

California Enterprise Zone TAX ALERT



INCREASE CASH FLOW IMMEDIATELY

Your clients have not been hiring recently; however, you can still help them reduce their 40% estimated tax payment to California for **Q2, 2010**.

June 2010

As you are aware, California's estimated tax schedule has changed once again in 2010. For the 1st quarter, estimated tax was 30%. It will be 40% for Q2, zero in Q3, with the remaining 30% due in Q4.

A 40% cash outflow can be a huge expense for many corporations and individuals. But there is a tax planning tool that you can use to keep cash in your clients' pockets: the California Enterprise Zone Hiring Tax Credit.

With a 12.6% unemployment rate in California, the most common misconception for business owners is that they are not eligible for California hiring credits because they have not been hiring.

GREAT NEWS!

- Many zones allow companies to look at employees hired as far back as 2001.
- Employees do not have to be currently employed to generate tax credits in prior years.
- The CA EZ statute of limitations is four years.

Infuse cash into your clients' business today by leveraging their hiring activities and profitability during better economic times (2005 - 2007)!

DEADLINES TO KEEP IN MIND:

6/15/2010 – Due date for California Q2, 2010 estimated tax payment. This payment can be reduced or eliminated NOW!

9/15/2010 – (Prior Year Statutes) The tax return for the 2005 tax year may still be open, depending on the actual filing date.

9/15/2010 – For calendar year extended filers this is the deadline for you to claim the credits on your originally filed return.

Why are CPAs turning to alliantgroup to help their clients reduce or potentially eliminate the 40% Q2 Estimated Tax Payment?

- With more than 250 employees on staff, alliantgroup can provide you and your clients with immediate turnaround.
- alliantgroup performs an analysis to identify employees who potentially qualify the client for EZ hiring credits and determines the range of the potential benefit.
- With many new enterprize zone designations and expansions, alliantgroup's EZ team will help ensure that your clients are properly identified.

For more information, please contact Samir Gulati at: (949) 809-2170 or samir.gulati@alliantgroup.com.

About alliantgroup

alliantgroup is an independent specialty tax services firm that works with clients to ensure that they receive the full benefits of all available Federal and State government sponsored incentive programs, such as the Research and Development Tax Credit, Export Tax Incentives, Manufacturing Tax Incentives, Energy Tax Incentives, various Enterprise Zone Incentives, Sales and Use Tax Refund Reviews, and Captive Insurance Companies.

alliantgroup's national headquarters are located in Houston, Texas with offices in Orange County (CA), Los Angeles, San Francisco, San Diego, Chicago, New York, Boston, Miami, Washington D.C., Toledo, Seattle, Atlanta, and New Orleans.



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