

Having trouble viewing this email? [Click here](#)



Phone: 818-848-5585

January 2011

Important Changes for 2011

The following summaries highlight two important tax changes effective January 1, 2011. For additional information and other changes that may affect your situation, please contact a KKAJ tax and accounting professional at **818.848.5585**.

Business standard mileage rate increases.

Beginning in 2011, the optional mileage allowance for owned or leased autos (including vans, pickups or panel trucks) will be 51¢ per mile for business travel, an increase of 1¢ per mile from the 2010 allowance. The 2011 rate for vehicle use to receive medical care or in connection with a move that qualifies for the moving expense deduction is 19¢ per mile, up from 16.5¢ in 2010. Calculating reductions to basis for depreciation taken under the business standard mileage rate and the maximum standard automobile cost that may be used in computing the allowance under a fixed and variable rate plan have also been updated.

Electronic payment system expands; paper coupons eliminated.

Paper-based federal tax deposit (FTD) coupons for all deposits and payments made after December 31, 2010 have been eliminated. Use of electronic funds transfer (EFT) will be required as of January 1, 2011 for the following tax deposits:

- Corporate income and corporate estimated taxes;
- Unrelated business income taxes of tax-exempt organizations;
- Private foundation excise taxes;
- Taxes withheld on nonresident aliens and foreign corporations;
- Estimated taxes on certain trusts;
- FICA taxes and withheld income taxes;
- Railroad retirement taxes;
- Nonpayroll taxes, including backup withholding;
- Federal Unemployment Tax Act (FUTA) taxes; and
- Excise taxes reported on Form 720, Quarterly Federal Excise Tax Return.

The IRS is providing transitional relief under which it won't impose certain penalties for FTDs made in 2011 that would have been timely under the former rules.



Disclaimer of Liability

Our firm provides the information in this e-newsletter for general guidance only, and does not constitute the provision of legal advice, tax advice, accounting services, investment advice, or professional consulting of any kind. The information provided herein should not be used as a substitute for consultation with professional tax, accounting, legal, or other competent advisors. Before making any decision or taking any action, you should consult a professional advisor who

has been provided with all pertinent facts relevant to your particular situation. Tax articles in this e-newsletter are not intended to be used, and cannot be used by any taxpayer, for the purpose of avoiding accuracy-related penalties that may be imposed on the taxpayer. The information is provided "as is" with no assurance or guarantee of completeness, accuracy, or timeliness of the information, and without warranty of any kind, express or implied, including but not limited to warranties of performance, merchantability, and fitness for a particular purpose.

[facebook.com/kkajcpa](https://www.facebook.com/kkajcpa)

twitter.com/kkajcpa

Phone: 818.848.5585

© 2010 King, King, Alleman & Jensen. All rights reserved.

[Forward email](#)



This email was sent to dorothy@kkajcpa.com by marketing@kkajcpa.com |
[Update Profile/Email Address](#) | Instant removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).

King, King, Alleman & Jensen | 303 N GLENOAKS BLVD | SUITE 750 | BURBANK | CA | 91502