

2010 Jobs Bill

By Kevin J. Bassett, CPA

A jobs bill was passed on March 18, 2010. This bill contains a payroll tax credit for hiring unemployed workers during 2010. This credit can save business owners thousands if they plan to hire someone in 2010. Here are the key tax provisions from the bill:

Payroll Tax Forgiveness:

- No 6.2% Social Security Tax on new employees for the rest of 2010.
- The new employee must begin employment between Feb. 3, 2010 and before January 1, 2011.
- The new employee was not employed more than 40 hours for previous 60 days (need to sign an affidavit).
- The new employee is not replacing a laid-off employee.
- The new employee is not related to the employer.
- Any credit for first quarter will be credited on the 2nd quarter payroll tax returns.

Business Retention Credit:

- There is a Business Retention Credit up to \$1,000 if the employees are retained for 52 consecutive weeks.

Increased write-off for business equipment purchases in 2010:

- The first-year write-off of business equipment is raised to \$250,000

Feel free to email or call us at (919) 303-1049 if you want to discuss how you can benefit from this bill.

Kevin J. Bassett, CPA is the owner of Bassett & Associates, P.A. Bassett & Associates, P.A. is a full service CPA firm in Raleigh, NC focused on business owners and real estate investors. Kevin is the creator of the Tax Minimization Process™, The Tax Efficiency Grid™ and the Virtual CFO Advantage™.