



# WINTER NEWSLETTER



## HOGANWILLIG ATTORNEYS AT LAW

WINTER '08

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### HAPPY NEW YEAR!



*I'm sure we all begin 2009 with concerns about the unpredictable state of our economy, how it will impact upon our own individual situations and that of our families. However, I think there are a number of reasons for some optimism and positive points of view and I thought that I would share them with you during this holiday season.*

- *Water and clean air are resources that are becoming limited and more expensive and difficult to acquire all over the globe - not so here in Western New York.*
- *Our local school systems from the pre-kindergarten level to our colleges and universities are plentiful and of the highest quality, especially if viewed from a global perspective.*
- *Each of our local communities exudes a uniqueness that provides variety and diversity for our residents, including affordable housing that holds its value, restaurants with every imaginable food choice, as well as convenient retail and supermarket shopping, all of which enhance the quality of our lives.*
- *Our live theater, sports teams, art galleries, museums, architecture, music venues, numerous movie houses, our expanding zoo and botanical gardens, as well as other forms of entertainment and inspiration are affordable, convenient and of world class quality.*
- *There is a surge in grassroots organizing that is recognizing our heritage, holding our political leaders accountable and taking control of our own destinies as has never before occurred.*
- *Our job markets are now more varied, our citizens more educated, our employers more prepared than any time in the past for the global marketplace that is growing each day.*

*While there are certainly challenges ahead, we believe that the residents of Western New York will more than do our part to meet and overcome whatever adversity comes our way. We will do so to protect and care for our own families and then for the benefit of all those in this world community who simply want to live their lives in peace, enjoying relationships among each other, and friends and contributing each in their own small way toward a better future.*

*At HoganWillig, we use our best efforts each day to assist and advance our clients' interests to hopefully improve their lives. We hope that by doing so in an ethical and highly competent manner we are making this world a better place for all of us.*

*From all of us at HoganWillig, we wish you and your family a happy, healthy and prosperous New Year.*

### MEET OUR NEW EMPLOYEES!

HoganWillig is pleased to welcome the following new employees that have joined our team.



#### **Karl F. Kofod**

*Certified Public Accountant*  
Karl received his MBA in finance from the State University of New York at Buffalo and his CPA license in 1978. For over 30 years, Karl has gained extensive experience working on complex financial matters, tax problem resolutions and tax compliance. At HoganWillig, Karl assists with financial operations, budgeting, forecasting, as well as preparing estate and client tax returns.



#### **Matthew Feldman**

*Law Clerk*  
Matthew joins HoganWillig's Commercial and Business Law team. He received his B.A. from the University of Rochester, Master's from Columbia's School of International and Public Affairs, and his J.D. from the State University of New York at Buffalo School of Law where he pursued a concentration in International Law.

**TAX SEASON**

By starting your tax return and getting your personal and/or business records in order now, you can make the tax filing deadline less of a burden and optimize your refund. The sooner you submit your 2008 tax return, the sooner you will receive your refund!

Working with an experienced Certified Public Accountant on complex or simple tax situations can assure that you receive all the tax breaks that you are entitled to and make the tax filing process as easy and as profitable as possible for you.

HoganWillig offers the following affordable flat rate fees for standard personal and/or business tax filings to make the process as easy and as profitable as possible for you.

Standard 1040 without Itemized Deductions:	\$125.00
Standard 1040 with Itemized Deductions and W-2 Income:	\$175.00 - \$275.00
Tax Returns with Business/Rental Income(s) and/or Substantial Investment Activity:	\$300.00+
Form 1065 Partnerships 1120, 1120S Corporations:	\$350.00 - \$500.00+

For more information, please contact Karl Kofod, CPA at 716-636-7600. ■

**2008 TAX RETURN REFERENCE**

**Tax Brackets for 2009** (Includable income minus deductions and exemptions):

Married Filing Jointly		Single		Head of Household		Estates and Trusts		Married Filing Separately	
\$0 - \$16,700	10%	\$0 - \$8,350	10%	\$0 - \$11,950	10%	\$0 - \$2,300	10%	\$0 - \$8,350	10%
\$16,701 - \$67,900	15%	\$8,351 - \$33,950	15%	\$11,951 - \$45,500	15%	\$2,301 - \$5,350	15%	\$8,351 - \$33,950	15%
\$67,901 - \$137,050	25%	\$33,951 - \$82,250	25%	\$45,501 - \$117,450	25%	\$5,351 - \$8,200	25%	\$33,951 - \$82,250	25%
\$137,051 - \$208,850	28%	\$82,251 - \$171,550	28%	\$117,451 - \$190,200	28%	\$8,201 - \$11,150	28%	\$82,251 - \$171,550	28%
\$208,851 - \$372,950	33%	\$171,551 - \$372,950	33%	\$190,201 - \$372,950	33%	over \$11,150	33%	\$208,851 - \$372,950	33%
over \$372,950	35%	over \$372,950	35%	over \$372,950	35%		35%	over \$372,950	35%

Standard Deduction		Kiddie Tax Exemption: \$1,900		Long-Term Capital Gains and Qualified Dividend Rates		Pension Plan Limits	
Single	\$11,400	Single	\$166,800 - \$289,300 AGI	10 & 15% brackets	0%	IRA contribution (under age 50)	\$5,000
Married Filing Separately	\$5,700	Married Filing Separately	\$125,100 - \$186,350 AGI	Higher brackets	15%	IRA contribution (age 50 & over)	\$6,000
Head of Household	\$5,700	Head of Household	\$208,500 - \$331,000 AGI	Capital Gains on collectibles	28%		
Blind or over 65 add \$1,100 if married, \$1,400 if single or head of household.	\$8,350			Unrecaptured 1250 depreciation	25%		
Itemized Deductions Phaseout		Gift and Estate Tax		Education		Standard Mileage Rates	
Married, Filing Jointly	\$166,800 AGI	Gift Tax Annual Exclusion	\$13,000	Coverdell Education Savings Account (fka Education IRA) Contribution:	\$2,000	Business:	\$0.585
Single	\$166,800 AGI	Highest Estate & Gift Tax Rate	45%	Phaseout of Coverdell contribution eligibility:		Medical:	\$0.27
Married Filing Separately	\$83,400 AGI	Gift Tax & Estate Tax Applicable Credit Amount (No more than \$1,000,000 during life):	\$3,500,000	Single	\$95,000 - \$110,000 AGI	Charitable:	\$0.14
Head of Household	\$166,800 AGI	Generation Skipping Transfer Tax Exclusion:	\$3,500,000	Head of Household	\$190,000 - \$220,000 AGI		
Blind or over 65 add \$1,100 if married, \$1,400 if single or head of household.	\$166,800 AGI	Annual Exclusion for Gifts to Non-Citizen Spouse:	\$133,000				
Personal Exemption: \$3,650		Phaseout of interest deduction:		Social Security			
Personal Exemption Phaseout:		Single and HoH	\$60,000 - \$75,000 MAGI	Maximum earnings (during work years) subject to FICA tax:	\$106,800		
Married, Filing Jointly	\$250,200 - \$372,700 AGI	Joint	\$120,000 - \$150,000 MAGI	Modified AGI where S.S. benefits are taxable:			
		<b>Scholarship Credit Maximums</b>		<b>Married Filing Jointly:</b>			
		Hope (each student)	\$1,800	50% taxable	\$33,240 MAGI		
		Lifetime (each taxpayer)	\$2,000	85% taxable	\$44,000 MAGI		
		Phaseout of eligibility:		<b>Single:</b>			
		Single and HoH	\$50,000 - \$60,000 AGI	50% taxable	\$25,000 MAGI		
		Joint	\$100,000 - \$120,000 AGI	85% taxable	\$34,000 MAGI		

\*Prior results do not guarantee a similar outcome.

**AREAS OF PRACTICE**

- Bankruptcy & Financial Issues
- Corporate & Business Law
- Criminal & Traffic Law
- Debt Collections
- Elder Law & Medicaid Planning
- Estate Planning, Wills & Trusts
- Guardianships
- Matrimonial & Family Law
- Personal Injury & Malpractice
- Real Estate Law

**DYNASTY TRUSTS: We want to hear from you!**

We realize that the issues involved in developing a sound asset protection plan are complicated. Due to the level of interest we have received on the article highlighting dynasty trusts in our Fall Newsletter, we would like to provide a free seminar on this topic for our clients and friends.

A dynasty trust is an irrevocable trust that is designed to allow assets to pass to subsequent generations without ever being subject to gift, estate, or generation-skipping tax. A dynasty trust assures that assets not used by one generation can pass to the subsequent generations without being diminished by any estate or inheritance taxes. In addition to the tax benefits, a dynasty trust may be an appropriate tool to protect assets from beneficiaries' creditors or in divorce proceedings involving a beneficiary.

Asset protection is a critical issue and we find that many clients may be unaware of the impact and availability of good planning devices. Please contact Jessica at 716-636-7600 (or by email: [jhulbert@hoganwillig.com](mailto:jhulbert@hoganwillig.com)) if you are interested in attending such a program. You will be notified once the presentation is scheduled. Please also visit our website for updates on upcoming events. ■

**Congratulations to:**  
**Amanda Kelly & Amanda Lowe**  
who passed the New York State bar examination and will be admitted to practice law in February.

**Blog with us!**  
Please visit [www.hoganwilligblog.com](http://www.hoganwilligblog.com) to view recent posts by HW attorneys on the latest legal topics and share your thoughts and opinions.

**FINANCIAL HEALTH**

Corey's New Year's message is true - there is a lot to be hopeful about in this coming year, however, the strain of some of the economic changes we have seen is undeniable.

At HoganWillig we regularly assist numerous clients by providing financial, credit and budget review services to ease the worry and anxiety experienced as a result of financial stress during tough economic times.

Is your budget confronted with a new economic challenge this year? Have you experienced a divorce, loss of income or health-related issue that has impacted on your household income? Do you wonder if you are a bankruptcy candidate?

You do not need to be contemplating bankruptcy and may just want the insight of a professional knowledgeable in this area to make the right choice for you.

Please contact Diane Tiveron at 716-636-7600 if you would like more information or if you would like to set-up an appointment to review your financial health and well-being. ■

**CLIENT COMPANY PROFILE**

In each quarterly newsletter, we will highlight a client's local business. If you would like to be featured in an upcoming issue, please contact Jessica at 716-636-7600 or via email: [jhulbert@hoganwillig.com](mailto:jhulbert@hoganwillig.com).



**Busy Bee Children's Consignment Clothing**  
Amy Domzalski, Owner • 5844 Goodrich Road • Clarence, New York

Amy Domzalski, owner of Busy Bee Children's Consignment Clothing, established the company in 2005 and recently moved from an 800 square foot storefront to a new location with over 2000 square feet. Busy Bee carries new and gently used brand name children's and junior's clothing and accessories from brands like Gym-boree, Hollister, Abercrombie, American Eagle and more at a fraction of the costs that malls and department stores charge. Busy Bee's inventory changes on a daily basis with the help of over 1200 vendors to choose from. The store even offers shoppers the convenience of a children's play area where children can read, color and play while you shop.

Busy Bee has expanded its inventory to include an exclusive line of handmade doll clothing from American Doll Boutique located in Orchard Park, NY. American Doll Boutique specializes in handmade doll clothing for the American Girl Dolls, Bitty Baby and other 18" dolls.

As the area's largest retail consignment clothing store, Busy Bee is nestled in the heart of Clarence Center, New York. Customers can save even more through Busy Bee's Frequent Buyer program.

For additional information or if you are interested in becoming a vendor, please contact Amy Domzalski at 716.741.0061 or stop by the store during business hours. ■

**Store Hours**

Mon.	10:00am - 5:00pm
Tues.	10:00am - 5:00pm
Wed.	10:00am - 4:45pm
Thurs.	1:00pm - 7:00pm
Fri.	10:30am - 5:00pm
Sat.	10:00am - 3:00pm

**716.741.0061**

## CONTACT INFORMATION

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## HW'S WINTER HEALTH TIPS *Courtesy of Top Health®*

### Dining Out Without Caving In

Eating at restaurants is one of life's pleasures, and indulgence is part of the fun. But over-eating or loading up on fatty foods can put a dent in your diet. If you are watching your weight, here are five simple survival tips:

- 1. Know the heart-healthy code.** When scanning the menu, look for words such as baked, boiled, grilled, steamed or stir-fried. You'll enjoy a lighter, healthier meal with lower fat and calories.
- 2. Have it your way.** Ask your server or the chef how a dish is prepared. Many restaurants will accommodate special requests,

such as using olive or canola oil instead of butter, margarine or shortening.

- 3. Choose slimmer sides.** Go for salads and vegetables instead of french fries, or order a baked potato and use a small amount of sour cream instead of butter.
- 4. Do not super-size.** Many restaurant portions are larger than standard serving sizes. Ask for a half-portion and split your dish with a dining partner or take half home.
- 5. Finish fresh.** For dessert, choose fresh fruit instead of sugary, high-fat choices. You'll walk away feeling satisfied and still on track with your diet.



This newsletter is intended to provide general information and does not constitute legal advice. Please consult with an attorney to see how this information may apply to you and your specific circumstances. **NOTE:** If you wish to be removed from our mailing list, please contact Jessica at 716-636-7600, or email [jhulbert@hoganwillig.com](mailto:jhulbert@hoganwillig.com).