

September 1, 2011

The Parm's Insider

News You Can Use

Parms & Company is a full service certified public accounting firm offering a wide range of professional services to help our clients achieve their goals. By offering quality professional services that are efficient, timely, and cost-effective, we are responsive to the needs and expectations of each client. With our expertise in accounting, auditing, tax and business consulting, we get the job done.

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Special Points of Interest:

- We would like to welcome two new staff members to our firm. Charles Barleycorn joined us in March, and Jennifer Nourse joined us in May. Welcome aboard!
- Happy anniversary to Kim. As of July 9th, she's been a part of the Parm's family for 10 years!

Important Dates To Remember:

September 15, 2011	Forms 1120, 1120S, 1041 and 1065 Deadline for corporations, trusts and partnerships to file 2010 extended tax returns.
September 15, 2011	Pay Estimated Taxes Deadline for individuals to pay their 3rd estimated tax payment for 2011.
October 17, 2011	Form 1040 Deadline for individuals to file 2010 extended tax returns.

Employers Face 2011 Unemployment Tax Changes

Business owners received a gift from the federal government recently: the temporary 0.2% Federal Unemployment Tax Act (FUTA) surtax expired. Effective July 1, 2011, the IRS announced that this reduction in the FUTA rate will decrease the overall rate from 6.2% to 6.0% on FUTA taxable wages paid after June 30.

The 6.2% unemployment tax rate represented a permanent tax rate of 6%

and a temporary surtax of 0.2% that employers pay to the IRS on the first \$7,000 of wages paid annually to each employee.

The 0.2% surtax was passed in 1976, and has been extended eight times. The surtax was most recently extended through June 30, 2011, by the Worker, Homeownership, and Business Assistance Act of 2009. In his budget, President Obama proposed making the surtax permanent. Congress,

however, has allowed the provision to lapse and it is not clear whether the surtax will be reinstated, retroactively or otherwise.

Many employers are looking forward to the reduction in the FUTA rate; however, the 0.2% FUTA surtax has been extended many times over more than thirty years, and many expect it to be extended again.

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In The Spotlight *Getting to Know Parm's People*



Sheryl Burkhart
Office Manager

Sheryl has been a part of our Parm's family since January 1999.

We interviewed Sheryl to learn a little more about her. Inquiring minds want to know!

Q. Where were you born?
A. *Columbus, Ohio*

Q. What was your 1st job?
A. *Babysitting*

Q. What was the last book you read?
A. *Michelle Obama*

Q. Where was your last vacation?
A. *Las Vegas*

Q. What are your hobbies or things you do for fun?
A. *I collect musical carousels, work in the garden*

Q. What's the #1 thing on your bucket list?
A. *To organize my closet!*

Q. What's your favorite TV show of all time?
A. *Law & Order, any of them*

Q. What was your most favorite Halloween costume as a kid?
A. *Red Riding Hood*



"It's safe to come out - the auditors have gone."

"And in the end, it's not the years in your life that count. It's the life in your years."

- Abraham Lincoln -

Recipe Corner

John's Jamaican Jerk Chicken

- 2-4 lbs. of skinless chicken breasts (Butterball chicken is recommended)
- 3-6 oz. vegetable cooking oil
- 4 oz. Jalapeño peppers
- 2 oz. Jerk spice

Prepare the chicken by cutting off excess fat and rinsing it off with water. If breast pieces are fairly thick, you can slice them horizontally into two pieces. Marinade chicken in the vegetable oil and jalapeno peppers for at least 6 hours, or preferably overnight. After marinating, coat the chicken with jerk spices and broil in oven or on barbeque grill until done. Be careful not to overcook. Enjoy!

5 Ways You May Be Wasting Your \$\$

Here are common ways people waste money. See if any of these sound familiar, and then look for ways to plug your own leaks.

1. Buying new instead of used. Cars lose most of their value in the first few years, meaning thousands of dollars down the drain. However, recently used models can be a real value because you get a car that's still in fine working order, for a fraction of the new-car price. And you'll pay less in collision insurance and taxes, too. Cars aren't the only things worth buying used. Consider the savings on pre-owned books, toys, exercise equipment, appliances and furniture.

2. Dining out frequently. A habit of spending money dining out can be a huge drain on your wallet. Learn to cook, pack your lunch and brew your coffee at home and you could save a couple hundred bucks each month.

3. Buying brand-name instead of generic. From groceries to clothing to prescription drugs, you could save money by choosing the off-brand over the fancy label. And in most cases, you won't sacrifice much in quality.

4. Wasting electricity. Of the total energy used to run home electronics, 40% is consumed when the appliances are turned off. Appliances with a clock or that operate by remote are typical culprits. The obvious way to pull the plug on your energy vampires is to do just that -- pull the plug. Or buy a device to do it for you, such as a Smart Power Strip.

5. Paying for unnecessary services. How many cable channels can a person watch? Do you really need all those extra features for your cell phone? Are you getting your money's worth out of that gym membership? Take a look at what you're paying for and what your family is actually using. Trim accordingly.

Unemployment Tax Changes

continued...

With the surtax expiring, the IRS Form 940, Employer's Annual Federal Unemployment (FUTA) Tax Return, will need to be modified to provide for separate reporting of wages paid in the first and second halves of the year to which the different tax rates would apply.

The expiration of the surtax is expected to reduce federal unemployment taxes by \$1.4 billion per year.

For more information on how Unemployment Tax changes affect your business, call us today.