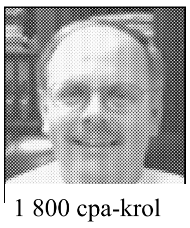

Your Taxes and Financial Matters

By: ***Richard P. Król***
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New COBRA health subsidy

What employers and employees need to know!

Job loss brings many challenges to families, and that often includes obtaining affordable health insurance coverage. Under a 1985 federal law referred to as "COBRA," many employees who are discharged can keep health insurance coverage provided by their former employer for as many as 18 months. But to do so, the employee has to pay 100% of the COBRA premiums.

Employees' subsidy

The economic stimulus law enacted last February significantly reduces the cost of COBRA health coverage for those who lose their jobs.

Qualified individuals who timely elect COBRA coverage are required to pay only 35% (instead of 100%) of these premiums. The remaining 65% of premiums are paid by the employer, but reimbursed by the federal government through tax credits. This subsidy is available for up to nine months after the job loss.

Those qualified for the subsidy include terminated employees and their family members who are eligible for COBRA coverage at any time from September 1, 2008, to December 31, 2009. Employees who voluntarily terminate employment or who are qualified to participate in another group health coverage plan (such as a spouse's employer's plan or Medicare) are not eligible for the subsidy.

The subsidy is phased out for higher-income taxpayers. For singles, the phase-out starts once modified adjusted gross income (AGI) exceeds $125,000. It is fully phased out at $145,000. The phase-out for married taxpayers filing jointly begins with modified AGI of $250,000 and is complete at $290,000. Any part of the subsidy paid to an individual that is subject to phase-out because of these income limitations must be repaid as an additional tax on the employee's federal income tax return.

Employers' credit

COBRA coverage is only required for employers with 20 or more full- and part-time employees, but many states sponsor plans similar to COBRA for small employers.

An employer that sponsored a health insurance plan that included COBRA coverage is required to pay 65% of the COBRA premium if the terminated employee pays the remaining 35%. The government reimburses the employer through tax credits on the employer's quarterly payroll tax returns.

The new subsidy may make it possible for laid-off workers to continue affordable health insurance coverage until new employment and coverage can be found.

IRS expands 2009 homebuyer credit

The IRS announced recently that taxpayers who qualify for the first-time homebuyer tax credit on a home purchased from January 1, 2009, through November 30, 2009, may claim the credit on either their 2008 income tax return which is filed this year or on their 2009 tax return due April 15, 2010.

This option makes it possible for qualifying taxpayers to put money in their pockets in 2009, rather than waiting until next year to benefit from this tax break. Those who buy a home after filing their 2008 tax return may amend the return if they wish to claim the credit for 2008.

The 2009 first-time homebuyer tax credit provides a refundable credit of 10%

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Investments

By: ***Joanna Moran***
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It's 2009: Do You Know Where Your Retirement Savings Are?

A traditional IRA here… A rollover IRA there… Four job changes (so far!) and three retirement plan account balances left in the plans of former employers.

Over the years, you may have accumulated a significant sum in various retirement accounts. While keeping those assets in various accounts at different financial institutions isn't necessarily a bad thing, there is a strong case for consolidating them into one account with the same financial institution.

Why Consolidate?

Consolidating your retirement savings, where appropriate, offers several benefits including:

Comprehensive investment strategy: Over time, your investment objectives and risk tolerance may have changed. Thus, it can be difficult to maintain an effective retirement investment strategy—one that accurately reflects your current goals, timing and risk tolerance—when your savings are spread out among multiple financial institutions. Once you begin the consolidation process, you can choose investments that match your current goals and objectives.

Greater investment flexibility: Often, 401(k) plans or other employer-sponsored retirement programs—and even many IRAs—have limited investment menus. A self-directed IRA like the one offered by Morgan Stanley generally offers you the ability to choose from a wide range of investments including stocks, bonds, mutual funds, managed accounts and more.

Simplified tracking: It is easier to monitor your progress and investment results when all your retirement savings are in one place.

Less paper: By consolidating your accounts, you will receive one statement instead of several. That simplifies your life while protecting the environment.

Lower costs: Reducing the number of accounts may result in reducing your account fees and other investment charges.

Easy-to-calculate Required Minimum Distributions ("RMDs"): Once you reach age 70½, having fewer retirement accounts to manage means fewer RMDs to calculate every year. However, under recent legislation passed by Congress, RMDs are not required to be taken in 2009.

Knowing where your assets are: If your employer-sponsored retirement plan is terminated or abandoned (an "orphan plan") or is merged with or transferred to a retirement plan of another corporation after you leave, it may be difficult to locate the plan administrator to request a distribution of your benefits or to change investments. Your IRA assets are always accessible if you want to change your investment strategy or need to take a distribution.

What Can Be Consolidated?

Regardless of how many different types

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Music News

By: ***Marek Żebrowski and Krysta Close***

Plans for Chopin Anniversary begin to form…

In Poland

The Polish Sejm has declared 2010 the "Year of Chopin," in honor of the 200th anniversary of the birth of one of Poland's most beloved sons, whose music is considered an embodiment of the Polish spirit—pianist and composer Frederic [Fryderyk] Chopin (1810-1849). Organizations and institutions throughout Poland are abuzz with plans for concerts, conferences, exhibitions, and celebrations of all kinds—and the Fryderyk Chopin Institute and CHOPIN2010 Celebrations Committee (Chairman, Waldemar Dąbrowski) is at the center of that excitement.

Here are a few of the events that will be taking place in Poland in 2010, as organized by the Fryderyk Chopin Institute in Warsaw:

- **Museum upgrade**: The Fryderyk Chopin Museum in Warsaw is currently closed for extensive renovations, to be opened for the Chopin Year in a completely new form
- **The Birthday Decade**: The first of the three dominating events of the Chopin Year will be a series of concerts between 21 February and 1 March 2010 (encompassing the two hypothetical dates of the composer's birth). Performances by Martha Argerich, Piotr Anderszewski, Leif Ove Andsnes, Rafał Blechacz (who will open the birthday celebrations), Daniel Barenboim, Dang Thai Son, Evgeny Kissin, Garrick Ohlsson, Janusz Olejniczak, Murray Perahia, Ivo Pogorelich and Yundi Li. The artists will be accompanied by Frans Brüggen's Orchestra of the Eighteenth Century and the Warsaw Philharmonic Orchestra conducted by Antoni Wit.
- **3RD Iint'l Chopin Congress**: This conference will be held from 25 February to 1 March 2010, with the theme of "Ideas - Interpretations – Influence."

The period for accepting proposals of conference presentation is closed.

- **Chopin and his Europe**: The special edition of the 2010 Festival will last for all of August and encompass 50 music events with the participation of over 1,000 performers from all over the world. Events will include recitals, classical and jazz concerts, open-air performances and more.
- **Fryderyk Chopin Competition**: The 16th International Fryderyk Chopin Piano Competition will be held from October 2 – 23, 2010.

For more information and to keep up to date on celebration events, please visit chopin2010.pl. For an interesting and informative article from the *International Herald Tribune* about today's continuing links to the great composer, visit: www.poland.travel.

In Los Angeles

The 2010 spring concert of the Polish Music Center will be devoted to the music of Chopin on the 200th anniversary of his birth. Echoing the Thornton School of Music's beloved annual Chamber Music Marathon, the PMC will present a **Chopin Marathon**.

Students and faculty from USC as well as performers from throughout Southern California will come together in a half-day celebration of Chopin's beautiful romanticism and demanding technique. As appropriate to Chopin's œuvre, most of the performances will be of works for solo piano, although some of the rare chamber works will be presented as well. Join us on **March 27, 2010** for an afternoon of delightful music and celebration. Join us on **March 27, 2010** in

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Legal

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AgJobs Bill Would Be a Relief to Farmers and Their Workers.

A law proposed in the U.S. Congress last week would be a godsend for local farmers who rely on immigrant labor and those immigrants who do the work. With the new Presidential administration and changed composition in Congress, this important legislation may have a chance at passage.

The proposed law, the Agricultural Job Opportunities and Benefits Act ("AgJobs") would improve the temporary labor program (known as the H2 visa) that many growers use to bring in foreign labor. Significantly, it would also allow current farm workers with two years presence here to legalize their status and ultimately get a green card. The bill was introduced by California Senator Diane Feinstein and other Senators and representatives from both parties, primarily from states with large agricultural production. The bill is expected to have support from the Obama Administration.

Legalization of current agricultural workers.

Under this legislation, undocumented agricultural workers could legalize their status on certain conditions. Workers who can prove they worked in American agriculture for at least 150 work days over the previous two years before December 31, 2008 could apply for a new "blue card" or temporary legal immigration status. The blue card would give the person temporary legal status and a work permit.

The bill also provides a path to citizenship for these agricultural workers. If they continued to work for several more years in an agricultural capacity in the United States, they could qualify for permanent residence or a "green card". (Specifically, to qualify they would have to work an additional three years, working at least 150 days per year, or an additional five years, working at least 100 days per year.) In order to obtain permanent residence, workers would have to pay a fine of $500, pay any back taxes owed, and prove they have not committed any serious crimes.

Persons holding the green card can generally apply for U.S. citizenship after five years.

Improvement of the H2B visa Program.

The other component of the proposed bill is the improvement of the so-called H2 visa program, or the visa issued by the Citizen and Immigration Service for temporary or seasonal labor.

The H2 visa requires employers to prove a shortage of labor with each application, a process called labor certification process that is unrealistically long and complicated. The bill would shorten this process from several months to several days. The Department of Labor and CIS, which jointly administer this process, would be required to process all aspects of the H-2 visa program much more expeditiously. This will allow growers to respond more quickly to seasonable labor needs by bringing in labor legally from Mexico and other countries.

Prospects for Passage.

The legislation has the support of both labor and industry. Its proponents have secured the endorsement of over 200 national and state agricultural organizations including the Western Growers, the U.S. Apple Association, the Western United Dairymen and the National Council of Agricultural Employers. It also has the support of labor organizations such as the Alliance for Worker Freedom and immigrant rights groups such as the American

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