

## A Message from the President

Dear Friends, Colleagues, and Customers;

We have changed the name of our newsletter to a subset of the tag line we started with 22 years ago "The Missing Link Between Accounting and Your Computers". Our clients tell us that it is our combination of accounting knowledge and technology expertise that they value most in us. We realized this is what we should be emphasizing.

I recently read a quote by Melody Beattie that really impacted me:  
"Gratitude unlocks the fullness of life. It turns what we have into enough, and more. It turns denial into acceptance, chaos to order, confusion to clarity. It can turn a meal into a feast, a house into a home, a stranger into a friend. Gratitude makes sense of our past, brings peace for today, and creates a vision for tomorrow."

As this difficult year comes to a close, we want to express our gratitude. We wish you a happy, healthy and prosperous 2010.

*Debbie Mazzullo*



## Year End

We found a good general **To-Do** list in an article by Heidi Russell Rafferty at [www.wellsfargo.com/biz/education/general/planning](http://www.wellsfargo.com/biz/education/general/planning).

- Be sure your accounting is current, your inventory counted and your corporate minutes completed.
- Control expenses and income to speed up or slow down deductions and income.
- Decide whether to distribute or retain earnings this year.
- Consider making last-minute equipment purchases to exercise expensing/depreciation bonuses.
- Set up your retirement plan — or make contributions to your existing plan.
- Reassess your health insurance coverage to deal with probable increased premiums next year.
- Decide whether to pay bonuses.
- Evaluate whether to change your business type next year.
- Make charitable contributions.

Year end is also the time for purging files and moving things to storage. Here is a good website to help you with **Business Record Retention Requirements**:

- <http://bestbizpractices.org/2009/09/16/record-retention-requirements/>

Visit our website at [www.mazzullo.com](http://www.mazzullo.com) or call 301-596-9945 for product specific instruction on year end processing for Sage Accpac ERP, Peachtree, QuikBooks, Timeslips and Abak Software.

## Exciting Happenings at Mazzullo, Inc.

### User Group

Handouts from our October 22, 2009 user group are available at [www.mazzullo.com](http://www.mazzullo.com). Topics included year end processes, 1099 reporting and recurring entries.

Our next user group meeting will be January 28, 2010 from 9:00 -11:00 am. There is no fee for attending user group meetings. Please check our website for details.

### Mazzullo Inc. joins Stonefield Query

Stonefield Query is an easy to use database reporting and querying solution. This tool makes report writing a snap for even the most novice users. Stonefield Software has developed custom user-friendly reporting solutions for many products and their software development kit can be used to configure, integrate and deliver custom end-user reporting solutions for an ODBC or OLE DB compliant database.

### Quickbooks ProAdvisor

Mazzullo has become a QuickBooks ProAdvisor Member to enable us to provide the best possible professional services to our QuickBook's clients.

## Rate Changes (or NOT) for 2010

By law, the dollar amounts for a variety of tax provisions must be revised each year to keep pace with inflation. But because recent inflation factors have been minimal, many of these remain unchanged.

**Personal exemption** \$3,650  
(unchanged)

### Standard deduction

- \$11,400 for married couples filling joint (unchanged)
- \$5,700 for singles & married filling separate (unchanged)
- Up \$50 to \$8,400 for heads of households

**Social Security** Base stays the same at \$106,800 for 2010 with the same rate of 6.2%

**Medicare** continues to have no limit with a rate of 1.45%

**Maryland Unemployment tax** rates have increased significantly. The minimum rate for Maryland employers will be increasing from .6% to 2.2% (more than triple!) for 2010. The taxable base of \$8,500 remains the same. Look for your new experience rating to come in the mail in mid January.

**Mileage rates** for 2009/2010 are:

- \$.55 per mile for business miles
- \$.24 cents per mile for medical or moving purposes
- \$.14 cents per mile for charitable service

## Q&A

### Q: Why does my software offer an upgrade every year and why do I need to upgrade my software?

**A:** Software developers offer version upgrades on a yearly basis for a number of reasons. Sometimes these upgrades will provide improvements and they usually include a few new features. Perhaps the primary reason that version upgrades are offered every year is to ensure that the company stays in business. This is very important from the standpoint of the software developer, but should be important to you as well.

You may be using a software version that is many years old and find that it is working perfectly fine on your computer equipment. You have no need for any of the features that have been added over the years, so why should you spend money on an upgrade? Eventually you will find that you do run into a problem having to do with your aging version of software. You may find that when you replace hardware you have to reinstall your software, leaving you out of luck if the original software cannot be installed on the newer computer.

At some point you may experience a problem with your software or your data and look for a resolution, only to find out that the version of software you are using has not been supported for years. Or you may find that the manufacturer of the software you are using went out of business some time ago, leaving you in a position where you have no option but to implement a completely new system from scratch.

The bottom line is that selling software upgrades is a very large source of revenue for software companies. They need to sell upgrades to stay in business. You need them to stay in business to continue reaping the benefits that their software provides your business. Although you might be able to hire long time certified consultants to maintain your software when a software vendor will no longer do so, that can end up costing you much more money in the long run.

There are a couple of options available if you do not like the idea of having to pay to upgrade your software every time a new version is released. One way is to stay current on an annual support plan provided by the software vendor. For an annual fee, the upgrade is provided free. The second option is to use a software program that is available as a service (SaaS). You will pay a monthly fee to run software this way, but you will never have to worry about paying for or installing an upgrade or even upgrading your computers. All you need is an internet connection.

