



**SINGER LEWAK GREENBAUM & GOLDSTEIN LLP**  
Certified Public Accountants & Management Consultants

## Tax Increase Prevention Act of 2007

January 2008

December 26, 2007 – The President signed into law H.R. 3996, the “Tax Increase Prevention Act of 2007” which increases the Alternative Minimum Tax (AMT) exemption amount for 2007.

The Act provides a “*one-year patch*” for the individual AMT exemption amounts. For years beginning in 2007 the AMT exemption amounts are increased to \$66,250 for joint filers, \$44,350 for single filers, and \$33,125 for married individuals filing separate returns. Absent future legislation, the exemption amounts for individuals for 2008 will revert to the levels in effect for the year 2000 of \$45,000, \$33,750 and \$22,500, respectively. In addition, the Act provides that certain personal nonrefundable credits may offset both AMT and regular tax – but just for 2007.

Not surprisingly, the late passage of this law will also impact certain previously-released tax forms and the corresponding programming required on IRS computers. As a result, several 2007 tax forms previously issued by the IRS do not reflect the new AMT-related changes. However, the IRS has created a web page providing updates on its progress in making the necessary changes. Currently, they have targeted February 11 as the potential starting date for taxpayers to begin submitting the affected forms with their returns. This webpage is available at:

**<http://www.irs.gov/newsroom/article/0,,id=176605,00.html>**

Fortunately, these new provisions are fairly straightforward, but if you have any questions or comments, please let us know!

\* \* \*



**SINGER LEWAK GREENBAUM & GOLDSTEIN LLP**  
Certified Public Accountants & Management Consultants

DEDICATED TO YOUR SUCCESS

[www.slgg.com](http://www.slgg.com)

Los Angeles  
310-477-3924

Orange County  
714-953-9734

Inland Empire  
909-941-9245

Woodland Hills  
818-999-3924

San Diego  
858-496-0400