

# ON-SITE

*Make OSHA  
Work for You,  
Not Against You*

*Pull Permits  
With the  
Click of a Mouse*

2 4  
5 7

*Mitigating Your  
Wetland Woes*

*The Contractor's  
Corner*

SAMPLE ISSUE 2003

**MEET GRANT RUMSEY...PREPARING FOR TAX TIME...DETAILS INSIDE**



**Elliott Davis** LLC

**Construction Services Group**

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



### **Rumsey's Banking Experience Benefits Clients**

Grant joined Elliott Davis in 2001 following his graduation from the University of Georgia where he received his Master of Professional Accountancy degree. He began his career working primarily with banks and other financial institutions before shifting his focus towards the construction industry. "My banking experiences have given me valuable insights from the perspective of those who review the contractor's financial reports," Grant notes.

"I am always looking for new ways to add more value to the service I provide to our clients. Serving in the banking industry has equipped me with a valuable knowledge base I can leverage to the benefit of our construction clients."

As a Senior at Elliott Davis, Grant performs audits, reviews and compilations of financials statements for public and privately-held entities. He also consults with clients in a variety of areas, including cash flow projections, cost segregation studies and earnings forecasts. "My goal is to help each client develop strategies that will position their company to achieve the highest level of success," Grant adds.

Grant is a CPA in South Carolina and a member of AICPA, South Carolina Association of Certified Public Accountants, the Construction Management Financial Association and active with Associated General Contractors. He can be reached by phone at (864) 242-3370, or via e-mail at [grumsey@elliottdavis.com](mailto:grumsey@elliottdavis.com).

### **Preparing for Tax Time**

Though companies may not have to deal with a litany of tax law changes this year, careful tax planning may be more important than ever to minimize your 2004 tax liability. Free for the asking, the Elliott Davis Construction Group publishes a 2004-2005 Tax Planning Guide to help you navigate through the tax return preparation process.

More than just a set of charts and tables, this booklet is full of proven strategies that assist you in assessing your tax situation so you can take advantage of every opportunity to reduce your tax burden. This guide helps you think through issues like accelerating or deferring income, timing deductions, depreciation elections and many other important considerations.

Of course you will want to consult a professional tax advisor about how these issues apply in your situation, and we at Elliott Davis are always ready to assist. Contact any member of our Construction Service Group to receive your free 2004-2005 Tax Planning Guide.

### **Health Savings Accounts**

For the fifth consecutive year, most contractors will face 10% to 20% increases in health insurance costs. Some analysts predict that without intervention, employers' health-care expenses will soon surpass their wage costs for hourly employees. So how can you provide more stability in your premiums and help your employees better manage their medical expenses? One tool to help manage these costs is the Health Savings Account (HSA) created under the Medicare Prescription Drug Improvement and Modernization Act of 2003.

A health savings account is a tax-sheltered savings account similar to the IRA, but earmarked for medical expenses. Deposits are 100% tax-deductible and can be easily withdrawn by check or debit card to pay routine medical bills with tax-free dollars. Larger medical

expenses are covered by a low-cost, high deductible health insurance policy. What is not used from the account each year stays in the account and continues to grow interest on a tax-favored basis to supplement retirement.

Amounts accumulated in the HSA may be distributed on a tax-free basis to pay or reimburse qualifying health expenses. These amounts may also be accumulated for future health expenses or used for non-health purposes either currently or in the future. However, amounts distributed from the HSA not used for health purposes are subject to tax and may be subject to penalties. If the HSA has not been depleted by age 65, the remaining amount may be withdrawn as supplemental retirement income.

The Health Savings Account is a great way to help employers control health insurance costs by negotiating with their insurance carrier to have higher deductibles and out-of-pocket maximums, and benefit from lowering premiums. Employees may be encouraged to make tax-deductible contributions rather than the employer making all or a part of the contributions to accumulate funds. And because the HSA is portable, if the account holder changes jobs or stops working, then he/she can use the funds in the HSA at a later time.

For more information on how the Health Saving Account plan can benefit your company, contact any Elliott Davis Construction Group member.

### **Get To Know Elliott Davis**

Since 1925, Elliott Davis has helped businesses succeed and families prosper by offering a comprehensive array of tax, audit, accounting, consulting and wealth management services to clients across the Southeast. Our mission is simple ... help every client achieve the highest level of success possible. That philosophy has helped make us one of the largest CPA firms in the Southeast, and among the Top 50 in the nation. Can we help you.

### **Firm Services**

Our service mix is constantly expanding to meet the changing demands of a diverse client base. In addition to highly specialized services for the Construction industry, our broader services include:

- Accounting & Auditing
- Asset & Business Valuation
- Wealth Management Services
- Employee Benefits
- Litigation Dispute Resolution
- Retirement Plan Administration
- Tax Planning & Preparation
- Strategic Advisory Services/M&A

### **Offices & Contacts**

COLUMBIA	(803) 256-0002	Jim Hazel or Todd Soderlund
AIKEN	(803) 649-1500	Rusty Little
ANDERSON	(864) 226-9514	Charlie Thornton
AUGUSTA	(706) 722-9090	Bill Woodward
GREENVILLE	(864) 242-3370	Jeff Greenway or Rick Davis
GREENWOOD	(864) 229-4951	Bill Garvin

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