

SUCCESS

by the numbers

Achieving a profitable bottom line

It's All About You

We Are Changing Our Address by Moving To A New Building

Our growth in personnel, service offerings and technical expertise has persuaded us to build a modern, service oriented facility at 10010 Calumet Avenue in Munster.

Our new building is located only a mile from our old location on 45th Street to south Calumet Avenue. Over the years, as our clients' needs have grown and become more diverse, our firm has strived to grow with them by expanding our service offerings, developing expertise in concentrated areas of tax, audit and valuation. As our client base continues to expand, so has our staff. We have outgrown our current facility. The new facility has 10,000 square foot of office space and a floor plan designed to improve work flows and offer room for future growth.

The building was planned to accommodate the most current advances in computer technology which will enhance our efficiency and allow us to quickly keep abreast of and implement changes in both the worlds of tax and accounting. In an effort to reduce our use of paper, which in this industry is inherently large, we have acquired the equipment and technology to scan documents and store them in an electronic file cabinet rather the traditional boxes to which we are all accustomed.

More than ever, we have the capability to deliver large firm services at local firm pricing to our professional services, manufacturing, retail and individual tax, audit, bookkeeping and payroll clients.

We invite everyone to stop and visit.

We're Also Changing Our Name

We have changed our name to McMahon & Associates Certified Public Accountants P.C. Terry McMahon began the business of Public Accounting as a sole practitioner 37 years ago in 1971. Today the firm has two additional owners in Jill Jones and Karen McMahon who are assisted by over twenty professionals. We all have a common goal – to be your partner in your financial success. Don't worry Terry hasn't gone anywhere and is still available as he has been for all these thirty-seven years. Many of our clients do not realize our firm has a staff of more than twenty, which includes individuals with expertise in tax, auditing, valuations and more. We provide payroll and bookkeeping services to many and have staff certified in QuickBooks as well. We believe the name demonstrates that Terry continues to provide the leadership that has made the firm grow along with a team of business partners and numerous associates providing an ever expanding depth of services.

And a new "look"

You may have noticed our new logo and corporate colors. The acorn in our new name and the branches of the oak tree were designed to reflect our recent growth and to demonstrate to you that we are always reaching forward to provide the best level of service we possibly can for you.



Improving Our Skills - Improving Our Knowledge – We Never Stop



Terry McMahon,
CPA, President



Karen McMahon,
Account Manager



Jill Jones, CPA,
Audit Partner

Terry McMahon, CPA, and Karen McMahon recently attended the American Institute of Certified Public Accountants 'National Tax Conference' in Washington D.C. They came away thoroughly informed of the many changes that will become effective for the tax year of 2008. These include those that are part of the 'Economic Stimulus Bill' recently enacted.

Speakers at the conference, including the Commissioner of the Internal Revenue Service, discussed numerous issues that all individual and corporate taxpayers need to consider as part of their year-end planning process.

Changes in capital gains, compensation issues and estate planning were only a few of the aspects of tax planning that were presented.

The Internal Revenue Service Commissioner discussed the IRS' ongoing emphasis to develop technology to improve communications between the IRS and taxpayers. Our new facility has upgraded its technology infrastructure to accomplish this same goal.

Jill Jones CPA only just returned from attending classes sponsored by the National Association of Certified Valuation Analysts to obtain her accreditation in business valuations.

Jill also attended the American Institute of Certified Public Accountants 'Not for Profit Industry Conference' in Washington D.C. Effective for the tax year of 2008, Not for Profit organizations' tax reporting will change dramatically requiring significant increases in disclosure of information. Jill left with a thorough understanding of these new IRS tax rules and requirements.

Have You Suffered a Loss From the August Tornado or September Flood?

As a result of the recent casualties the country experienced this year, Congress enacted the 2008 Extenders Act which includes relief for taxpayers who experienced tornado or flood losses in August and September. The Act waives the 10%-of-AGI limitation for losses attributable to a federally declared disaster and can have favorable tax implications to you if you qualify.

Please call us if you have any questions.

Lake property tax bills will be late again.

Treasurer says prepayment is an option for federal tax purposes

Lake County's final 2008 property tax bills won't be going into the mail until early next year.

Property owners who need to pay their bills before Dec. 31 to qualify for income tax deductions are being urged to go to the county treasurer's office and prepay.

We're Growing Again -

Acquisition of Bookworks, LLC

Effective January 1, 2009, Bookworks, LLC, owned by Barbara Griffin E.A., will be merging into our firm. Bookworks, LLC, located in Merrillville, has a long and successful history serving clients throughout Lake and Porter counties in the fields of tax, bookkeeping and payroll services. Barbara and her assistant Linda will be moving to our Munster building to enable them to continue to serve both our clients from one location.

We welcome Barbara, Linda and the Bookworks' clients and look forward to continuing the high level of personal service to which they are accustomed.

Tax Matters

Required Minimum Distributions From Retirement Accounts

Remember that the deadline for taking your 2008 Individual Retirement Account (IRA) Required Minimum Distribution (RMD) is December 31, 2008. If you do not take your RMD, the IRS may impose a 50% penalty tax on the amount that should have been distributed. Please watch the news! There is a lot of talk that Congress may alter these rules at the last minute as part of further efforts regarding economic stimulus/bailout legislation. Congress has extended the rule that allows tax free distributions from such accounts directly to charitable organizations.

Important: If 2008 is the year you turn 70-1/2 and you're taking your first distribution, the deadline is not December 31st but instead April 1, 2009.

IRA-Roth Conversions

The rule of thumb is When in Doubt-Convert-but this is an issue that requires thought. There are several conversion advantages including the total amount of your after-tax contributions can be converted free of tax. When you withdraw from a Roth, assuming you meet the requirements, there are no taxes due on any of the funds, unlike an IRA, and minimum distributions don't apply to a Roth IRA until after the owner dies.

There are many IRS hurdles to cross before a taxpayer can make this conversion so give us a call first and let us make sure you qualify.



Our Staff



**Christine McCabe,
CPA, Accountant**

Christine McCabe, CPA has recently joined our staff. Christine most recently managed the accounting function for the Northwest Indiana Symphony. Christine is very conversant with the not for profit industry and brings many years of accounting and tax expertise to share with our clients.



**Tami Shea, CPA,
Accountant**

Tami Shea, CPA, one of our accounting managers, recently passed the Certified Public Accountant licensing exam. This prestigious feat adds to her already extensive experience in the field of accounting and state and federal taxation.

McMahon
& Associates

CERTIFIED PUBLIC ACCOUNTANTS, P.C.



Your Partner for Growth

We're Number One and Have Five of Indiana's Super CPAs

Our clients, and the readers of Northwest Indiana Business magazine, have voted us the #1 accounting firm in the area for three consecutive years. Additionally, in a state wide ballot, five members of our firm were voted 'Super CPAs' by their peers. These five are Jill Jones (auditing), Terry McMahon (business consulting), Debra Waisnora (employee benefits), Christine Valenti (individual tax) and Daniel Hamstra (young CPA).

Let these five Super CPAs and our entire staff show how we can be a partner in your success.

Accolades

Best of Munster 2008

We are pleased to announce that the U.S. Local Business Association (USLBA) has recently selected our firm for the 2008 Best of Munster Award in the Tax Return Preparation & Filing category. The USLBA "Best of Local Business" Award Program recognizes outstanding local businesses throughout the country for their exceptional marketing success in their local community and business category and for their enhancement of the positive image of small business through service to their customers and their community.