



# WINTER NEWSLETTER

WINTER 2006



**HOGANWILLIG**  
ATTORNEYS AT LAW

## In this issue...

New Year Wishes	-1
Upcoming Seminars	-1
Areas of Law	-1
Matrimonial Department	-2
P.I. Department	-2
Tax Season	-2, 3
Special One Time Tax Credit	-2, 3
<b>NEW! Client Company Profile</b>	-3
Hogan's Winter Health Tips	-3
Contact Information	-4
<b>Special Tax Reference Sheet Enclosed!</b>	



## To our Clients and Friends,

As we close out the year 2006, and perhaps tentatively move forward into 2007, there are thoughts held by many that the world's turmoils are beyond our ability to overcome. It is, however, our belief that there burns in each one of us a determination for a better future that will not be denied.

Look around and observe the acts of kindness and compassion that occur each day by many of you without any expectation of compensation or recognition. Feeding the poor, housing the homeless, health care for those who have none and donations of blood and organs are just a few examples.

We will continue to strive for a future of peace and justice for all of mankind, and ask for your help and assistance in achieving this goal. So during this winter as the snowflakes fall, the stars twinkle, and church bells ring, remember too that Spring in all of its hope and glory (like our children) will soon be upon us.

Please accept our wishes for a New Year filled with excellent health, happiness and good fortune.

*Ray Willig* for HoganWillig

## UPCOMING SEMINARS

Don't miss the opportunity to attend an informational seminar presented by one of HoganWillig's attorneys on important topics relevant to everyday issues. Convenient locations and times are offered through free seminars and through the Williamsville Community Education Program.

### FREE SEMINARS\*

\*Please RSVP to Jessica @ 636-7600 by Wednesday, January 17.

### TUES., JAN. 23 @ 6:30pm

Estate Planning  
@ The Waters  
6060 Armor Rd., Orchard Park, NY

### WED., JAN. 31 @ 2pm

Estate & Financial Planning  
@ the Ramada  
(former University Inn)  
2402 N. Forest Rd., Getzville, NY

### WED., JAN. 31 @ 7pm

Estate & Financial Planning  
@ the Ramada  
(former University Inn)  
2402 N. Forest Rd., Getzville, NY

## WILLIAMSVILLE COMMUNITY EDUCATION CLASSES\*\*

\*\*Register at 626-8080 or online at:  
<http://williamsvillek12.org/community.cfm?>

### WED., FEB. 7 @ 6pm

Legal Issues for Small Business Owners  
@ Williamsville North High School  
Classroom B105  
1595 Hopkins Rd., Williamsville, NY

### THURS., FEB. 15 @ 6pm

Buying & Selling Residential Real Estate  
On Your Own  
@ Heim Middle School  
Classroom A4  
175 Heim Rd., Williamsville, NY

### THURS., MAR. 1 @ 6pm

Estate Planning  
@ Heim Middle School  
Classroom B3  
175 Heim Rd., Williamsville, NY

### THURS., MAY 10 @ 6pm

Landlord - Tenant Issues  
@ Heim Middle School  
Classroom A4  
175 Heim Rd., Williamsville, NY



### AREAS OF PRACTICE

- Corporate & Business Law
- Criminal & Traffic Law
- Disability Law
- Elder Law
- Estate Administration & Taxation
- Estate Planning, Wills & Trusts
- Guardianships
- Matrimonial & Family Law
- Medicaid Planning
- Personal Injury & Malpractice
- Real Estate Law

### MATRIMONIAL DEPARTMENT

Our Matrimonial Department consists of veterans Corey Hogan and Kevin Mahoney, with recent additions Elizabeth DiPirro, Jennifer Sarkees and Megan Misiti. All bring varying levels of experience to provide clients with effective representation in the courtroom, and at the conference table in a collaborative setting.

Because our Matrimonial Department strives to offer clients a wide array of options in their separation, divorce or other family law matter, HoganWillig does more than traditional litigation. Our attorneys recognize that a truly successful outcome for a client encompasses not just a fair settlement, but also the foundation for solid co-parenting, brought about by open communication between parties.

Members of the department are trained in alternative dispute resolution, including collaborative law and mediation. Our experienced divorce mediators will work with the parties to facilitate their discussion, as they work to find a solution to their problem(s). Mediation imbues control over the resolution of the issue(s) to the participants.

Our family law attorneys are dedicated to helping parties craft a solution to their situation. Our experience has allowed HoganWillig to create a process that produces a cost-effective, positive solution to family conflict. ■

*\*Written by Elizabeth DiPirro, Esq.*

### P.I. DEPARTMENT

In a recent conversation with a colleague, he said that the area of law we practice should be called "impersonal" injury law, rather than personal injury law, because accidents can happen to anyone, regardless of the individual. Too often insurance companies are immediately skeptical of any injury claim and seem more focused on the bottom line than on paying out benefits for a genuinely injured person. The difference between a successful claim, and a claim denied, is often the capability of the lawyer working on your behalf.

At HoganWillig, our department is experienced in navigating the insurance system and devoted to pursuing injury claims. We will guide you through the process and will work diligently toward achieving the best possible legal result. Additionally, we have an on-staff physician-attorney and a registered nurse to assist in evaluating medical charts and coordinating reviews by medical experts.

Our team is responsible for securing two of the largest recoveries in the history of the New York State Court of Claims and our personal injury and professional malpractice departments have obtained millions of dollars in settlements and verdicts on behalf of our injured clients and their families.

For exceptional individualized service and unsurpassed results, please contact our office at anytime. ■

*\*Written by John Licata, Esq.*



### TAX SEASON

Yes, it is that time of the year again. And if you are like most people, April 15 will come sooner than expected. By starting your taxes early this year, you can optimize your deductions and tax breaks. Getting your personal and/or business records in order now can save you money and make the tax filing deadline less of a burden. Acting now on retirement and college savings plans could put more money in your pocket. Remember, the sooner you submit your 2006 tax return, the sooner you will receive your refund!

HoganWillig offers an on-staff Certified Public Accountant and reasonable flat rate fees for standard personal and/or business tax filings to make the process as easy and as profitable as possible for you. Working with a CPA on complex or simple tax situations can assure that you receive all the deductions and additional tax breaks that you are entitled to. There are new credits in effect for 2006, such as the one time credit discussed next, as well as credits for those who have adopted energy-saving measures for their homes.

If you have any questions on our tax services or fees, please call Joanne Bramer, CPA at 716-636-7600 for more information. ■

### SPECIAL ONE TIME TAX CREDIT!

What is this one time credit all about? The "federal excise tax" has been charged to you on your land line phone bill for years. It is an old tax that was assessed on your toll calls based on how far the call was being made and how much time you talked on that call. When phone companies began to offer flat fee phone service, challengers took this argument to several federal courts in the country.

The IRS accepted this argument and phone companies have been given notice to stop assessing the federal excise tax as of August 30, 2006. Restitution will be made with this one time credit, made available on your 2006 tax return. However, the IRS has also established limitations on your credit.

The following are the guidelines and amounts you can be awarded.

- If you file your return as a single person with just you as a dependent, you can claim a \$30 credit on line 71 of your 1040.
- If you file with a child or a parent as your dependent, you can claim \$40.
- If you file your return as a married couple with no children, you can claim \$40.
- If you file as married with children, you can claim \$50 if one child, \$60 if two children.

In all cases, the most you can claim is \$60, UNLESS you have all your phone bills starting AFTER February 28, 2003 through July 31, 2006. If so, you can come up with an actual tax amount, complete a special form 8913 and attach it to your tax return. ■

*New!*

### CLIENT COMPANY PROFILE: [iPrintfromHome.com](http://iPrintfromHome.com)

In each quarterly newsletter, HoganWillig will highlight a particular client's business. If you would like to see your company featured in one of our upcoming issues, please contact Jessica at 636-7600 for more information.

### [iPrintfromHome.com](http://iPrintfromHome.com)

iPrintfromHome.com is brought to you by Campos Photography Center, Inc., a full service imaging and communications support business located just outside of Buffalo, NY.

Campos Photography Center, Inc. was formed in 1979 after George Campos determined that there was an opportunity to service photographers' desire to control quality, cost and delivery time by offering do-it-yourself color darkroom rental facilities. The darkrooms were a success and they attracted a loyal following that stretched from Maine to Michigan to Florida.

As the needs of its photographers evolved, it evolved with them, offering a wide array of photographic services such as custom printing, mounting, laminating and digital imaging.

George began researching and developing online imaging systems in the early 1990s. It became obvious that digital photography would eventually surpass "film" photography in the photographic marketplace, and that new retail concepts would have to be developed to service the growing number of digital photographers. Work was started to develop processes and procedures to produce high quality photographic prints from digital files and to

create an online retail outlet to receive and process orders. George Campos served as the Chief Software Architect of this effort, which ultimately led to the development of iPrintfromHome.com in 2003.

Additionally, for reasonable prices, you can upload your digital photos from home to be printed with the option of same day delivery or pick-up at one of four local locations. ■

[iPrintfromHome.com](http://iPrintfromHome.com)  
Customer Service Hotline  
716-228-2983  
(Mon - Fri: 9am - 5:30pm)

### HOGAN'S HEALTH TIPS

*\*Courtesy of TopHealth®*

Want to lose those holiday pounds, but instead find too many reasons why you can't exercise? Here are some classic excuses and the ways to overcome them.

**NOT ENOUGH TIME.** Try mini sessions. Even 10 minute bursts of physical activity can help.

**NOT ENOUGH MONEY.** All you need is a pair of shoes and you're off walking. You can do sit-ups and push-ups at home as well.

**NOT ENOUGH ENERGY.** Studies show that working out gives you more energy, so get moving!

**NOT ENOUGH WILL-POWER.** Think you won't stick with it? Statistics reveal otherwise. With the more you exercise, the more likely you'll stick with it. ■

## CONTACT INFORMATION

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Office Hours: Mon. - Fri.: 8am - 6pm, Sat. & Evenings by appt.  
info@hoganandwillig.com

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PRESORTED  
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ADVANTAGES

## REMEMBER...

We pledge to keep you informed and make it our primary goal to continually keep you updated on the ever-changing details and aspects of the law. With nearly every facet of our lives affected in some way by the need for legal services, HoganWillig vows to offer the high quality, cost-effective legal service you have the right to. With so much to worry about during these demanding times, remember that HoganWillig has one main purpose...

*We practice law  
for your  
peace of mind.*

NOTE: As always, should you choose to have your name removed from our mailing list please contact Jessica at 716-636-7600, or email [jhulbert@hoganandwillig.com](mailto:jhulbert@hoganandwillig.com).



# 2006 TAX REFERENCE SHEET

\*Prepared by Joanne Bramer, CPA for HoganWillig for your personal reference.

## Tax Brackets for 2007

Taxable income (i.e. includable income minus deductions and exemptions) between:

### Married, Filing Jointly

\$0 - \$15,650:	10%
\$15,651 - \$63,700:	15%
\$63,701 - \$128,500:	25%
\$128,501 - \$195,850:	28%
\$195,851 - \$349,700:	33%
over \$349,700:	35%

### Single

\$0 - \$7,825:	10%
\$7,826 - \$31,850:	15%
\$31,851 - \$77,100:	25%
\$77,101 - \$160,850:	28%
\$160,851 - \$349,700:	33%
over \$349,700:	35%

### Married, Filing Separately

\$0 - \$7,825:	10%
\$7,826 - \$31,850:	15%
\$31,851 - \$64,250:	25%
\$64,251 - \$97,925:	28%
\$97,926 - \$174,850:	33%
over \$174,850:	35%

### Single, Head of Household

\$0 - \$11,200:	10%
\$11,201 - \$42,650:	15%
\$42,651 - \$110,100:	25%
\$110,101 - \$178,350:	28%
\$178,351 - \$349,700:	33%
over \$349,700:	35%

### Estates and Trusts

\$0 - \$2,150:	15%
\$2,151 - \$5,000:	25%
\$5,001 - \$7,650:	28%
\$7,651 - \$10,450:	33%
over \$10,451:	35%

## Standard Deduction

Married, Filing Jointly:	\$10,700
Single:	\$5,350
Married, Filing Separately:	\$5,350
Single, Head of Household:	\$7,850
Blind or over 65 add \$1,050 if married, \$1,300 if single or head of household.	

## Itemized Deductions Begin Phaseout

Married, Filing Jointly:	\$156,400 AGI
Single:	\$156,400 AGI
Married, Filing Separately:	\$78,200 AGI
Single, Head of Household:	\$156,400 AGI

## Personal Exemption: \$3,400

Personal Exemption Phaseout:  
Married, Filing Jointly: \$234,600 - \$357,100  
Single: \$156,400 - \$278,900  
Married, Filing Separately: \$117,300 - \$178,550  
Single, Head of Household: \$195,500 - \$318,000

## Kiddie Tax Exemption: \$1,700

## Long-term Capital Gains and Qualified Dividend Rates

10 & 15% Brackets:	5%
Higher Brackets:	15%
Capital Gains on collectibles:	28%
Unrecaptured 1250 depreciation:	25%

## Pension Plan Limits

IRA contribution (under age 50): \$4,000  
IRA contribution (age 50 & over): \$5,000  
Phaseout for deducting IRA contribution (qualified plan participant):  
Joint: \$80,000 - \$100,000 AGI  
Single or HoH: \$50,000 - \$60,000 AGI  
Phaseout for deducting spousal IRA:  
\$150,000 - \$160,000 AGI

Phaseout of Roth Contribution eligibility:  
Joint: \$150,000 - \$160,000 MAGI  
Single: \$95,000 - \$110,000 MAGI  
Filing Separate: \$0 - \$10,000 MAGI

No Roth conversions if MAGI exceeds \$100,000 or if married, filing separately. MAGI does not include MRDs.

SEP contribution:  
Up to 25% of compensation, limit: \$45,000  
Compensation to participate in SEP: \$450

SIMPLE elective deferral  
Under 50: \$10,500  
SIMPLE elective deferral  
Age 50 & over: \$13,000

401(k), 403(b), 457 & SARSEP elective deferral  
Under 50: \$15,500  
401(k), 403(b), 457 & SARSEP elective deferral  
Age 50 & over: \$20,500

Limit on additions to defined contribution plans:  
100% of compensation or \$45,000

Annual benefit limit on defined benefit plan: \$180,000

Highly compensated employee makes: \$100,000

Annual compensation taken into account for qualified plans: \$225,000

Singles with MAGI below \$25,000, Head of Household below \$37,500 and Joint filers below \$50,000 may be eligible for a % tax credit for an IRA, 401(k), 403(b) or 457 plan contribution, in addition to deduction.

## Standard Mileage Rates

Business:	\$0.485
Medical:	\$0.20
Moving:	\$0.20
Charitable:	\$0.14

## Gift and Estate Tax

Gift Tax Annual Exclusion: \$12,000  
Highest Estate & Gift Tax Rate: 45%  
Gift Tax & Estate Tax Applicable  
Credit Amount: \$2,000,000  
But no more than \$1,000,000 during life  
Generation Skipping Transfer Tax Exclusion:  
\$2,000,000  
Annual Exclusion for Gifts to Non-Citizen Spouse:  
\$125,000

## Education:

Coverdell Education Savings Account (fka Education IRA) Contribution: \$2,000  
This Coverdell contribution eligibility is phased out:  
Single: \$95,000 - \$110,000  
Joint: \$190,000 - \$220,000

Student loan interest deduction limit:  
This interest deduction is phased out:  
Single and HoH: \$55,000 - \$70,000 MAGI  
Joint: \$110,000 - \$140,000 MAGI

Highest maximum deduction for current higher education expenses:  
Single and HoH: AGI less than \$65,000 can deduct \$4,000; AGI between \$65,000 and \$80,000 can deduct \$2,000.  
Joint: AGI less than \$130,000 can deduct \$4,000; AGI between \$130,000 and \$160,000 can deduct \$2,000.

Hope & Lifetime Learning credits phased out:  
Single and HoH: \$47,000 - \$57,000  
Joint: \$94,000 - \$114,000

## Social Security

Maximum earnings (during work years) subject to FICA tax: \$97,500  
Income\* (in retirement) causing Social Security benefits to be taxable:

### Married, Filing Jointly

50% taxable: \$33,240 MAGI  
85% taxable: \$44,000 MAGI

### Single:

50% taxable: \$25,000 MAGI  
85% taxable: \$34,000 MAGI

\*Income is most income including muni bond interest but only 1/2 of Social Security.

For more information on our tax services, please contact Joanne M. Bramer, CPA @ 716.636.7600.

As of August 1, 2006, substantial changes to the Medicaid laws were passed and as a result, rules concerning Medicaid eligibility and the ability to protect assets from long term nursing home stay have undergone many changes. The look-back period for a Medicaid applications has grown from three to five years, and the new laws change the way gifts of assets made during this look-back period are penalized. The penalty period will now begin to run after a person applied for Medicaid, NOT when the asset was gifted. Single persons are allowed to gift up to \$12,000 a year and \$24,000 if married, without the necessity of filing a Gift Tax Return or paying any taxes. The deadline for 2006 gifting of assets is December 31, 2006.



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