

Federal Tax,

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2008 when the house was a second home or a rental unit, to the total time you owned it. So if you have owned a vacation home for 18 years and make it your main residence in 2011 for two years before selling it, only 10 percent of the gain (two years of nonqualified second home use divided by 20 years of total ownership) is taxed. The rest qualifies for the home-sale exclusion of up to \$500,000.

Refundable Child Tax Credit:

The \$8,500 income threshold needed to qualify to claim the child tax credit if it exceeds your regular income tax bill decreases to \$3,000 for 2009.

Partial Exclusion for Unemployment Benefits:

For 2009, the first \$2,400 of unemployment benefits you receive is tax-free.

College Savings Plans:

Beginning in 2009, 529 College Savings Plans can be tapped tax-free to pay for a computer or Internet access.

Estimated Tax Relief for Owners of Small Businesses:

If an individual's Adjusted Gross Income for 2008 was less than \$500,000 and more than half of the gross income was from a business with fewer than 500 workers, the estimated income taxes for 2009 estimated tax payments can be based on the lesser of 90 percent of tax liability for 2008 or 2009. The usual estimated tax benchmarks of 100 percent or 110 percent of tax liability do not apply.

Starting in 2010 Estate Tax Repealed the federal estate tax is scheduled to be eliminated for who die in 2010.

Lake McSwain

Excellent angling year around

By Marvin Mitchum

Lake McSwain, a small Mother Lode lake, is another small body of water that produces excellent angling year round. Lake McSwain is situated in the foothills of Sierra Nevada, below Lake McClure, in the small town of Snelling. The cold water releases from McClure create immense trout fishing



PHOTO BY MARVIN MITCHUM

any time of year for Rainbow and Brook Trout. A high skill level is not necessary as fish are planted regularly. Trout usually run in the 12-14" range.

The winters are mild and generate excellent fishing for spirited Rainbow and feisty Brook Trout. Daytime summer temperatures run well into 100 degree mark, causing the trout to seek deeper, cooler water. Summer months provide great family outings including fishing, RV and tent camping, swimming and hiking.

During one winter outing, our goal was to fish tube flies created via a European technique in which the feathers are tied onto tube instead of the shank of a hook. The leader is inserted through the tube and then you tie a hook on behind the tube. At the front of the tube fly, an action disc can be installed to provide action to the fly. A tube fly can

be used on all species of fish including trout, bass, steelhead and salmon. There are numerous benefits while fishing tube flies. The tube fly design easily lets you change to a different style of hook. Try a short shank versus long shank, or fine versus heavy. A shorter shank will result in a higher percentage of fish hooked. Your options are endless.

Always ready for a good adventure, we went to McSwain with an arsenal of tube flies, anticipating some quality fishing. After a slow morning and only one trout caught and released; we went up the river arm - a lengthy trip - to the dam. It was a slow, relaxing voyage in a canoe with an electric motor.

As always, our anticipation was high for catching large quantities of trout that day. We did catch a few fish but not the numbers that we know this lake can produce. We found that the trout seem to prefer orange and green tube flies. For whatever reason, the fishing was just sluggish that day. To top it off, a strong breeze came up that day, and the electric motor barely got us back to the dock.

Although we didn't score high this trip, I have gained a lot of self-confidence in tube flies. My favorite colors are olive, black, orange, chartreuse, and white. If you're looking for a new place, give Lake McSwain a try and experiment with a good combination of tube flies. You will be amazed!



Tip: A great source for tube flies can be found at www.fineflies.com.

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