), including the institution or individual holding the loan, the approximate current amount owed, and a copy of a year-end supporting statement.
- Detailed credit card information, including type of credit card (for example, MasterCard, Visa, American Express, Discover, gasoline, department store, etc.), the card issuer, account number, and the customer service telephone number.
- Monthly or annual income information (for example, gross salary and bonus, Social Security, retirement/pension/annuity, dividends and interest, earnings from business interests, income from trusts, alimony and child support, installment contract income, and net rent or royalty income), including the source of the income and estimated monthly or annual income amount.

**Insurance Information:** Keeping all insurance policy information available in one central location is very helpful, including any of the following that apply to you and/or your spouse:

- Life insurance, including the name of the insured, policy number, policy owner if different than the insured, policy type (for example, whole life, universal, variable, term, or other), death benefit amount, estimated cash value, the agent/company's name and address, annual premium amount, outstanding loans, beneficiaries, policy anniversary date, term of coverage, any special policy provisions, date of any change in policy ownership, and where the contract is located.
- Accidental death and dismemberment insurance, including the name of the insured, the agent/company's name and address, policy number, coverage amount, and beneficiaries.
- Business travel accident insurance (same information as above).
- Health care insurance, including the agent/company's name and address, policy number, Medicare number, the primary insured's name, name of the primary insured, name of the secondary insured, names of covered family members, deductible amount, co-pay amount, prescription co-pay amount, and maximum annual and lifetime out-of-pocket expense amounts.
- Medicare supplemental insurance (same information as above).

- Special illness insurance, including the name of the covered person, type of covered illness, agent/company's name and address, policy number, deductible amount, co-pay amount, prescription co-pay amount, and maximum annual lifetime out-of-pocket expense amounts.
- Long-term care insurance, including the name of the covered person, agent/company's name and address, policy number, coverage daily limits, policy deductible, benefit amount, and number of activities of daily living that must be impaired to qualify for benefits.
- Short-term disability insurance, including the name of the covered person, policy number, agent/company's name and address, benefit amount, length of benefit, and any conditions or restrictions.
- Long-term disability insurance, including the name of the covered person, policy number, benefit percentage, agent/company's name and address, the length of time before coverage begins, and any conditions or restrictions.
- Homeowner's insurance, including the property address/description, policy number, policy type, agent/company's name and address, coverage amount, deductible amount, and policy provisions.
- Homeowner's insurance riders for miscellaneous casualties (same information as above).
- Auto and boat insurance, including the agent/company's name and address, policy number, person named as covered drivers, their driver's license numbers, and any restrictions or exclusions.

**Tax Returns:** A copy of the following tax returns should be kept in your organizer (or a notation as to where these tax returns are kept):

- Federal individual income tax return (Form 1040) (most recently filed).
- State individual income tax return (most recently filed).
- Estate (and generation-skipping transfer) tax return (Form 706), if filed for predeceased spouse.
- Gift (and generation-skipping transfer) tax return (Form 709) (most recently filed).

## **JUNE 2009**

### **June 10**

**Employees who work for tips.** If you received \$20 or more in tips during May 1, report them to your employer. You can use Form 4070.

### **June 15**

**Individuals.** Make a payment of your 2009 estimated tax if you are not paying your income tax for the year through withholding (or will not pay in enough tax that way). Use Form 1040-ES. This is the second installment date for estimated tax in 2009. For more information, see Publication 505.

**Corporations.** Deposit the second installment of estimated income tax for 2009. A worksheet, Form 1120-W, is available to help you estimate your tax for the year.

## **JULY 2009**

### **July 10**

**Employees who work for tips.** If you received \$20 or more in tips during June, report them to your employer. You can use Form 4070.

### **July 15**

**Employers.** For Social Security, Medicare, withheld income tax, and nonpayroll withholding, deposit the tax for payments in June if the monthly rule applies.

### **July 31**

Social Security, Medicare, and withheld income tax. File Form 941 for the second quarter of 2009. Deposit any undeposited tax. (If your tax liability is less than \$2,500, you can pay it in full with a timely filed return.) If you deposited the tax for the quarter in full and on time, you have until August 11 to file the return.

Federal unemployment tax. Deposit the tax owed through June if more than \$500.

All employers. If you maintain an employee benefit plan, such as a pension, profit-sharing, or stock bonus plan, file Form 5500 or 5500-EZ for calendar year 2008. If you use a fiscal year as your plan year, file the form by the last day of the seventh month after the plan year ends.