

2010 Year End Tax Tips

Since we are quickly approaching year end, I want to put out some tax tips and year end planning ideas. As always these ideas are here to make you aware of tax saving opportunities. Please see your tax advisor to get further clarification.



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Don't forget to take your Required Minimum Distribution (RMD) from your retirement plans for 2010. The RMD's were waived in 2009	In 2010, the Adjusted Gross Income (AGI) limit on Roth conversions is gone. However, a modified AGI limit continues to apply to regular Roth IRA contributions.
If you want to make energy efficient home improvements to your principal residence and qualify for a non business energy credit, you have until December 31, 2010 to install the improvements. This \$1,500 credit is the maximum credit that can be claimed for 2009 and 2010 combined.	College savings plans are a great option because you can shelter as much as \$65,000 from gift tax, or \$130,000 if your spouse joins in. If you give the maximum, you've used up your \$13,000 annual exclusion for this year and the next four years.
This year, you can give up to \$13,000 or \$26,000 if your spouse agrees, to kids, grandkids or others without owing gift tax.	



That's about it for now.
Have a safe and healthy holiday season.

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