



Legislative News Affecting Florida Employers

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**JOIN FUBA'S LEGISLATIVE
ACTION TEAM**

The 2006 Session of the Florida Legislature begins on Tuesday, March 7th. FUBA's lobbying team needs your help in making sure lawmakers hear from small businesses when they are voting on legislation. We are creating a Legislative Action Team to assist us in passing good legislation, and, just as important, helping us to stop those bills that will hurt your business.

Over the next 60 days, Florida lawmakers will vote on a wide range of bills that could affect your business, including such issues as:

- Lawsuit abuse reform.
- Repeal of the by-the-drink tax on alcoholic beverages.
- Repeal of the state intangible tax.
- Implementation of the Jessica Lunsford Act that requires contractors in public school to undergo background checks.
- Helping subcontractors have their insurance be accepted by general contractors (see next article).

If you are willing to email, write, or phone your Senator or Representative when we need help, please contact our offices to join FUBA's Legislative Action Team. From time to time during the Session, we may ask you to contact your local Senator or Representative to support or oppose certain bills. A quick response from the Legislative Action Team, in the form of emails and phone calls to the Capitol, can make all the difference in passing or killing a bill.

If you want to join FUBA's Legislative Action Team today, either call Cameron at the FUBA offices at 800-262-4483 or email us at www.fuba.org.

**ATTENTION SUBCONTRACTORS:
FUBA IS WORKING TO HAVE YOUR
INSURANCE HONORED BY
GENERAL CONTRACTORS**

The Legislature is considering several bills that will make it easier for subcontractors to have their insurance coverage accepted by general contractors. Under the proposals (Senate Bill 682 by Senator Mike Bennett and House Bill 173 by Representative Dennis Ross), general contractors would have only 3 business days to notify a subcontractor that the sub's insurance coverage is acceptable to the general contractor. The bills are designed to halt a growing problem in which subcontractors perform work on a job, only to be notified at a later time that the sub is not going to be paid for the work because the sub's insurance coverage has been deemed to be unacceptable by the general contractor.

FUBA has worked to place amendments on the bills that would prohibit a general contractor from rejecting a subcontractors' workers' compensation coverage on the grounds that the sub's workers' compensation coverage does not have a rating from A.M. Best or some other rating service. Many FUBA members have reported problems in having their workers' compensation policies honored by general contractors on the grounds that the coverage is not "A" rated. The amendments would prohibit a general contractor from refusing to accept a valid workers' compensation policy provided by a non-rated insurance company or self-insurance fund, such as the FCBI Fund.

If you have had problems in your own business having a general contractor honor your certificate of insurance or your insurance coverage, please contact our office. We are developing a "complaint log" which we will then use to better inform the Legislature about this growing problem. Your name and business will be kept

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confidential. Please contact Cameron at the FUBA offices at 800-262-4483, or email us at www.fuba.org.

HOW TO AVOID ERRORS WHEN FILING YOUR TAXES

The Florida Society of Enrolled Agents has provided this article for FUBA members to learn about the most common errors people make when filing their taxes. These errors can delay the processing of your return and delay your refund if you are due one. Although this list is far from exhaustive, it is a good reminder of things to check before mailing or electronically filing your tax return.

Incorrect math. This one is self-explanatory, but it is also the most common error. Make sure you check and then double-check your math. If you are using a computer to prepare your return, make sure the information you enter is correct. You could have a rude surprise if you are expecting a refund, but you end up owing the IRS!

No Social Security Number. Write your SSN on each page of your tax return, all applicable schedules, and on your check to the IRS. If a page of your return is lost and your SSN is on the page, the page can be re-matched with the rest of your return. Not only should you make sure your SSN is on the return, but also make sure that you have not transposed any of the digits. If applicable, make sure to write the SSN of your spouse and any dependents on your tax return. If you are filing your return electronically, it cannot be processed if all the Social Security numbers on the return do not match the information in the Social Security Administration database. Make sure the name and number on your return match the information on your Social Security card.

No W-2. Attach your W-2 (Copy B) where indicated on your federal return. Also, attach Form 1099-R if there was federal tax withheld. If you are filing electronically, make sure all the data you enter is correct and matches the W-2 or 1099.

No signature. As with most documents, your signature indicates that you are authorizing a transaction. If there is no signature, your return will be sent back to you, causing further delays. Also, add the date and enter your occupation when signing the return. If you e-file, you will use a Personal Identification Number (PIN) signature. The IRS offers several options for digitally signing your return. Make sure you follow the correct instructions for the method you use.

Incorrect deductions. You will have to decide if it is worthwhile to itemize deductions on your return, or if you want to take the standard deduction. One of the benefits of home ownership is being able to deduct your mortgage interest and real estate taxes. It may be worthwhile to dig out all those charitable donation receipts, too. Obviously, you will want to take whichever deduction puts the most money in your pocket. You may itemize your deductions or take the standard deduction, but not both.

For help with your particular situation, consult an enrolled agent. Enrolled Agents (EAs) are tax practitioners who are licensed by the United States Department of the Treasury to represent taxpayers before the IRS for audits, collections, and appeals. EAs provide tax preparation, tax advice, and tax planning services in addition to helping taxpayers resolve problems with the IRS. To find an Enrolled Agent in your area, call the Florida Society of Enrolled Agents, toll free at 1-800-422-3732 or visit the National Association of Enrolled Agents' website at www.naea.org.

DIVISION OF CORPORATIONS UPDATE

The filing fee to start a Limited Liability Company (LLC) in Florida has been reduced. The fee has been lowered to \$125 from \$160. The Annual Report fee for LLC's is still \$50 and is due by May 1st.

The Annual Report fee for corporations is still \$150, and it also is due by May 1st.

Don't forget that FUBA offers a low-cost service to help form Limited Liability Companies (LLCs) and corporations (INCs) through Florida United Business Services (FUBS). If you would like help forming an LLC or INC, call the FUBA offices at 800-262-4483.