

ASHTABULA COUNTY BUILDERS

"The Voice of the Industry in Ashtabula County"

ANNUAL MEETING

November 11th

CASA CAPELLI

If you have any items you would like put on the agenda please contact a board member or call the office 997-1866.

MARK YOUR CALENDAR

October 14th	Candidate's Night Casa Capelli
November 11th	Annual Meeting Casa Capelli
January 13th	Tax Changes
January 22nd-January 23rd	Casino Trip Seneca Niagara
February 26th	Reverse Raffle Jefferson 4H Building
March 10th	General Meeting
April 14th	General Meeting
May 12th	General Meeting
June 9th	Steak Fry
July 14th	Golf Outing

Happy Hour is 6:00pm - 7:00pm

Dinner 7:00pm

RSVP by Sunday prior to meeting date and if you need to cancel please call by Monday evening.

PRESIDENT'S COMMENTARY

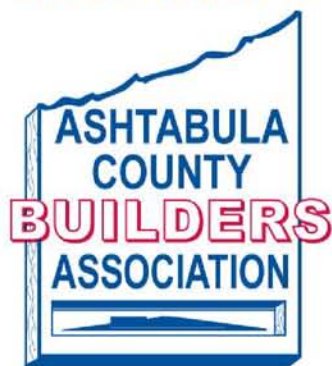
Greetings everyone! I would like to thank Drew Thomas and Crew for again providing us with another fantastic Clam Bake. The food was excellent! Many thanks to everyone that attended the clam bake this year. The temperatures have started to cool off and the leaves on the trees are changing which makes us realize fall is finally upon us. With the fall we start to think about the holidays that are coming upon us like Halloween and Thanks giving. We also know that election time is coming closer with the increase in candidate advertising we are seeing and hearing. With this said we are looking forward to our meet the candidate's night for our October meeting. With our economy still in little state of turmoil this will be a good time to meet some of the candidates that are looking to represent our interests. I also want to remind everyone to attend the annual meeting that is coming up in November. As you have probably read in the news letter my time as president is coming to a close and I want to thank everyone for allowing me to be apart of this wonderful association for the last two years. Thank you all for your support. As always your association is here to assist you in anyway possible.

Thanks,
Rick

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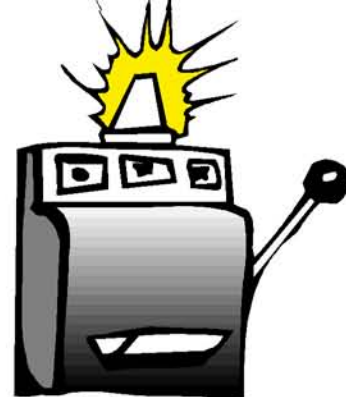
Casino Trip
Reverse Raffle
Voters Warn
Tax Breaks Available to Builders Under
Small Business Lending Legislation

INTEGRITY



CASINO TRIP

Seneca Niagara



As always the Board of Directors are thinking of ways to excite the members of the Builders Association, we are constantly trying to think of new programs and exciting extra events. Several of your Board Members thought that a Casino Trip would be an exciting event. This event will not take the place of our regular Builder's meeting in January but will be an additional event. This will be an excellent opportunity to get to know your fellow members better and also a great way to help chase away the winter blues. There are only two things that we must mention and that is that only those 21 and older can travel with us and only those that feel lucky and want a good time are permitted. **Also this trip is not limited to Ashtabula County Builders Members only it is open to all.** More details to follow as we get closer to this great trip. If you have any additional questions please call Michelle at (440) 997-1866.

Saturday, January 22nd - Sunday, January 23rd

Bus Leaves 9:00 a.m. Ashtabula January 22nd

Bus Returns 5:00 p.m. Ashtabula January 23rd

BYOB on the Bus

\$150.00 per person sharing a room

\$230.00 per person for a private room

\$300.00 per couple

A private buffet luncheon will be provided for our party on Sunday. You will also receive a players card on arrival with \$50.00 slot dollars and \$20.00 towards a restaurant per person.

PLEASE RSVP AS SOON AS POSSIBLE

(440) 997-1866 or ashtabulacountybuilders@windstream.net

There is a ten room minimum for this trip.

Ashtabula County Builders
Association Presents:
Annual Reverse Raffle
February 26, 2011

Grand Prize: \$1500.00

50/50 Raffle - Instant Bingo - Black Jack - Silent Auction

\$50.00 a couple

Includes dinner and open bar

Doors open at 6:00p.m. - Raffle starts at 7:00p.m.

Location: Ashtabula County Fairgrounds
4-H Building

All Proceeds will Benefit:

**Community Care Committee &
The Ashtabula County Builders Association**

For more information or tickets contact:

997-1866 or ashtabulacountybuilders@windstream.net

Voters Warn: Don't Mess with the Mortgage Interest Deduction

Americans overwhelmingly oppose any action by Congress to tamper with the mortgage interest deduction, according to a new nationwide survey of likely voters commissioned by NAHB. Nearly 80% support retaining federal tax incentives to promote homeownership, which have been in the tax code since the introduction of federal income taxes in 1913.

"These poll results show strong national voter support for keeping the mortgage interest deduction that cuts across gender, age, partisan, ideological, educational and regional lines," said Neil Newhouse, a partner at [Public Opinion Strategies](#), which conducted the survey. "Clearly, voters have a very strong connection to the home mortgage interest deduction and are not likely to respond well to efforts to reduce or eliminate it. In fact, voters overwhelmingly say they would be less likely to vote for a candidate for Congress who supported either eliminating or reducing the home mortgage interest deduction."

On the issue of tax reform, U.S. voters remain unwavering in their support of the mortgage interest deduction. When asked to rate the importance of preserving tax deductions in the current tax code, an overwhelming share — 81% — said it's important to keep the deduction of mortgage interest on a primary home, ranking it in a virtual tie with medical expenses (82%). In addition, more than three-quarters of respondents (76%) cited the importance of keeping the deduction for state and local taxes, including property taxes.

Furthermore, those renting their current homes also placed a high priority on preserving the mortgage interest deduction: 71% cited the importance of the deduction, ranking it in second place among current tax deductions, behind the deduction for medical expenses.

Public Opinion Strategies conducted the survey on Sept. 9 through 12 to assess the public's attitude toward the mortgage interest deduction and the importance of homeownership. Among the poll's key findings:

- 79% of all respondents — both owners and renters — believe the federal government should provide tax incentives to promote homeownership.
- An even greater percentage of renters — 82% — favor providing tax incentives to promote homeownership.
- Even when told that getting rid of the mortgage interest deduction would help ease the federal budget deficit, 72% of voters opposed any proposal to abolish it. This strong consensus cuts across partisan lines and home owner status; 76% of Republicans, 75% of Independents and 64% of Democrats oppose eliminating the deduction. Meanwhile, 75% of home owners and 55% of renters also oppose doing away with the home mortgage interest deduction.
- 70% would be less likely to vote for a candidate for Congress who proposed to eliminate the home mortgage interest deduction, and 63% would be less likely to vote for a candidate who supports reducing this tax deduction.
- 78% of those polled say they currently use the home mortgage interest deduction or have either used it in the past or hope to use it in the future. Among those renting their current home, 58% said they have used the mortgage interest deduction in the past or hope to use it in the future.

"As the midterm elections draw near, voters are sending a resounding message to Congress and the Administration: Don't meddle with the mortgage interest deduction or other tax incentives that support homeownership," said NAHB Chairman Bob Jones.

"Voters strongly oppose any action to curtail or eliminate the mortgage interest deduction, even when they hear an argument that eliminating the deduction would help reduce the federal deficit."

Tax Breaks Available to Builders Under Small Business Lending Legislation

The small business lending legislation (H.R. 5297) signed into law last week by President Barack Obama includes \$12 billion in tax breaks designed to help the small business community.

Of note to home builders, the legislation includes several tax incentives that will help their bottom line:

- **Increased Section 179 Expensing.** For 2010 and 2011, the bill increases the amount of investments that businesses are eligible to write off to \$500,000 and raises the level of investments at which the write-off phases out to \$2 million. Prior to passage of the bill, the expensing limit was \$250,000 this year and only \$25,000 in 2011. This means that a business that buys up to \$2 million in new equipment this year and next can immediately write off the first \$500,000 of its purchases. Businesses that invest more than \$2 million have their \$500,000 allowance limit reduced by one dollar for each dollar exceeding the \$2 million limit.
- **A New Deduction of Health Insurance Costs for Self-Employed.** Making an exception to current law, this provision allows small business owners to deduct the cost of health insurance incurred in 2010 for themselves and their family members when calculating their self-employment taxes.
- **Tax Relief and Simplification for Cell Phone Deductions.** The legislation changes rules so that beginning this year, the use of cell phones can be deducted or depreciated like other business property, without onerous recordkeeping requirements.
- **A Five-Year Carryback of General Business Credits.** The new law allows certain small businesses to carry back up to five years their general business credits — including the Section 42 Low-Income Housing Tax Credit and the Section 45L New Energy Efficient Home Credit — to offset taxes paid in prior years, providing them an immediate refund this year by filing an amended tax return. The provision also allows these credits to offset Alternative Minimum Tax liability in prior tax years. This applies to general business credits for those sole proprietorships, partnerships, S Corporations, LLCs and C corporations with \$50 million or less in average annual gross receipts.
- **Zero Taxes on Capital Gains From Key Small Business Investments.** Under the American Recovery and Reinvestment Act of 2009, 75% of capital gains on key small business investments this year were excluded from taxes. The legislation temporarily puts in place a provision for the rest of 2010 to eliminate all capital gains taxes on these investments if they are held for five years.
- **Extension of 50% Bonus Depreciation.** Under the Recovery Act, Congress temporarily allowed businesses to recover the costs of certain capital expenditures made in 2008 and 2009 more quickly than under ordinary depreciation schedules by permitting those businesses to immediately write off 50% of the cost of certain depreciable property (rental residential real estate, in general, is excluded) placed in service in those years. The new law extends the provision for 50% bonus depreciation through 2010.
- **An Increase in the Deduction for Start-Up Expenditures.** Under current law, taxpayers may deduct up to \$5,000 in business start-up expenditures. The amount that a business may deduct is reduced by the amount by which start-up expenditures exceed \$50,000. For 2010 only, the new law increases the amount of start-up expenditures that entrepreneurs can deduct from their taxes to \$10,000, subject to a \$60,000 phase-out threshold.

Many of these provisions apply to investments or costs expended in 2010, and businesses should work with a tax professional to ensure that they gain the appropriate tax benefit for actions that they may have taken earlier this year.