

November 24, 2009

Dear Client:

The American Recovery & Reinvestment Act of 2009 was a \$780 billion package with roughly 35% of the package devoted to tax cuts. The 2009 economic stimulus act contained a wide-ranging tax package that includes tax relief for low and moderate-income wage earners, individuals and families with college expenses, and home and car purchasers. Highlights of this Act were provided to you at the beginning of this year.

Now on November 6, President Obama signed into law *The Worker, Homeownership, and Business Assistance Act of 2009*. Key features of this law include giving new life to the first-time homebuyer tax credit and make many modifications to the credit, including a change allowing the credit to be claimed by existing homeowners who are “long time” residents. The Act also extends unemployment benefits in all States for an additional 14 weeks. Note that the first \$2,400 of unemployment benefits will not be subject to Federal tax.

With year end soon approaching, it is important that you keep us informed of any changes in your finances that may impact your taxes and offer opportunity for planning.

**We also want to remind you of the waiver for the 2009 RMD (required minimum distribution) rules. These rules not only apply to the taxpayer over 70 ½ but also to the beneficiaries of inherited retirement plans.**

There are other provisions that may affect you but these tax relief breaks will be discussed on a client by client basis as applicable at your next appointment. *Remember if there are any substantial changes to your income in 2009, please contact our office as soon as possible to discuss and for us to prepare a projection of your taxable income.*

Silva & Di Marco, LLP would like your help in going “green”. If you provide us with your email address we can keep you informed on future updates via the internet.

We look forward to meeting with you.

*Silva & Di Marco, LLP*