

Weiss Berzowski Brady Launches New Website!

In April, Weiss Berzowski Brady launched its new website. Major sections of our new website include:

Practice Areas:

[Business Law](#)
[Employee Benefits](#)

[Employment Law](#)

[Estate Planning](#)

[Litigation](#)

[Real Estate Law](#)

[Tax Law and Tax Litigation](#)

Our Firm and Our People:

[Affiliations](#) with many local, regional and national legal and business groups

[Support of community organizations](#) within our networks

[WBB's annual events and conferences](#)

Lists of [attorneys](#), [paralegals](#) and [administration staff](#), including their vCards, a file format for electronic business cards enabling efficient business communication.

News:

[Announcements](#) – Developments and happenings at the firm

[Blog](#) – Our attorneys write blog articles on relevant legal topics that apply to your business. Like everything else, the law is changing at an increasing rate. It is our job to stay up to date with these changes, to keep your business informed and up-to-date. We analyze all of the legal details, and inform you of what you need to know on the important legal issues of the day.

[Publications](#) – Where Weiss Berzowski Brady has been featured in outside published venues. Here you'll find insightful content explaining new laws, legislation and perspectives (trends) having potential impact upon your business operations. We sift through the legalese and distill it down to understandable and actionable recommendations.

[The WBB Reporter](#) – Our e-newsletter featuring commentary and perspectives by our attorneys, and news from WBB. [Sign-up for our E-Newsletter Mailing List here.](#)

In addition, our new [payments page](#) allows you to pay your invoices online, or make an advanced fee payment, with your major credit card.

We appreciate your visit to the new [Weiss Berzowski Brady LLP website](#). Your comments and your feedback are appreciated using our improved [Contact Us form](#).

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Home Business Expense

By: Peter J. White



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Have you ever thought about becoming your own boss and starting a business out of the comfort of your own home? Believe it or not, if you use part of your home for business, you may be entitled to deductions on your tax return.

To qualify to deduct expenses for the use of a home, a taxpayer must use a part of his home exclusively and regularly as his principal place of business, or as a place where he meet clients or patients in the regular course of business. The specific business area does not need to be separated from the rest of the house. But, if it is

used for both business and personal use (i.e. an “office” in the rec room), the “office” does not meet the exclusivity requirement.

The regular use test requires a taxpayer to use the “business” part of your house, on a regular basis, for business. Incidental or occasional business uses do not satisfy the requirement. Once it is determined that a taxpayer may qualify for the home business deduction, the next step is to determine how much he can deduct. That is based on the percentage of the taxpayer’s house used for business.

Two common methods for determining the percentage used are 1) the number of rooms used for business divided by the total number of rooms in the house (if the rooms are roughly the same size), or 2) the square feet used for business, divided by the home’s total square feet.

Finally, it’s time to determine deductions. One of the deductions that a taxpayer would not normally get to take with respect to his house is

depreciation; however, if a portion of his home is used for a home business, then the taxpayer gets to depreciate a portion of his home. The total depreciable amount is calculated by taking the business percentage multiplied by the lesser of the cost or fair market value of the house. This total depreciation gets deducted over 39 years; however, depreciation reduces a taxpayer’s basis in the house, affecting gain or loss upon resale. Additionally, a taxpayer can deduct a portion of the mortgage interest and real estate taxes paid on his house for the year by multiplying the total amount of each of those deductions by the business percentage. A taxpayer can also deduct the business percentage of utilities paid throughout the year.

If a taxpayer’s gross income from his home business equals or exceeds his total business expenses, including depreciation, the taxpayer is entitled to deduct all such business expenses related to the use of his home. However, if a taxpayer’s gross income

from his home business is less than his total business expenses, then some deductions are limited. Deductions for otherwise nondeductible expenses, such as utilities and depreciation, are limited to the gross income from home business minus the sum of 1) the business part of expenses that are deductible even if a taxpayer’s home was not used for his business (i.e. mortgage interest and real estate taxes) and 2) the business expenses that are related to the business itself and not the home (i.e. supplies and depreciation on business equipment).

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Residential Landlords Beware

By: Richard J. Rakita



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Virtually every residential tenancy agreement provides for a security deposit from the tenant which is held by the landlord in order to protect to some extent the landlord's right to certain obligations from the tenant. Wisconsin law has several statutes and provisions in its administrative code which regulate the use of that security deposit by the landlord. To be more specific, the landlord can only deduct certain items from the security deposit. These items consist of the following:

1. Damage, waste or neglect;
 2. Unpaid rent;
 3. Failure to pay a utility service provided by the landlord;
 4. Failure to pay a utility service for which the landlord could become liable based on tenant's nonpayment;
 5. Failure to pay a municipal permit fee for which the landlord could become liable based on tenant's nonpayment; or
 6. Any other payment for a reason provided in a nonstandard rental provision document.
- In connection with the first permitted deduction (tenant damage, waste or neglect), the statute specifically excludes damages as a result of normal wear and tear or other damages or losses for which the tenant could not reasonably be held responsible under applicable law.

In connection with the nonstandard rental provision language, the statute specifically provides that, if the nonstandard rental provision is provided to the tenant and the tenant initials or signs an acknowledgment of receipt, then a deduction may be made based on the nonstandard rental provision; provided, again, that it is not for normal wear and

tear or other damages or losses for which the tenant could not reasonably be held responsible under applicable law.

In a situation where a tenant is entitled to the return of some or all of the tenant's security deposit, the landlord must return the security deposit no later than 21 days after a tenant surrenders the rental property to the landlord. Examples of ordinary wear and tear include such things as routine painting or carpet cleaning where there is no unusual damage caused by tenant's abuse. Those types of things cannot be the cause of a reduction from the security deposit.

Occasionally there is a situation where the tenant has not left a forwarding address, either with the landlord or with the post office. In those situations where the landlord does not know the location of the tenant, the landlord is in compliance with the law as long as the check is mailed to the most recent address known to the landlord.

The consequences of not complying with these requirements are severe. Should the tenant successfully prove that the landlord did not timely return the security deposit or provide a valid letter explaining why any deductions were taken, then the landlord will owe the tenant double the amount to which the tenant was entitled. In addition to this, in that situation the court is required to order the landlord to pay all of the tenant's actual attorneys' fees in connection with the litigation.

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The WBB Reporter is a Weiss Berzowski Brady LLP publication. The newsletter is for general information purposes only and should not be construed as legal advice. Consult an attorney for interpretation and application of the law.

Comments? We'd like to hear from you. Please send an email to the editor: Jennifer Waite Haas at reporter@wbb-law.com.

AT THE FIRM...

Nancy M. Bonniwell will be honored at Wisconsin Law Journal's 2015 Women in the Law Program. Congratulations, Nancy!

Nancy also wrote an article on the benefits of conservation easements that was featured in the Milwaukee BizTimes.

Randy S. Nelson wrote an article on the new Wisconsin Uniform Trust Code that was featured in the State Bar's Newsletter, InsideTrack.

Weiss Berzowski Brady LLP welcomed new associate attorney, **Adam R. Finkel**. Mr. Finkel's practice focuses on representing clients in business and commercial litigation.

Weiss Berzowski Brady LLP also welcomed new members to the firm administration.

Elizabeth G. Moltzan was hired as the Accounting Coordinator.

Guinevere A. Hicks was hired to work on the firm digitization project.

During 2014, Weiss Berzowski Brady LLP hosted four conferences and seminars. The Business & Real Estate Conference was held on April 9th. The Estate Planning Conference was held on June 24th. The 32nd Annual Tax & Business Seminar was held September 17th. And the Employment Law Conference was held October 15th. Thanks to all our attendees!

Please see below for our tentative dates for 2015. More information will be available on our website closer to the event date.

www.wbb-law.com

2015 Tentative Event Calendar

(*dates subject to change*)

**BUSINESS & REAL ESTATE CONFERENCE
TBA**

**ESTATE PLANNING CONFERENCE
June 30, 2015**

**33rd ANNUAL TAX & BUSINESS SEMINAR
September 16, 2015**

**EMPLOYMENT LAW CONFERENCE
October 21, 2015**



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