



TAXSAVERS

March 19, 2010

To our clients:

On March 18 President Obama signed into law the **Hiring Incentives to Restore Employment (HIRE) Act**, in an effort to boost employment of unemployed individuals.

Some highlights from the new law are:

- Employers can save the 6.2% employer portion of the Social Security Tax if they hire an unemployed person to fill a new position or an existing position if the previous occupant left voluntarily or for cause. Employers will claim the tax benefits on their quarterly 941 Forms that they file with the IRS.
- Employers will also get a \$1000 tax credit on their 2011 income tax returns, if they retain the employees for 52 consecutive weeks.

All employees have to be hired after February 3, 2010 and before January 1, 2011, the incentives will apply to wages paid after March 18, 2010. All Employees will have to sign a statement, under penalties of perjury, certifying that they have been unemployed or worked less than a total of 40 hours for someone else for the 60 days prior to their hire date.

We will keep you updated as we receive more information. You can also check our website, www.afsofmi.com or call our office @ 734-464-3660 for additional updates.

Sincerely,

AFS Tax savers Inc.

“WE LOVE REFERRALS”
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