



ALLIANT ADVISORS

FIND DIRECTION



The Navigator

Important Markers To Guide Your Way

February 2006

For more than twenty years the team at Bunge + Associates has been committed to listening to our clients and seeking new ways to improve our services. As part of that commitment we recently changed our name to Alliant Advisors to emphasize the passion we have for working in close alliance with our clients to Find Direction for the their business and personal goals. To support that continuing promise we will be improving our dialogue with you. We will periodically be sending you bits of helpful and useful information through e-mail to keep you up to date on any current changes, due date reminders, or other information that may be relevant to your specific needs.

We hope you will enjoy and value this information. If you do not wish to receive this information by email please respond to this message and we will remove you from the list. For more information about any aspect of our services, visit www.alliant-advisors.com or call your local office.

The Alliant Team

Security Spotlight

The internet has been, and continues to be, a “dangerous” place. Computer viruses have been infecting computers for decades now, and they only seem to get more sophisticated with time. There have been a number of major outbreaks of over the past 5 years. The trend continues in spite of the fact that most businesses are using Anti-Virus products.

Here are a couple tips to help you and your business stay ahead of people who wish to infect your network with computer viruses:

1. Make sure that every computer has an updated and licensed copy of anti-virus software installed and functioning;
2. Make sure that the anti-virus software is set to automatically scan files as they are accessed, and to automatically scan email as it is received;
3. Make sure that the anti-virus software is set to automatically update itself every day;

4. Be skeptical of any attachment you receive in an email. The email you received from a friend or known associate may have been sent by an infected computer. Do not automatically open an attachment you receive, but save it to your computer first, then scan it for viruses before you open the file;
5. Finally, if something looks suspicious, don't open the file until you have scanned it with your anti-virus software.

While these steps can't guarantee that your computers will remain virus-free, they will significantly reduce the chance of most computer virus infections getting through.

If you would like help addressing this issue or any other technology issue please let us know. You can reach us at 847-490-1040.

Individual Six Month Extension

Most individuals may request a six-month automatic filing extension for their 2005 return on a single form, without a reason or even a signature. Under prior rules, an individual who wanted a six-month extension had to request an initial four-month extension on one form and then use a second one to request a two-month discretionary extension.

Alternative Motor Vehicle Credit

Taxpayers may be able to claim a credit for buying a hybrid or lean burn vehicle in 2006. The tax credit may be as much as \$3,400 for people who buy the most fuel-efficient vehicles. The full amount of the allowable credit is available only up to the end of the first calendar quarter after the quarter in which the manufacturer records its sale of the 60,000th hybrid and advanced lean-burn technology motor vehicle. The new-for-2006 credits replace the deduction for certain clean fuel vehicles and clean fuel property that was available for property placed in service before 2006.

Estate Tax Exclusion

The amount exempted from estate tax by the unified credit has increased from \$1.5 million to \$2 million.

Changes for IRA's and Qualified Plans

Retirement plan contribution limits. For tax years beginning after 2005, the following statutory increases in retirement plan contribution limits apply under EGTRRA phase-in rules:

- IRA catchup contribution, from \$500 to \$1,000
- 401(k), 403(b), salary reduction SEP's and Sec 457 contributions, from \$14,000 to \$15,000;
- catchup 401(k), 403(b), salary reduction SEPs, and Sec. 457 contributions, from \$4,000 to \$5,000;
- SIMPLE catchup contribution, from \$2,000 to \$2,500.