



The Bulletin



East Bay Association of Enrolled Agents
*To Enhance and Protect the Professional, Economic, and
Educational Interests of all Enrolled Agents*

February, 2006

General Meeting

NEXT MEETING Wed., February 15, 2006

Place: **Crowne Plaza, Pleasanton**

4:30 Board Meeting, New Member Orientation

6:30 Hospitality

7:00 Dinner Buffet

8:00 Program – California Tax Issues Panel

Cost: \$30.00 with reservation by Friday Feb 10th
\$35.00 without reservation

Reservations: (800) 617-1040

email: EBAEA@ebaea.org

STANDING RESERVATIONS

Our Chapter maintains a "Standing Reservations" list for those EAs who attend most monthly meetings. If you are on this list, you need to contact the Chapter office only if you will NOT be attending the meeting. If you wish to be added to or removed from the "standing reservations" list, call (800) 617-1040

CHAPTER MEETING

By, Philip Fiegler, EA, Program Chair

This month we will have a panel discussion on CA tax issues. The session will be transcribed and distributed to the members (thanks to Duncan Sandiland). **It is crucial to e-mail your questions to the chapter office by the afternoon of Friday, Feb. 10th, if you want to have the best chance of having them answered. Send the e-mails to ebaea@ebaea.org (Note – this is the new address for the Chapter Office. Please update your e-mail programs).**

Our panelists will be Karen Brosi, EA, CFP, and Steve Sims, EA, who is from FTB. Steve is one of the few FTB employees you'll ever meet who is

President's Message

By Duncan Sandiland, EA

As if there wasn't enough to do at this time of year, a number of things have been occurring behind the scenes. As you hopefully know, we have moved the Chapter Office. Several members responded to the recent calls in the Bulletin and we collected the equivalent of five 4-drawer file cabinets worth of records, memorabilia and assorted stuff. Last weekend, seven Board members (and one spouse) converged on my garage for a grand Sorting Bee. A great many interesting revelations occurred, and a reasonable amount of fun was had by all. In the process of going through over 30 years of records, we were able to recycle about half, designate a quarter for shredding, and wound up keeping just over one file cabinet's worth of records and memorabilia. The project took about 40 hours of work, but I think it was extremely worthwhile. There are some real gems in the files, and I will try to share them with you in the months to come.

Meanwhile, I must extend my heartfelt thanks to Tom Johnston, Peggy Hall, Eleanor Power, Diane Jaworski-Faulhaber (and husband Don), Bonnie Buhnerkempe and Phil Fiegler, without whom this project would have never happened. This is just one more example of how a handful of us can come together and quickly tackle a job which would be impossible for any one of us acting alone. Go team!

As for the other items, make sure you take a look at the New Member Orientation session to be held right before the February dinner meeting. We've had grizzled veterans attend and say it was worth their while, so don't let the name fool you. Also, please read the bit about changes to dinner

also an EA. He has been with FTB for 21 years and worked as an auditor, collection supervisor, and project manager. He is currently the manager of Community Services and Small Business Outreach. Karen, who I'm sure most of you know, has been practicing in Palo Alto for over fifteen years. She is a Certified Financial Planner and an Enrolled Agent. She was a senior tax specialist and director of financial planning at a respected Palo Alto CPA firm before forming her own practice. Karen is a past-president of Golden Gate Chapter and past officer of CSEA. She lectures with Spidell Publishing, is often a speaker at the Super Seminars, and writes content for Spidell's CA Taxletter and Elder Client Planner.

ARE YOU READY FOR Roth 401(k) QUESTIONS?

Submitted by Peter James Lingane, EA, CFP®

In January, the IRS finalized regulations addressing designated Roth-style 401k and 403b accounts and proposed regulations addressing rollovers and the taxation of distributions. Remaining uncertainties are premature distribution penalties and whether it is possible to avoid required minimum distributions by rolling the account to a Roth IRA.

Although designated Roth accounts bear some similarity to a Roth IRA (e.g., contributions are after-tax and qualified distributions are tax-free), there are many differences.

For example, nonqualified distributions from Roth IRAs are generally a nontaxable return of basis while nonqualified distributions from designated Roth accounts are generally a pro rata distribution of nontaxable basis and taxable earnings. In addition, the 5-year qualification period for a Roth IRA begins with the first contribution to any Roth IRA whereas the 5-year qualification period for a designated Roth account begins with the first contribution to that specific account.

Employees who can afford to contribute without a current income tax benefit will generally gain from Roth-style deferrals while those who need the income tax benefit currently should generally continue to contribute on a pre-tax basis. See the [EA Journal, January/February 2006](#) for details.

For the regulations, see www.irs.gov/pub/irs-regs/td_9237.pdf and www.irs.gov/pub/irs-regs/14645905.pdf.

meeting pricing and get your FTB panel questions in and...just read the rest of this issue!

THE LATEST WORD ON SCHEDULE D-1

ALL transaction information as required on Schedule D must be included either on the Schedules D and D-1 or on an attached statement containing all the same information for each sale in a similar format. These statements must be attached to paper filed returns or to the Form 8453 for e-filed returns.

Basically, these filers will be following the current policy that when a required attachment needs to be submitted with the return, Form 8453 will be the signature document and a PIN signature CANNOT be used. A Paper Document Indicator (PDI) for Schedule D-1 or acceptable substitutes will be added to the Summary Record and the ERC 684 will be updated and both items implemented on March 1, 2006.

The Austin Submission Processing Center that receives Forms 8453 with attachments related to e-filed returns will now accept brokers statements attached to the Forms 8453 in lieu of itemizing transactions on e-filed Schedules D and D-1.

In short: NO MORE "SEE ATTACHED" unless you really do attach the statement or worksheet AND it has all the information required on the Schedule D.

NEW CHAPTER OFFICE CONTACT INFO

The Chapter Office has officially moved. The new address is P O Box 23125, Pleasant Hill, 94523. The phone number is the same: (800) 617-1040. The fax number has changed to (925) 465-7474. The email address for general purposes is admin@ebaea.org. The email address for dinner meetings and other event signups is reservations@ebaea.org. PLEASE UPDATE YOUR RECORDS.

Note that the phone will usually be answered by Chapter Member Pat Theiss, and sometimes by Chapter Member Duncan Sandiland.

For commentary, see

http://www.lingane.com/tax/roth/401k_regs.pdf

SPEAKER/NEW BUSINESS OPPORTUNITY

We received a call from a major insurance company located in Oakland. They are looking for a speaker to give a one-hour lunchtime presentation to their general office staff on the general topic of "What to do to get ready for taxes" (exact topic may be open to negotiation). They have previously had up to 75 people attend their lunch sessions, and they would take care of any copying of materials. A speaker fee is possible but was not discussed in any depth. They would like a speaking date by early March.

This could be an excellent opportunity for one or more Chapter members (co-speakers would be fine) to promote both EAs and their own practices. If you or anyone you know has any interest in this opportunity, please call Duncan at the Chapter Office at 800-617-1040. I will give you further details and contact information.

WHO WANTS NEW TAX CLIENTS?

The Chapter Office gets phone calls from taxpayers looking for help...but we don't know where to send them! If you would like us to send potential clients your way, you must tell us! Please call us or send us an email with your name, phone number, email address and mailing address. We'll try to give prospects contact info for the three closest Members to their location. If we don't have anyone nearby, we'll send them to the CSEA website.

FTB PANEL QUESTIONS NEEDED

This month's dinner meeting features our once-yearly chance to ask questions of California tax experts. Just like last year, we will be accepting questions in advance, then sending them to our experts so they can research them beforehand. We will also be taking notes during the discussion and sending out the questions and answers after the meeting. Therefore, you can try to get your question asked even if you cannot make it to the meeting (although it's best to attend so the panel can ask you for clarifications). How does this work?

First, write down the background for your question. Please be as brief as possible but give all

the necessary facts and circumstances. Second, write the question clearly so the panel understands what you wish to know. If your question includes a "what if" scenario, please line up your questions in a decision tree so the panel can answer them in order. Third, send the background and question BY 5PM ON FRIDAY FEB 10 to ebaea@ebaea.org. PLEASE do not wait until the meeting to submit your question, as there won't be time to transcribe it during the meeting. Also, note that all questions will be asked in the order submitted, so if you wait until the meeting to ask, we might run out of time before we get to your question.

ANNUAL NEW MEMBER ORIENTATION

Whether you are brand spanking new to us or whether you've been around the track a few times, there are features and opportunities within our organization, which can benefit you. All Chapter members are encouraged to attend this once-this-year session. And bring some practice management questions! There is no fee for this member benefit. Participants will receive an invaluable reference binder chock-full of useful information.

The session will be held at 4:30 PM on Wednesday, February 15, followed immediately by our monthly dinner meeting and the FTB panel. Fax in your reservation to the Chapter Office (see form enclosed herein) or email us at ebaea@ebaea.org to reserve your spot.

POSSIBLE CHANGES TO DINNER MEETINGS

For some time, we have been charging less than cost for monthly dinner meetings. We enjoy a nice location and below-market pricing at the Crowne Plaza, but when you include meal price, service charge and sales tax, our cost is around \$32 per meal. If you add in speaker meals and expenses, equipment charges, etc, our true cost is getting close to \$35 per meal. Most comparable facilities charge more, and most cheaper locations are inferior in facilities. Our average attendance has been growing, so we are feeling the pinch more than ever. At this rate, we are spending over \$2,000 per year to subsidize dinner meeting costs. Is this a wise use of our limited funds?

The Board will be addressing this issue at the February board meeting. If you have ideas,

comments, suggestions, etc, please come at 4:30 on the 15th and have your say.

Breakfast Tax Meetings

Antioch /Brentwood

Brentwood Café, Brentwood
Every Friday 8:00 a.m.

Ken Seamann, EA (925) 634-8297

San Ramon

2nd Friday of Month 8:00 am

Call Bonnie for details and location

Bonnie Buhnerkempe, EA (925)855-0829

Danville Area

Pascals French Oven

155 Railroad Ave. Danville

4th Tues of the Month 9:30am

Michael Power, EA (510)366-8836

Livermore Area

Beebe's Sports Bar & Grill

915 Club House Dr. Livermore

1st & 3rd Wed. 7:30 am

Richard Goudreau, EA (925)606-6672

Oakland/Berkeley

Contact Phil for details and location

Philip Fiegler, EA (510)530-1174

So. Alameda County

1st Wednesday of the month,

9:30 am Dino's- Hayward

1 block West of Hwy 880 on Industrial Blvd.

Sal Romo or Walt Thomas

(510)487-1691

MARK YOUR CALENDAR

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|------------|---|
| 02/15/06 | New Member Orientation 4:30 pm
EBAEA Dinner Meeting
FTB Panel
Reg. 6:00 pm
Dinner 7:00 pm
Crowne Plaza, Pleasanton |
| 03/15/2006 | EBAEA Dinner Meeting
IRS Panel
Reg. 6:00 pm
Dinner 7:00 pm
Crowne Plaza, Pleasanton |

Classified

FOR SALE: 19 rolls of single ply thermal credit card machine tape. I bought more than I can ever use. The rolls are 2 ¼"X2 7/8". Each roll is 230' long. I am selling them at my cost of \$1.20 each. Call Carol J. Vernaci, EA at 510-471-0510

I am an EA who has prepared individual, trust and estate tax returns for over 20 years. If you ever feel overloaded with work that you can't handle yourself (and don't have enough work to hire someone part-time) or if there is a special tax project or tax research that you don't have time to do, I'd like to help you out. I prefer to work as an independent contractor. I'm interested in working as a full or part-time salaried employee on a permanent or temporary basis. I'm familiar with Lacerte. Sheila Khalov, EA 510-482-2312 or mhreturns1@sbcglobal.net

Hayward, Established tax office is seeking two tax preparers. Work is in a friendly office environment. Hours and schedule: Approx. 40 hours per week. Schedule will vary. Work week will be based on an 8 hours day 5 days a week, including Saturday as one of the days. Skills: 2 years of recent experience in the preparation of simple to complex tax returns for individuals and small businesses. Prefer experience with Lacerte Tax Software. Knowledge of work paper preparation desirable. Please fax a copy of resume to: Secure -Taxes, Inc. Kim Kastl, President 510-537-9331 or e-mail ppringle@yoursecuretaxes.com

Tax preparer with 1-2 years experience for Oakland (Montclair) tax office. Needed full-time tax season. Input client information into computer tax program and follow-up by phone for client's missing information. NO client interviews. Excellent opportunity for someone who wants to learn more about tax prep. Must be non-smoker, detail-oriented, have transportation. Please do not contact me about out-sourcing this work or hiring a more experienced preparer. Please call Jan, 510-482-1015 or e-mail JanZtax@aol.com.

NEW MEMBER ORIENTATION

Years of Knowledge in One Binder
Valuable Phone Numbers
Member Benefits
Practical Experience
Reference Material
Networking

February 15, 2006
4:30 pm – 6:15 pm
Crowne Plaza Hotel
11950 Dublin Canyon Road
Pleasanton, CA

ORIENTATION IS FREE!!!

Dinner and Program cost of \$30

To register:
Call East Bay Association of Enrolled Agents
(800) 617-1040 Fax (925) 691-1041
Mail: EBAEA, POBox 23125,
Pleasant Hill CA 94523

2005 - 2006 Board of Directors and Committee Chairs

Web Page <http://www.eastbayea.org/index.htm>

President, Duncan Sandiland, EA, etc. 925-691-1040
1st Vice Pres., Bonnie Buhnerkempe, EA, etc 925-855-0829
2nd Vice Pres., Thomas Johnston, EA 925-828-4500
Treasurer, Catharine Dombrowski, EA, CPA 925-754-6562
Secretary, Peggy Hall, EA 925-388-1040
Past President, Kim Kastl, EA, etc. 510-537-2122
2 Year Directors-
Mike Barrick, EA, etc. 510-339-7039
Janet Bridges, EA 510-538-0401
KeAloha Couch, EA 510-558-8060
Kristy Hanson, EA 510-538-0401
1 Year Directors-
Philip Fiegler, EA 510-530-1174
Diane Jaworski-Faulhaber, EA, etc. 510-538-0948
Norman Madge, EA 510-489-8713
Eleanor Power, EA 510-525-9987
Vacant
Communication Committee, (1st VP)
Chair: Bonnie Buhnerkempe, EA, . 925-855-0829
Membership: Penny Ashenfelter, EA 925-449-6748
Outreach (vacant)
Public Affairs: Michael Barrick, EA 510-339-7039
Social Affairs: Kristy Hanson, EA 510-538-0401
Inter-chapter Liaison Team (vacant)

CSEA Directors: Kim Kastl, EA 510-537-2122
Thomas Johnston, EA 925-828-4500
Education Committee, (2nd VP)
Chair: Tom Johnston, EA 925-828-4500
Inter-chapter Liaison: (vacant)
Tax Talk: Diane Jaworski-Faulhaber, EA 510-538-0948
Program: Philip Fiegler, EA 510-530-1174
SEE Class: Bonnie Buhnerkempe, EA 925-855-0829
Scholarship: Norm Madge, EA 510-489-8713
Continuing Ed: Joanne Anderson, EA 925-938-9086
Mini Seminar Team: (vacant)
Administration Committee (IPP)
Chair: Duncan Sandiland, EA 925-691-1040
Examination: Dave Britton, EA, CPA 510-794-1040
Bylaws/SOP: Sal Romo, EA 510-417-9492
Budget & Finance: Walt Thomas, EA 510-725-8356
Chapter Office: Bonnie Buhnerkempe, EA 925-855-0829
Legislative Affairs: Lillian Lea, EA 510-526-2220
Nominating: Kim Kastl, EA 510-537-2122
Strategic Advisory: James Hassing, EA 925-831-8945
Bulletin: Eleanor Power, EA 510-525-9987
TAX Agency Liaison:
LaRee Jensen-Graham, EA 510-601-0409

FIRST CLASS

EAST BAY ASSOCIATION OF ENROLLED AGENTS

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