



Our new building is on schedule for completion and we should be settled in our new space by September 1, 2008. We will be located at 212 East Highland Drive between S. Florida Avenue and Cleveland Heights Blvd. The offices of Wall Foss Financial, LLC and Wall Foss Advisors, Inc. will occupy the entire second floor. In addition, our first floor space is available for lease or sale. It is approximately 7500 sq. ft. and can be built to suit. Please contact Lee Wall at (863) 683-0708 for more information.



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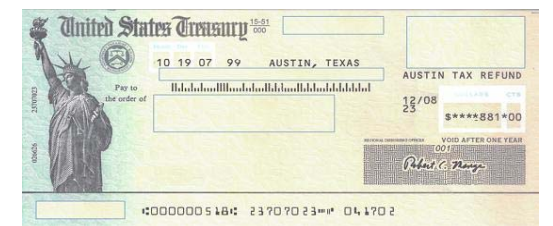
Economic Stimulus Payments

By now, you've probably heard of or even received your economic stimulus package (the Economic Stimulus Act of 2008), the centerpiece of which is the government's issuance of rebate checks to most Americans. In brief, the measure will bring tax rebates of \$600 for individuals and \$1,200 for couples and \$300 checks to low-income people, including disabled veterans and the elderly.

When to expect your payment

If you have already filed a 2007 tax return and have not yet received your stimulus payment, not to worry. The check date is based on the last two digits of your social security number. Starting May 2, payments were electronically transmitted to direct deposit accounts. Paper checks started to be mailed out May 16th with the initial mailings completed by around July 11. This payment is not taxable, and it won't reduce your 2007 or 2008 refund or increase the amount you owe when you file your 2008 return. You should

however, keep a copy of the IRS letter you receive showing you the amount of the payment. In the event you do not qualify for the full amount on your 2007 return but you do on your 2008 return, you will need the letter as a record of the amount you previously received.



It's not to late to file

Even though the April 15 tax deadline has passed, it's not too late to file for your economic stimulus payment this year. Persons who qualify for the payment must file a 2007 tax return by October 15, 2008. Millions of people are eligible but may not know it, or think it's too late to get a payment. These are certain retirees, disabled veterans and low-wage workers who normally don't file a tax return because their income is too low or nontaxable. This year, they must file to receive their stimulus payment.

Where's my Refund?

Have you still not received your refund and are curious as to when you can expect to the check to be mailed? You can start a refund trace online. Go to www.irs.gov and select the, "Where's My Refund" option. All you will need is your Social Security Number, Filing Status, and your exact refund amount. This tool will give you a more detailed description on when you can expect to receive your payment.

Introducing....

WEALTH MANAGEMENT SOLUTIONS

The new solution to financial planning

The Wealth Management Solutions program provides you with a complete, web based suite of financial planning tools. The system also provides you with your own financial home page, complete with access to all your financial data (including: bank accounts, brokerage accounts, IRA/401K, mortgages, etc.), key analysis tools, reports, and education materials. This program is updated daily, so you can always be assured that you have the most recent overview of all your financial accounts. For more information on Wealth Management Solutions please contact Nathan Dunham at (863)683-0708.



Sales and Use Tax on Commercial Real Property Rentals

According to Rule 12A-1.070(16) of the Florida Administrative Code, "Any person who has leased, occupied, or used or was entitled to use any real property and cannot prove that the tax has been paid to his lessor or other person shall be directly liable to the State for any tax, interest, or penalty due on any such taxable transaction." In other words, for commercial real property rentals, if you cannot prove that you have paid sales tax to your landlord, you can be held directly liable to the Florida Department of Revenue for that tax and interest and penalty on the tax.

To protect yourself:

- Prepare and sign a lease agreement that includes language pertaining to base rent, additional items required to be paid by the tenant sales and use tax and discretionary sales surtax
- Keep a copy of the signed lease agreement
- Update the lease when necessary
- Insist that your landlord submit an invoice to you that corresponds to the language in the lease agreement. and includes a line item for sales tax.
- Maintain documentation (blank statements, cancelled checks, etc.) to support payment of those invoices.
- Be able to tie rent expense per your general ledger to rent expense per your federal income tax return.



Remember that if you pay ad valorem taxes on behalf of your landlord (either to the landlord or directly to the county tax collector), this payment is additional rental consideration subject to the commercial rental tax. Also remember that additional rental consideration can include payments by a tenant to a landlord for real property improvements, utility charges, lease termination charges, liability and casualty insurance and common area maintenance.

QuickBooks Shortcuts



When first logging into QuickBooks for the day, does it seem as though your computer is running slower than usual? Taking the time to close components within QuickBooks before exiting will often improve startup time.

- 1. Close All Windows.** Close all windows within the QuickBooks application before closing the file or exiting QuickBooks. Next time you open the same file or launch QuickBooks (with the last file used) it will come up much quicker. You can do this by selecting Close All from the Window menu or by pressing Alt + W and then pressing A.
- 2. Close Company File.** If you close the company file before exiting QuickBooks, the next time you launch QuickBooks you will be up and running much quicker. The next time you launch, QuickBooks will display the No Company Open window, and you can then select the file you want to work on. (This a good general approach, since most ProAdvisors work on many files.) Select Close Company... from the File menu or by pressing Alt + F and then pressing C.
- 3. Where You Keep Your Files.** Run QuickBooks from your hard drive, not from removable media. Some users run the company file from removable media like a flash drive or a CD-ROM. This helps them keep companies separate and is one way they juggle multiple clients. However, running the company file from removable media is definitely slower than from the hard drive. In the interest of speed, Intuit recommends moving the company file from the CD to the computer's hard drive for faster operation.

Florida Hurricane-Season Sales Tax Holiday

The Legislature opted to skip the state's annual sales tax holiday for hurricane supplies this year because of the state's financial problems. The popular tax-free-shopping period launched three years ago, after four hurricanes battered the state in 2004. The tax break covered everything from flashlights to tarps.

This year, the legislature decided to forgo the tax holiday because of a shortfall in state revenue. The state estimated it would have cost the state \$12.3 million-- small change in a \$3 billion budget shortfall.

The sales tax holiday on hurricane supplies wasn't the only tax break to suffer as a result of the state's budget problems. The nearly decade-old August tax holiday for school supplies was kept, though--it won't be what Floridians have become accustomed to.

Books will no longer be included, and the usual 10 days will be reduced to a single week, cutting consumer savings to \$23 million. Last year, consumers saved an estimated \$46.6 million.



ETFs vs. Mutual Funds

Traditional (open-end) mutual Funds and exchange-traded funds each have advantages and disadvantages. The chart below helps to illustrate some of the key differences in the two.

ETFs vs. Mutual Funds	Mutual Funds	Exchange-Traded Funds
Continuous trading and pricing throughout the day?	NO	YES
Can be bought on margin?	YES	YES
Can buy/sell options?	NO	YES
Sold by prospectus?	YES	YES
Can use in an IRA,401(k) or another retirement plan?	YES	YES ₁
Can be purchased through a traditional or online broker?	YES	YES
Minimum investment of share amount required?	YES ₂	NO ₃
Redemption charges for early withdrawals?	YES	NO
Traded on what exchanges?	NA	Amex, NASDAQ, NYSE Arca

(1) For employer-sponsored retirement plans ETFs may not be available as an investment option. Self directed retirement plans may offer ETFs and a broader menu of investment choices.

(2) Most mutual funds impose a minimum investment or required dollar commitment

(3) Exception is Merrill Lynch's Holders, which can only be bought and sold in 100-share increments.

When using an index approach to investing, we tend to favor ETF's over mutual funds for several reasons. ETF's trade intraday, therefore allowing us to determine enter and exit prices. Mutual funds only trade once a day after the close of market. Expense ratios are generally more favorable with ETF's when compared to mutual funds. Over a long period of time these fees can make a significant difference. Some mutual funds also place restrictions on how long you must hold a fund before you can redeem your shares. The low turnover ratio with ETF's also make them tax friendly.

Tidbits and Reminders

The Economic Stimulus Act of 2008 enables most businesses (those spending less than \$800,000 on equipment during this year) to expense up to \$250,000 of the cost of the equipment under code section 179. In addition, bonus first year depreciation has been brought back for 2008 acquisitions. Bonus depreciation equates to 50% of the adjusted basis of qualified property. The balance of the asset's cost is subjected to regular depreciation.

Charitable contributions are deductible when the contribution is given to a QUALIFIED charitable organization; one that has obtained IRS approval for qualified status and is on the list. Furthermore, you must have proof of payment in the form of a bank record or credit card receipt, and if the transaction is over \$250 you must also obtain and keep a letter from the charitable organization acknowledging your contribution. Cash donations are no longer deductible.



CORPORATE EXTENSION DEADLINE: Calendar year 2007 corporate tax returns that were extended at March 15, 2008 have until September 15, 2008 to file timely.

PARTNERSHIP and PERSONAL EXTENSION DEADLINE: Calendar year partnership and personal income tax returns that were extended at April 15 have until October 15 to file timely.

IRS will be enforcing penalties for late filings on partnership and S-Corp returns. As is our policy during "tax season", we request that all pertinent information be given to us at least six weeks ahead of each deadline in order to allow adequate time for us to complete your project on a timely basis. Partnerships, although not due until October 15, should be treated as if they were due September 15. Just like March 15 and April 15, there is a mad rush at September 15 and October 15. Your help in getting your information in timely will prevent late penalties. Thank you for your cooperation in this regard.

IRS Adjusts Mileage Per Diem

In recognition of rising gas prices, the IRS has announced an increase in the optional standard mileage rates for the final six months of 2008. Taxpayers may use the optional standard rates to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes.

Purpose	Rates 1/1 - 6/30/08	Rates 7/1 - 12/31/08
Business	50.5	58.5
Medical/Moving	19	27
Charitable	14	14

So, for 2008 tax preparation, you will need to be able to identify mileage pre and post June 30, 2008.

Social Security

Some retirement decisions are irreversible. But many retirees will be happy to learn that choosing when to start collecting Social Security benefits is not one of them. There is a provision in the code that allows for a "do-over" when it comes to calculating social security benefits. For most seniors, the do-over strategy is not appealing because of income needs, but for those select few that can take advantage, this article is for you.



Out of the 32 million retirees who collect Social Security benefits, only 71 people this fiscal year took advantage of an obscure option that lets you halt your current benefits, pay back all you have collected interest-free, and restart your benefits at a new, higher rate based on your current age.

Here's how it works: Let's say you qualify for full benefits of \$1,600 a month at your normal retirement age of 66, but you decide to begin collecting your benefits at 62. Your retirement benefits will be reduced by 25% for the rest of your life -- to \$1,200 a month, in this example -- because you'll be collecting a smaller benefit for a longer period of time.

On the other hand, if you delay collecting benefits, you will receive an 8% credit for every year beyond your normal retirement age until you reach 70, when your maximum benefit will be 132% of what you would have received at age 66. In this example, you would receive about \$2,100 a month at 70 -- a \$900 difference.

Maybe you decided to collect benefits early out of fear that you wouldn't live long enough to collect the larger delayed benefit. But now that you've made it to 70, you may regret your decision and wish you were receiving a larger check.

In order to get one, you must first file Form 521 at your local Social Security office to request a withdrawal of your application for benefits. Your retirement benefits will stop almost immediately -- and if your husband or wife receives spousal benefits based on your work record, his or her benefits will stop, too. Then the Social Security Administration will send you a letter telling you how much you need to repay (including any spousal benefits). That process may take several weeks. Once you repay the benefits, you can reapply for new, higher payments based on your current age.

If, for example, you received \$1,200 a month starting at age 62, plus annual cost-of-living adjustments through age 70, you would have to repay about \$130,000. That's a lot of money, but for some people it's worth the price to get an additional \$900 a month in retirement. By comparison, it would cost a 70-year-old man about \$190,000 to buy an immediate annuity that would provide \$900 a month initially, plus annual inflation adjustments and a 100% survivor benefit. That's 46% more expensive than "buying" a lifetime annuity from Social Security.

There are obvious risks associated with this plan. The strategy could backfire if you and your spouse were to die before you recoup your investment, which will take about ten and a half years based on the above example. Still, if your family has a history of living into their nineties and you are in good health, this could be a good option to secure a lifetime of higher benefits.

There's another financial downside: You may have to go without Social Security benefits for a few months while the agency sorts out how much you have to repay and you reapply for benefits. When your benefits stop, so do the automatic deductions that cover your Medicare premium. You'll have to pay the Part B premium yourself -- currently \$96.40 a month for most retirees -- until your Social Security benefits resume.