
CLIENT ADVISORY

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CLIENT ALERT MEMORANDUM - INTEREST RATE

During the past month, we sent by e-mail and regular mail a Client Alert Memorandum on the Ohio Supreme Court's decision holding that simply stating an interest rate or service charge on an invoice or other billing or on a statement of account did not constitute a written contract within the meaning of the interest rate statute and, therefore, the interest rate that could be charged was limited to the statutory interest rate (eight percent for 2008). If you did not get a copy of the Client Alert Memorandum, or if you want additional copies, you can print it off our web site (www.mmpdlaw.com) or call Chris Bell at 740-363-1313.

\$256,000/\$500,000 HOME SALE GAIN EXCLUSION CHANGE

In the Housing and Economic Recovery Act of 2008, Congress closed a loophole in the existing statute as to homes that have been used as other than the taxpayer's principal residence for part of the "two years out of the past five years" pre-sale period. For non-principal residence use in 2009 and after, the amount of gain on the sale attributable to the period of non-qualified use (such as a vacation home or rental property) is excluded by multiplying the total gain on the sale by the fraction of time of non-qualified use after 2008 over the total time the residence was owned by the taxpayer.

OHIO HEALTHY FAMILIES ACT REMOVED FROM THE BALLOT

The 250,000 Ohio voters who signed the petition to place the Ohio Healthy Families Act on the November ballot have found out, or are finding out, that the proposed legislation is being removed from the November ballot.

The coalition that was supporting the Ohio Healthy Families Act (also known as the mandatory paid sick leave act) requested the Ohio Secretary of State to remove the proposed legislation and has shifted its focus to the federal Healthy Families Act. The coalition has decided that it will team with Senator Sherrod Brown and other co-sponsors of the federal Healthy Families Act, including Senator Barack Obama, to enact a federal law that would require employers employing 15 or more employees to provide paid sick leave days for employees. Just recently, at the Democratic Convention, Senator Obama reaffirmed his support for the Act.

One significant difference between the proposed Ohio Act and the federal Act is that the Ohio Act would have required employers with 25 or more employees to provide 7 days of paid sick leave a year, whereas the proposed federal Act will cover more employers as, under the federal Act, employers with 15 or more employees will be required to provide the paid sick leave.

As with the proposed Ohio Healthy Families Act, the proposed federal Healthy Families Act presents a myriad of questions that would have to be addressed by the Department of Labor through rules and regulations if the federal Act passes.