



The Bulletin



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

December, 2006

General Meeting

NEXT MEETING Wed, December 20, 2006

Place: **PLEASANTON Crowne Plaza Hotel** (go to <http://www.ichotelsgroup.com/h/d/cp/1/en/hotel/SFOPL/welcome> then click on Map/Directions)

4:30 Board Meeting

6:15 Hospitality

6:45 Dinner Buffet

8:00 Program:

Cost: \$35.00 with reservation by 5pm Friday 12/15
\$45.00 without reservation

Reservations: (800) 617-1040 or (925) 691-1866
email: registration@ebaean.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

December Topic: "Sales & Use Tax Audits"

The State Board of Equalization is one of the most aggressive government entities. They are doing a number of use tax and sales tax exams. Do your clients buy large equipment from out of state and fail to pay tax? You have a responsibility to advise them about this, as there is an election to pay use tax on the 540. The use tax election, how an audit works, the 10 top errors on audited returns, and the BOE audit program will all be touched upon. There will also be an opportunity to question our speaker, John Truscott of the BOE, who has a vast range of knowledge.

Mr. Truscott is not one of those minor leaguers that the state has a tendency to send to our groups. I sought him out. He is a Senior Tax Auditor on the Board for seven years, and has audited everything from the small cash businesses through large manufacturers, government entities, hospital groups, etc. His largest audit refund so far: \$250,000.

John is also involved in some interesting special projects: Northern California Training Coordinator, speeches, Small Business Outreach Coordinator, hosting Small Business Seminars, and teaching tax law classes ranging from one day to two weeks long to Board auditors. He received the Sustained Superior Accomplishment Award in 2006. He represents BOE on the Bay Area Small Business Forum.

Prior to being with the Board, John was owner/operator of a small group of retail stores for 18 years that were never audited by the Board!
by Phil Fiegler EA, CPA, Program Co-Chair

PRESIDENT'S MESSAGE

by Bonnie Buhnerkempe EA, CFP®, CSA

Your Invitation is Here!

You can no longer say that no one asked you. I would like to personally invite you to volunteer to be on the board next year. We have been breaking the tasks down to smaller amounts of time to make it easier for more people to be involved. We have also combined all the areas that deal with education to be able to work together and all the areas that had to do with communications to be able to work together, so there are more people working towards the same goal. This is a great way to get to know more people and also to make sure your tax questions get answers. To volunteer you can call Duncan or myself or send an email so we can include you in next year's board.

I hope everyone had a good Thanksgiving and is starting to get prepared for Christmas. We have a special deal for everyone who attended the Friday of Tax Talk, read the rest of the bulletin for details.

INFO FOR CLIENT NEWSLETTERS

For those of you who don't prepare your own newsletters to your clients or even if you do, the December issue of the California Enrolled Agent has a client newsletter which is filled with useful information and reminders. Take a look – there is probably something you can use. It can be used in its entirety also.

REMINDER - NEW DINNER POLICY

As most of you know the cost of everything keeps going up and we have been trying to keep the price of the dinner meeting low which means we have been losing money. Since that is not a financially responsible thing to do, at the February Board meeting we had a good debate on how to handle the situation. The conclusion was to raise the price of the dinner meeting but to have a larger discount if you register on time. Therefore, the cost of the dinner meeting effective May 2006 is \$45 but there is a \$10 discount if you register by 5:00PM the Friday preceding the meeting. If you have a reservation and need to cancel, you must do so by 5:00PM on the Friday preceding the meeting to avoid being charged. If you register at the door the cost is \$45 as long as there is room (so if you register early, the price is only \$35). **IF YOU MAKE A RESERVATION AND DO NOT ATTEND YOU WILL BE CHARGED FOR THE DINNER YOU ORDERED.**

HELPFUL HINT RE EA NUMBER

Have you ever gone to a continuing education event and found that you couldn't complete your CPE form because you couldn't remember your EA number? Try this: enter your EA number as a phone number and the name as "EA" in your cell phone. (Now you just have to remember to have your cell phone with you!)

EBAEA AMBASSADORS

In an effort to promote networking and member retention, the East Bay chapter is launching an exciting opportunity. We are looking for Ambassadors to “work” the monthly dinner meetings. The role of the Ambassador is pretty simple: 1) When a new member comes to their first few meetings and is trying to get to know people, be willing to introduce them around, invite them to sit at your table, and include them in conversations. Have you considered yet a way to be involved? Is this something you can do? Well, can you answer warmly when a stranger comes to ask you a question? Can you introduce people? If you said yes, you could be an Ambassador! And best of all, this does not require a once-a-month-for-a-whole-year commitment. Can you do this for at least 3 meetings a year? This will also be a great way for YOU to meet some of the new members that come in and be instrumental in making them see the benefit of coming back.

If this Ambassador Program sounds like something you can help us with, please contact Judi Gilmer, EA at 925-373-1468, or call the Chapter Office at (800) 617-1040. No one should ever leave a dinner meeting feeling like an outsider. The East Bay Chapter is about Education and Networking, and the first contact for that is at our dinner meetings. You CAN make a difference in another EA's career!

SAVE THE DATES

In 2007 CSEA's Super Seminar will have 1 session in Reno and 2 sessions in Las Vegas. The dates are 5/31 to 6/2 in Reno, and 6/11 to 6/13 or 6/14 to 6/16 in Las Vegas. The catalogs won't be mailed until December but you can check out the speakers and the topics right now at <http://www.csea.org/superseminar>. There is also some information on the hotels.

REAL ESTATE MINISEMINAR JANUARY 10

Learn how to PROFITABLY help your clients with these issues during the upcoming tax season!

Crowne Plaza Hotel, Pleasanton 8:30AM-12:20PM
4 hours CPE: \$90 CSEA members; \$105 everyone else

****TWO topics for the price of one****

COST SEGREGATION

presented by Margaret Moore, President, Capital Review Group

Cost segregation is an accepted tool to substantially reduce income taxes by increasing depreciation allowances. "The crux of cost segregation is determining whether an asset is I.R.C. Sec 1245 property (shorter cost recovery period property, 5 or 7 years) or Sec 1250 property (longer cost recovery period property, 39, 31.5 or 15 years)." *Dept of the Treasury, IRS, SDecember 16, 2004 Memorandum.*

DEBUGGING ESCROW STATEMENTS

presented by Phil Fiegler, EA

Phil will cover a residence and a business property from both the buyers and seller's perspective. We will examine the escrow statements, where items belong on the tax return, how to compute basis, which items belong in basis and which are expenses of sale.

The registration form is included with this Bulletin. However, if you attended the Friday session of Tax Talk (Real Property Issues), a special registration form will be mailed to you by December 4th. Please use that form.

for info contact Diane Jaworski-Faulhaber, CFP, EA at phone: 510-538-0948 or email: synergyf@pacbell.net

IN MEMORIAM

We are very saddened to report the passing of Emma Eversole early in October. As most of you know Emma was a Past President of the East Bay Chapter. She will be missed by all.

LOOKED AT THE NAEA WEBBOARD

LATELY?

by Duncan Sandiland, EA etc

I recently needed some help on a divorce-related conflict of interest letter, so I went to the NAEA Webboard at www.naea.org. I found the info I needed, then I started poking around a bit. Here's an interesting tidbit I found. We all do something like this, but Donald Rihn, EA, seems to do it better than most. Make sure you read the last line...

"While I try to get an engagement letter from all clients, my filing instructions and cover letter to the finished tax return has the following statement:

"I have prepared this return from information that you have furnished and have not verified any amount. Under the Internal Revenue Code, taxpayers are required to maintain records supporting this return. You are responsible for maintaining all necessary records and for the accuracy and completeness of the information submitted to me in connection with the preparation of this return. This includes travel and entertainment records as well as vehicle expenses and proof of business use if applicable. It is my understanding that all income for 2005 has been reported and that all information that you have furnished is accurate."

If a particular client has consistently shown a loss on a Schedule F, C, or E, I advise him, in this same cover letter, of the possibility of an audit. During a recent audit on a consistently large Schedule C loss over several years, the IRS auditor commented "... covered yourself, didn't you!"

STANDING RESERVATION DINNER LIST

Now that the new fiscal year is here, the Chapter office needs to update the Standing Dinner Reservation list. If you are now on the list and would like to be taken off or would like to be put on the list, please call the Chapter office. Those who are on the Standing Dinner list, only have to call the Chapter office when you **can not** attend a monthly Dinner meeting. Note that if you are on the list and DO NOT cancel your reservation, you **WILL BE CHARGED** for the dinner we have to buy, regardless of whether or not you attend the meeting. Finally, if you are on this list, please check each month to see if you need to tell us your choice of entrée.

NOTES FROM IRS AUR PHONE FORUM

by Duncan Sandiland, EA etc

1) Because AUR (Automated Underreporter Program) is a compliance matter, check-the-box authority does NOT

apply, you must have a POA to discuss with IRS.

2) When responding to AUR CP-2000s, do NOT file a 1040X as this is a tax filing and it will be diverted to a different part of the Service Center. Instead, use the envelope provided and reply in writing to the CP-2000 inquiry. If you need to file a 1040X to properly account for various issues, you must attach the CP-2000 response sheet in front of the 1040X AND write "In response to AUR CP-2000 - DO NOT PROCESS" in RED ink across the top of the 1040X.

3) At this time, you cannot use e-services to access IRP information on an AUR inquiry.

4) And the big bombshell: As far as AUR is concerned (and I followed up on this with Gerry Kelly-Brenner of IRS), we do NOT need to list every single transaction on a Schedule D. All we have to do is list one line with the totals from each 1099-B, indicate we have backup, and actually have the backup! How's that for a timesaver! It was also pointed out that as long as the gross proceeds totals on the Schedule D match the 1099-Bs, the computer never picks up the fact that there is no detail on the Schedule D and so it never comes to the attention of AUR.

CHAPTER OFFICE OPPORTUNITY

As most of you are aware Duncan has resigned as Chapter Office. The Chapter Office oversight committee has been already working on some different strategies to help are registration process go smoother in the future as we look for a new host of the Chapter Office. As soon as the committee has a revised list of what the Chapter Office will be responsible for it will be emailed to all who are on the distribution list. If you are interested in hosting the Chapter Office once the revised list of duties is out please contact us so you can be considered for the job.

OFFICE SPACE TO LEASE

Office to sublet: Sunny, private 130 sq.ft. air-conditioned office on second floor in prime Rockridge, Oakland location. Share 415 sq.ft. common space with two other tax professionals. Includes access to copier, fax machine and tax library. Walk to BART. Easy freeway access. Available November 1, 2006. \$775 includes all utilities. 510-655-9893. Sheila Khalov, EA

HELP WANTED

Lodestar Private Asset Management LLC, an independent RIA in Alamo, is seeking an E.A. with an established client base to join our growing wealth management office and provide tax services to our clients. Excellent opportunity for referrals from in-house fee-only CFPs, Investment Advisors, and Estate Planning Attorney. Please contact Scott Miller (925) 838-1234 for more information.

OFFICES FOR LEASE

Three individual offices in a shared elegant 1920 office suite that overlooks Lake Merritt. The unit is shared with a Tax and Financial Planning practice and may be an ideal situation for a person just beginning their own tax practice. Options of larger or smaller offices, with/ or without lake view. Each office has its own charming character, all are light and airy. This suite has a front and rear entrance and shares a waiting room, large kitchen and bathroom. The building is secure, with ample parking in area. There is easy access to the 580 Freeway; 1.5 miles to Oakland City Center, and easy access to public transportation. Wired for DSL and phones. Lease negotiable. Please call 510-444-0500.

NEW EA LOOKING TO HELP YOU

Yvette Koehler, EA (new member) is willing to do your simple easy returns and take them off your hands. Call (925) 735-2407 or email to ykoehler@sbcglobal.net. I thank you very much, Yvette.

TAX PRACTICE WANTED

EA interested in buying a Tax Practice. Will consider immediately buying part or all of a practice, or a gradual multi-year buy-in transition. Prefer Hayward/Castro Valley/Pleasanton and surrounding areas.

Contact mchang402@cs.com

HELP WANTED

Tax Preparer needed full time during tax season and part time the balance of the year. Quick Books, 10 key by touch, payroll tax reporting and phone skills all very helpful. Salary based on experience. Office in Danville. Fax resume and salary requirements to 925-855-0844

TAX PROFESSIONAL WANTED

Fremont Business Services Firm seeking year-round degreed tax professional to join our firm. We are looking for a team player with over five years experience preparing individual, corporate, LLC and partnership tax returns. Experience in preparing fiduciary and nonprofit returns is helpful. Candidate must be experienced in QuickBooks and the use of tax software. Enrolled Agent or CPA preferred. E-mail resume to yvonnetbc@aol.com or Fax to 510-657-9503.

TAX PREPARER PART TIME

A growing Tax and Financial Planning Firm is seeking a tax preparer part time from mid- January through April 15. The candidate should have at least 2 years tax prep experience. A working knowledge of Lacerte is a plus. Additionally, bookkeeping skills and knowledge of Quickbooks would ensure continued part-time work throughout the year. Compensation is negotiable and commensurate with experience. Please email your resume to earthfreed@gmail.com or fax to 510-444-5166.

OFFICE STAFF WANTED

Full-service tax and financial services firm has an opening for one talented office administrator/junior professional person needed full time during tax season and part time the balance of the year. General office skills preferred, especially good phone skills, and some degree of experience in QuickBooks/basic accounting, basic tax preparation and computer/internet skills will be helpful but not required. The most important requirements are an outgoing attitude and a hunger to learn, as this is a fantastic opportunity to absorb a wide array of knowledge in many different fields. Salary based on qualifications, benefits also offered. Office located in Walnut Creek area. Fax qualifications to 925-691-1041.

GOT TOO MANY CLIENTS? WANT MORE CLIENTS?

Every year, some members hit or exceed their capacity. We just have too many clients and too much work to do. Most of these are good quality clients who have come from good referrals, so we feel guilty about saying "no". How do you scale back to more reasonable working hours without losing the value of these clients?

If you fit this profile, and you want to turn these clients (and maybe some of next year's incoming referrals) over to another EA instead of some unqualified shmoe down the street, please call the Chapter Office. We will put you in contact with some Chapter members who are looking to grow their practices. Suitability, compensation and other issues are up to you to work out – we're matchmakers, not marriage counselors!

If you are looking to expand your practice, please give us a call and we'll add you to that list.

SAVE THE DATE: JAN 5, 2007 IS JIM STERN LEGISLATIVE DAY IN SACRAMENTO!

by Bronwyn Hughes, CSEA staff

Jim Stern Legislative Day is YOUR opportunity to visit the historic State Capitol and Capitol Park, build relationships, and protect your right to practice and your livelihood.

CSEA is the strongest voice for EAs in CA and they need your help! There is no better way to educate legislators about EAs than by personally visiting their offices and letting them know what EAs do and what issues are important to CSEA. January 5, 2007 is your opportunity to do just this!

All you need to do is register at www.csea.org/events or fax in a registration form from a recent issue of *California Enrolled Agent* or call CSEA at 800/777-2732. CSEA staff will match you up with your legislators, make appointments for you, match you up in pairs/ or groups, provide you with materials, and go over everything before turning you loose on the Capitol. The event is always a lot of fun and very rewarding!

Does the thought of a legislative visit scare you? Read "LEGISLATORPHOPIA" on page 6 of your September *California Enrolled Agent*. If you are still hesitant, call or email Bronwyn Hughes, CSEA staff, bhughes@csea.org or 800/777-2732.

Additional information by Lillian Lea, EA, East Bay Legislative Chair:

The event will be from 11:30 to 3:30, so there will be no need to stay overnight. We will have sign-up sheets for car pooling at Tax Talk and at the November and December chapter meetings. Or you can phone me at (510) 526-2220 or e-mail me at Lil@LeaTax.com to say you can drive, where from, and how many people you can take or to say where you need a ride from.

This event is fun and a service to your fellow EAs, plus you get to visit the beautiful capitol building in Sacramento. This is your way to participate in democracy on behalf of your profession, and to help CSEA to continue to have a great reputation with the legislature.

They pay attention because we pay attention.

CSEA/IRS TAX PRACTITIONER SEMINAR

Friday, January 19, 2007, 8:30 am - 4:00 pm
(7:30 am - Registration and Continental Breakfast)
Four Points by Sheraton Hotel (925) 460-8800
5115 Hopyard Road, Pleasanton, CA 94588

IRS Stakeholder Liaison has been talking with Practitioners and other Tax Professionals, and we are hearing one thing loud and clear - provide information that is practical to your practice - let you know how it affects you and your clients. The topics and speakers selected for this seminar are set to produce and fulfill this need, and all sessions will include plenty of time for Q&A.

7 hours of CPE credit will be offered to Enrolled Agents, CPAs, and CTEC Registered Preparers, covering the hot topics shown in the attached Agenda that also provides Highlights of the Day's Events.

(see attached flyer for registration information)

LOOKING FOR NEW BUSINESS CLIENTS?

Check out the IRS/EDD Training session flyer attached. IRS and EDD are looking for EAs to help teach their new small business/self-employed tax seminars. This could be a great opportunity to present yourself as the best resource to steer these prospects through the minefield of tax reporting. You'll have to go through a bit of IRS/EDD training first, but that could be a great refresher course, plus it'll likely give you some new insights into how the IRS and EDD handle employment issues. But you need decide in a hurry, as the training is in early January.

CALENDAR OF EVENTS

Mark your calendars

December 2006

20 EBAEA Dinner Meeting
Sales & Use Tax Audits
Crowne Plaza Hotel, Pleasanton

January 2007

5 CSEA Legislative Day
State Capitol, Sacramento

17 EBAEA Dinner Meeting
Crowne Plaza Hotel, Pleasanton

February 2007

21 EBAEA Dinner Meeting
FTB Panel: Steve Sims and Karen Brosi
Crowne Plaza Hotel, Pleasanton

March 2007

21 EBAEA Dinner Meeting
IRS Panel: Joe Calderaro
Crowne Plaza Hotel, Pleasanton

Small Group Tax Meetings

Antioch /Brentwood Every Fri 8:00am
Brentwood Café, 8500 Brentwood Blvd, Brentwood
Ken Seamann EA (925) 634-8297

San Ramon 2nd Fri, 7:30am
Contact Bonnie for location
Bonnie Buhnerkempe EA (925) 855-0829

Danville Area 4th Tues, 9:30am
Pascals French Oven, 155 Railroad Ave, Danville
Michael Power EA (510) 366-8836

Livermore Area 1st & 3rd Wed, 7:30am
Beebe's Sports Bar&Grill, 915 Club House Dr, Livermore
Richard Goudreau EA (925) 606-6672

Oakland/Berkeley 3rd Fri, 10:30am
Park Avenue Grill, 4184 Piedmont Ave at Linda, Oakland
Philip Fiegler EA (510) 530-1174

South Alameda County 1st Wed, 9:30am
Dino's, 1 block W of I-880 on Industrial Blvd, Hayward
Sal Romo EA or Walt Thomas EA (510) 487-1691

PRACTICE MANAGEMENT GROUP?

by *Duncan Sandiland EA*

Put any three EAs together, and pretty soon we'll start talking about practice management and clients. Some of those conversations can be extremely informative, but there comes a time when talking just isn't adequate. Over the last few months, a surprisingly large number of Chapter members have asked me if we could get together some sort of discussion group which could travel to different members' offices to see how things worked there. That sounds like a grand idea.

Since most of my good ideas were originally learned from other people and then adapted to my own changing needs, I will volunteer to be the guinea pig in this project. We are looking for maybe a half-dozen members willing to have some Chapter members visit their office, conduct a tour and answer question about office procedures and related topics. I expect we'd visit one office per month or thereabouts until the end of this year, and each visit might take from one to three hours, depending on turnout and questions. Note that we can also discuss home offices if interest warrants.

All Chapter members are invited to participate, whether freshly minted, heavily experienced or somewhere in between. We might need to put a limit on how many can comfortably fit into some offices, so please respond early for best selection. Call me at (925) 691-1040 for more details.

2006 - 2007 Board of Directors and Committee Chairs

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

President: Bonnie Buhnerkempe EA, etc 925-855-0829

1st VP: Thomas Johnston EA 925-828-4500

2nd VP: Walter Nygaard EA, etc 510-547-0440

Treasurer: Clare Flores EA 510-785-8356

Secretary: Peggy Hall EA 925-388-1040

Past President:

Duncan Sandiland EA, etc 925-691-1040

2 Year Directors:

Philip Fiegler EA 510-530-1174

Barbara Sparks EA 925-634-8630

Norman Madge EA 408-398-5737

Charleen Daefield EA, etc 925-872-4075

1 Year Directors:

Janet Bridges EA 510-538-0401

Judi Gilmer EA 925-373-1468

Joanne Harteau EA 510-683-4688

Eleanor Power EA 510-525-9987

Dagmar Bedard EA 510-537-3883

Communication Committee, (2nd VP)

Chair: Walter Nygaard EA 510-547-0440

Membership: Barbara Sparks EA 925-634-8630

Judi Gilmer EA 925-373-1468

Outreach: (vacant)

Public Affairs: Michael Barrick EA 510-339-7039

Social Affairs: Janet Bridges EA 510-538-0401

CSEA Directors: Thomas Johnston EA 925-828-4500

Walter Nygaard EA 510-547-0440

Education Committee, (1st 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

Charleen Daefield EA 925-872-4075

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

Audit: Lonnie Gary EA 650-559-5124x2229

Bylaws/SOP: Sal Romo EA 510-417-9492

Budget & Finance: Walt Thomas EA 510-725-8356

Chapter Off.: Bonnie Buhnerkempe EA 925-855-0829

Legislative Affairs: Lillian Lea EA 510-526-2220

Nominating: Kim Kastl EA 510-537-2122

Strategic Advisory: (vacant)

Bulletin: Eleanor Power EA 510-525-9987

TAX Agency Liaison:

LaRee Jensen-Graham EA 510-601-0409

EAST BAY ASSOCIATION OF ENROLLED AGENTS

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☞ CSEA/IRS TAX PRACTITIONER SEMINAR ☞

January 19, 2007
Four Points by Sheraton
Pleasanton, CA
7:30 am – 4:00 pm

EVENT SCHEDULE

***** *SPECIAL FEATURE: IRS e-Services Lab – available throughout the day* *****

Registration & Continental Breakfast	7:30 am – 8:30 am
Welcome & Outline of Day's Events	8:30 am – 8:40 am
Offers In Compromise Jeff Tuler, Territory Manager, CA OIC Territory	8:40 am – 10:20 am
BREAK	10:20 am – 10:35 am
A Practical Look at Examination – Issues, Audits, etc. Albert Ju, Revenue Agent Group Manager	10:35 am – 12:15 pm
LUNCH	12:15 pm – 1:10 pm
"What's Hot" Joe Calderaro, Technical Advisor	1:10 pm – 2:00 pm
BREAK	2:00 pm – 2:10 pm
Identity Theft – History, Prevention, and What to do When Disaster Strikes Gerry Kelly-Brenner, Senior Stakeholder Liaison Specialist	2:10 pm – 3:00 pm
BREAK	3:00 pm – 3:10 pm
Annual Report to Congress and The Impact on the Practitioner Community John Tam, Local Taxpayer Advocate	3:10 pm – 4:00 pm

Highlights of the Day's Events

Offers in Compromise continue to plague practitioners, and Jeff Tuler, the new OIC Territory Manager for California, will provide practical guidance on how OIC impacts your practice, and how you can best assist your clients when filing an OIC.

Of any business division in the Service, whether you like it or not, practitioners probably have the closest working relationship with **Examination**. Therefore, this year's session, presented by Revenue Agent Group Manager, Albert Ju, is full of valuable and useful information:

- Discussion of Exam issues – what agents are looking for, as well as what consistent problems they are noting and emerging issues they are finding;
- E-Commerce – and the relationship to agents gaining access to taxpayers' information;
- Filing claims – how it might impact your clients in ways you may not have considered;
- Retention Standards and their impact on imposing penalties.
- Tax Gap – increase in hiring Revenue Agents (RAs) and Tax Compliance Auditors (TCOs), and how the discrepancy between the taxes owed by and collected from taxpayers, on a national basis, will impact future audits.

Always a favorite, Joe Calderaro, Technical Advisor, will be joining with "**What's Hot**". Whatever is "hot off the press" will be included in his interactive session.

A new topic this year, which practitioners have been begging for lately, is **Identity Theft**. Most practitioners do not know where to turn, what to do, or how to guide their clients when disaster strikes. Learn information and tools from Gerry Kelly-Brenner, Senior Stakeholder Liaison Specialist, to get on the right course.

And John Tam, Local Taxpayer Advocate, will be sharing the latest news about the **Annual Report to Congress** by Nina Olsen, National Taxpayer Advocate. Since it will be released in December, most practitioners will not have even heard about the results. New areas of concern and focus for improvement should prove interesting in learning how it will impact you and the practitioner community.

Last, and certainly not least, we are including a special feature that resulted in rave reviews at the CSEA/IRS Town Hall Meeting in Stockton this year...the **IRS e-Services Lab**, with Stakeholder Liaison Specialists James Kinsey and Keith Kershner at the helm. They will provide hands-on registration assistance for the practitioners who have not yet gotten on board. This will be perfect timing for you to sign up so you can enter Powers of Attorney, access your clients' accounts to get estimated tax payments and prior year returns, when they become available in the summer months, income information, etc. Plan to sign up for e-Services, Quick Alerts, and other IRS subscription services in preparation for the busy Filing Season!

Opportunity for Tax Professionals

PROVIDE GUIDANCE TO EMPLOYERS

RECEIVE FEDERAL EMPLOYMENT TAXES TRAINING

NETWORK WITH NEW AND EXISTING BUSINESS OWNERS

REFINE YOUR PRESENTATION AND PUBLIC SPEAKING SKILLS

MARKET YOUR PROFESSION AND ORGANIZATIONS

The Stakeholder Liaison field office of the Internal Revenue Service and the Taxpayer Education and Assistance office of the Employment Development Department began pooling resources in its employment tax outreach efforts in 2001. The overall objective of this collaboration was to better educate the Small Business Self-Employed taxpayers in the area of employment taxes by creating a "one-stop" approach to employment tax outreach. In the past three years, we have reached over **8500** California businesses providing them payroll tax seminars.

To achieve this success we have:

- Developed PowerPoint Presentations
- Created a "Practical (and comprehensive) Example" to aid the understanding and application of Fed and State payroll taxes
- Developed industry specific materials for the construction and cosmetology communities
- Developed the Employment Status Course, a highly interactive course to explain statutory and common law employment as it is applied by EDD and the Internal Revenue Service (IRS).

While this collaboration has been a very successful, realities have presented themselves prompting retooling of the existing outreach model. We need qualified and motivated professionals to help educate the public.

Therefore, we are asking you to join us in this educational quest. The IRS will provide technical training and resource materials to those Tax Professionals that wish to volunteer to be a part of our instructor cadre. We are excited about the possibility of partnering with you and/or your professional organization to bridge the gap between the employer community, Tax Professionals, IRS and EDD.

Two Day Training Session

**January 11th (9:00am to 3:30pm)
and
January 12th (9:00am to 3:30pm)**

**Small Business Administration
455 Market Street, 6th Floor
San Francisco, California**

This opportunity is open to any tax professional who has a desire to assist the small business/self-employed community. No prior experience in employment taxes or payroll is required. There is no financial obligation. Your participation is based on your schedule and availability. If you think this is something you and/or your colleagues are interested please RSVP by completing the attached registration form and return it by e-mail or fax as soon as possible, space is limited.

For further information please contact:

Celeste Neal
(Office) 510 637-2171
(Fax) 510 637-2434
(E-mail) Celeste.Neal@irs.gov

Payroll Tax Seminar Partnership



EAST BAY ASSOCIATION OF ENROLLED AGENTS

MINI-SEMINAR WEDNESDAY, JANUARY 10TH, 2007

TIME: 8:30A-12:20P, Earn four hours of CPE
COST: \$90 for CSEA Members, \$105 for Non-Members
PLACE: Crowne Plaza Hotel, 11950 Dublin Canyon Rd, Pleasanton, CA

SPEAKER: Margaret Moore, President, Capital Review Group
TOPIC: Cost Segregation

SPEAKER: Philip Fiegler, EA
TOPIC: Debugging Escrow Closing Statements

In the first session, Marky Moore will explain how cost segregation is an accepted tool available to substantially reduce income taxes by increasing depreciation allowances. "The crux of cost segregation is determining whether an asset is I.R.C. Sec 1245 property (shorter cost recovery period property, 5 or 7 years) or Sec 1250 property (longer cost recovery period property, 39, 31.5 or 15 years)."

Dept of the Treasury, IRS, December 16, 2004 Memorandum

In the second session, Phil Fiegler will cover a residence and a business property from both the buyer's and seller's sides. We will examine the escrow statements and refresh our memory about what is and what isn't deductible in each case and where it belongs on the tax return. You will learn how to compute basis, which items belong in basis, and expenses of sale. California differences will be covered.

INFORMATION: Call Diane Jaworski-Faulhaber (510) 538-0948

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