



CRISER | GOUGH | PARRISH

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“Working together for you.”

Criser, Gough, & Parrish

The Advisor

Stephen M. Criser — Laura B. Parrish — Greg R. Gough

CGP Supports Our Community

Music Theatre of Wichita

Music Theatre of Wichita is a not-for-profit organization formed in 1972 to produce the finest musical theatre in the community and region. The 2008 season included five varied Broadway musicals: *The Producers*; *Camelot*; *Kiss Me, Kate*; *Miss Saigon* and *The Drowsy Chaperone*. They added a sixth show this season, *High School Musical 2*, which gave 48 of the area's young performers a chance to perform.

2009 Performers Card



MTWichita has a longstanding commitment to local teens. Area high schoolers are involved each year in their Apprentice Program, Intern Program and Target Teen Choir, plus the annual MTWichita Jester Awards, which honor excellence in high school musicals produced throughout this region. These activities are partially sponsored by the *Performers Cards* profits.

You can order your 2009 Performers Card for just \$50 and receive a 20% discount at over 150 of Wichita's finest merchants and eateries. (For a complete list, see their website at www.MTWichita.org.) Your purchase of a Performers Card will support MTWichita and their teen involvement. When you shop or dine with your Performers Card at participating merchants and eateries, you'll not only support our local economy, you'll receive an incredible *20% savings with every purchase*.

Performers Cards are valid November 6-15, 2009, and may be used on in-stock, non-sale merchandise (with some exceptions, depending on vendor). To order your Performers Card for \$50, call MTWichita at 265-3253.

How We See It

The IRS Is Back (as if they ever left) - We are seeing a great deal of IRS audit activity as compared to the last few years. Issues we are seeing include deductible expense documentation, contract labor vs. employee status, reporting of income and compensation of S-Corporation shareholders. It pays to be ready for a tax audit even if you have never had one. Call us if you have questions or need help getting ready.

Thank You – I want to thank everyone who attended any of our Breakfast Cereal Series education programs. We at Criser, Gough and Parrish believe in education and we are looking to do similar programs in the future. Please, if you have any ideas or thoughts on future programs you would like us to sponsor let myself or any of our staff know.

Holiday Open House – Put Thursday, December 10, 2009, from 4PM to 7PM on your schedule. If you haven't attended our annual open house at our east office (9415 E. Harry, Suite 602), then you have missed some great food and holiday cheer.

Steve Criser, CPA

If your contact information has changed, including your email address, please call our office or email Penny at penny@crisergoughparrish.com so we may update our records. Thanks!

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Weathering Market Changes

By Greg Gough, ChFC

With current market turmoil, many people have seen a reduction in their retirement accounts and investment portfolios. It's no question that people get emotional when it comes to their money. But rash decisions often lead people to make portfolio changes that may have adverse effects on their growth potential. Instead, investors should replace emotion with a disciplined strategy. The key to investing for the long term is consistency in all market types.

There are simple ways to withstand a tough market. When times are bad, your first instinct might be to take your money out of the market and deal with the losses. And others might make conservative investments that will stifle growth potential. You must be a consistent investor and spread the risk, no matter what the market is doing.

The most important thing is to understand your short-term and long-term goals. Once you know what you want to accomplish, there are four basic steps you can take to help safeguard your financial well-being through good times and bad.

1. Plan. To reach your financial goals, you have to know first where you're going. For example, if you're investing for retirement, you need to determine when you want to retire, how much you will need to live on in retirement, how much time your investments have to grow, and how much you can afford to save each year. Once you've answered these questions, you or your financial professional can develop the investment strategy that will help take you where you want to go. For each element of your financial future, you will need to plan. Your plan incorporates many elements, including investments, savings, insurance, and estate planning.

2. Prepare. Make sure that all your emergency needs are covered – including adequate life insurance and saving enough in a rainy day fund to tide you over during an unexpected run of bad luck. Once your emergency needs are covered, you can begin putting your savings to work in a long-term investment strategy.

3. Diversify. Even if you're an aggressive investor, it's never a good idea to put all your eggs in one basket. Those who most successfully weather the market's ups and downs are those who have a variety of investments – some fixed income securities along with a diversified stock portfolio that includes small and large cap, growth and value sectors.

Asset allocation – the process of deciding which stock and bond sectors you want in your portfolio and what percentage of each – is important for two reasons. First, by spreading your bets among different types of stocks and bonds you are most likely to protect your assets on the downside – that is, when the market is falling. Second, since no one can predict what next year's winners will be, having a piece of any types of securities makes it more likely that you will pick some winners.

Your own asset allocation will depend on your age, your investment goals, your tolerance for risk, your tax bracket, and other variables. Please be aware, however, that asset allocation does not guarantee a profit or protect against loss. All investments are subject to market risk, will fluctuate and may lose value.

4. Re-evaluate. The most appropriate strategies and asset allocations will only serve you for so long. Life circumstances change: children and grandchildren are born and grow up; your earning power increases; you get closer to retirement; you inherit money, and so forth. As your life changes, you'll need to re-evaluate your plan to make sure it still meets your changing situation and goals.

You also need to periodically rebalance your portfolio. As the market goes up and down, your portfolio's allocation will change – a run-up in small cap value stocks, for example, will increase the percentage you own in that sector, putting your portfolio out of balance. When you rebalance, you sell some of your winning sectors and buy more of the sectors that have not yet performed as well—thus conforming to the classic investment advice of “buy low, sell high.” Rebalancing can help prevent your portfolio from taking on more risk than you had originally intended – and help you avoid possible losses when a formerly hot sector starts declining.

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IRS Alerts Public to New Identity Theft Scams

The Internal Revenue Service reminds consumers to avoid identity theft scams that use the IRS name, logo or web site in an attempt to convince taxpayers that the scam is a genuine communication from the IRS. Scammers may use other federal agency names, such as the U.S. Department of the Treasury. The scams may take place through e-mail, fax or phone. When they take place via e-mail, they are called “phishing” scams.

The IRS does not discuss tax account matters with taxpayers by e-mail. The IRS urges consumers to avoid falling for the following recent schemes:

Making Work Pay Refund

This phishing e-mail, which claims to come from the IRS, references the President and the Making Work Pay provision of the 2009 economic recovery law. It says that there is a refundable credit available to workers, consumers and retirees that can be paid into the recipient’s bank account if the recipient registers their account information with the IRS. The e-mail contains links to register the account and to claim the tax refund. In reality, most taxpayers receive their Making Work Pay tax credit, which was designed for wage earners, in their paychecks as a result of decreased tax withholding, not as a lump sum distribution from a federal fund. Additionally, consumers and retirees who are not wage earners are not eligible for this tax credit.

Inherited Funds / Lottery Winnings / Cash Consignment

In this phishing scheme, recipients receive an e-mail claiming to come from the U.S. Department of the Treasury notifying them that they will receive millions of dollars in recovered funds or lottery winnings or cash consignment if they provide certain personal information, including phone numbers, via return e-mail. The e-mail may be just the first step in a multi-step scheme, in which the victim is later contacted by telephone or further e-mail and instructed to deposit taxes on the funds or winnings before they can receive any of it. Alternatively, they may be sent a phony check of the funds or winnings and told to deposit it but pay 10 percent in

taxes or fees. Thinking that the check must have cleared the bank and is genuine, some people comply. However, the scammers, not the Treasury Department, will get the taxes or fees.

Refund Scam

The bogus e-mail, which claims to come from the IRS, tells the recipient that he or she is eligible to receive a tax refund for a given amount. It instructs the recipient to click on a link contained in the e-mail to access and complete a form for the tax refund. The form requires the entry of personal and financial information. The refund scam is the most common one seen by the IRS. Several recent variations on this scam have claimed to come from the Exempt Organizations area of the IRS. Some others have included the name and purported signature of a genuine or a made-up IRS executive. Taxpayers do not have to complete a special form to obtain a refund. Taxpayer refunds are based on the tax return they submit to the IRS.

(IR-2009-071, 8/4/09)

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Speaking with your financial professional and taking precautions beforehand will help combat an unstable and unpredictable market. Safeguarding your portfolio is more than meeting with your financial professional once a year. It’s planning to send your kids to college, it’s planning for your dream home and it’s planning for a comfortable and enjoyable retirement. Armed with a plan and preparation, you will be well-equipped in good times and in bad times.

This material is not intended as tax or legal advice. You should consult with your personal financial, tax or legal advisor regarding your specific situation before implementing any estate or business strategy.

Greg Gough, ChFC offers securities through AXA Advisors, LLC (NY, NY 212-314-4600), member FINRA, SIPC. Annuity and insurance products offered through AXA Network, LLC and its subsidiaries.

GE-45339 (10/08)

Technology Expenses Make the Grade for Qualified Tuition Programs

Taxpayers who purchase computer technology for higher education purposes may be eligible for a special tax break. The American Recovery and Reinvestment Act of 2009 added computer equipment and technology to the list of college expenses that can be paid for by a qualified tuition program, commonly referred to as a 529 plan.

A qualified, nontaxable distribution from a 529 plan during 2009 or 2010 now includes the cost of the purchase of any computer technology, equipment or Internet access and related services. To qualify the beneficiary must use the technology, equipment or services while enrolled at an eligible educational institution.

Here are some things the IRS wants you to know about 529 plans:

- ◇ A 529 plan is an educational savings plan designed to provide tax-free earnings for the benefit of a student. Withdrawals must be used for qualified higher education expenses at an eligible educational institution.
- ◇ Qualified higher education expenses include tuition,

reasonable costs of room and board, mandatory fees, computer technology, supplies and books.

- ◇ An eligible educational institution includes any college, university, vocational school or other postsecondary educational institution eligible to participate in a student aid program administered by the Department of Education.
- ◇ Contributions to a 529 plan cannot be more than the amount necessary to provide for a student's qualified education expenses.

For more information about 529 plans, contact the Gough Financial Group, 316-683-8400 or see IRS Publication 970, Tax Benefits for Education. For more information on other key tax provisions of the Recovery Act, visit the official IRS website at IRS.gov/Recovery.

(IRS Special Edition Tax Tip 2009-06, 9/9/09)

Pursuant to federal regulations imposed on practitioners who render tax advice ("Circular 230"), we are required to advise you that any tax advice contained herein is not intended or written to be used for the purpose of avoiding tax penalties that may be imposed by the IRS.

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