

WA-NATP News



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President's Message

Welcome to the first newsletter of your new Washington Chapter!

If you missed the **NATP National Conference** in Reno, NV from July 20th to 23rd, and most of you did, then you missed a lot of great education, networking and just plain FUN!

The week started with the Chapter Leadership Session where the Washington Chapter Board Members received a big (literally) check from National to start our treasury, along with some great t-shirts with a big number 36 (we are NATP's 36th State Chapter), hats and state pins from Paul Cinquemani, NATP Director of Member Services.

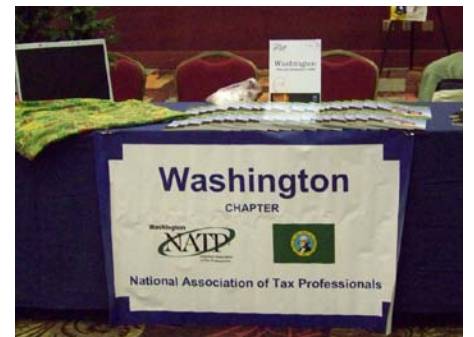
Then the fun really started. There was a charity bowling tournament (we didn't win), the Chapter Showcase, a Charity auction, a great dinner and a show with a hypnotist who was a riot. If you want to see what you missed, with pictures, check out the NATP Reno Conference Blog at <http://natptax.wordpress.com/>.

Oh yeah, I almost forgot, in between there were 33 hours of absolutely excellent CPE. Next year's conference will be in Austin, TX from July 19-22. I'll be there, what about you?

Bill Pate, WA Chapter



Washington Board members get a BIG welcome as Chapter #36.



The WA Chapter booth at the Chapter Showcase.



The Washington Chapter bowls (badly) for charity dollars.



**YOUR WASHINGTON
CHAPTER DIRECTORS
AND OFFICERS:**

Bill Pate
President
Nancy Reilly
Vice-President
Sue Kish
Secretary
Kim Havok
Treasurer
Jewelee Umphres
Director
Karen Keller
Director
LaVeta Scherer
Director
Trish Coleman
Director

Cutting Timber produces Federal and State taxes

By John Walkowiak, Washington State Dept of Revenue

If you have clients that have held standing timber for over 12 months then harvest it, the income from the timber sale qualifies as a federal long term capital gain and is not subject to federal self-employment taxes. When the timber is harvested, only the gain from appreciation of the standing timber can qualify for federal capital gains, the value added by cutting and hauling the timber is ordinary income. Forest landowners are required to file a Form T (Timber) Forest Activities Schedule" to claim a timber depletion deduction, make a section 631(a) election or sell timber outright under section 631(b). It is considered to be prudent to file Schedule T even if your clients sell timber occasionally as it is an excellent way to keep your federal timber tax records. Investor owners report timber income on Form 1040 Schedule D and active business owners report it on Form 4797.

The IRS now requires that lump-sum sales or exchanges of standing timber must be reported on Form 1099-S, Proceeds from Real Estate Transactions, effective for sales after May 28, 2009. A timber seller must also be furnished a copy of the form or a substitute statement. Prior to this new regulation, only pay-as-cut type of timber sales were subject to Form 1099 reporting (Sec. 6050N). This new regulation ends the practice of not filing 1099 for lump-sum timber sale transaction. Visit the National Timber Tax website at www.timbertax.org for more complete information on federal timber taxes.

Timber harvesters of private or public timber in the State of Washington must pay a five percent state timber excise tax on the stumpage value (standing timber value) when they harvest. The timber tax is paid quarterly by the timber owner or "harvester". RCW 84.33.035(6) defines a timber harvester as "anyone who fells, cuts or takes timber for sale or for commercial or industrial use." The RCW specifically excludes a person performing, under contract, the labor and mechanical services for a harvester. When timber is harvested from public lands, the harvester is the first person (other than the public entity) to acquire title to the timber. Timber is considered harvested at the time the volume by species is first measured, usually by weighing or scaling.

To report Washington timber tax, harvesters are required to register with the Washington Department of Revenue Forest Tax Section at 1-800-548-8829. For more complete information on Washington Timber Tax visit www.foresttax.dor.wa.gov .



Support Your Chapter – Buy a Book!

If you still need to order your 2009 QuickFinder or The TaxBook reference guides, the companies will make a small donation to the Washington Chapter for products ordered using the order forms located on the NATP website. Just follow the links below:

QuickFinder

<http://www.natptax.com/quickfinderorderform.pdf>

The TaxBook

<http://www.natptax.com/taxbookorderform.pdf>

Also, don't forget to support the NATP Tax Store for all your tax supply needs.

<http://www.natptax.com/> Click on the "Tax Store" link on the left column/



We need your HELP!

Now that Washington is finally an official NATP Chapter, we need to do something with our new status and YOU can help. We have openings on the Board of Directors and many committees. What is your interest? Help us grow our new chapter by being on the membership committee, the newsletter committee, or maybe the education committee. Share your vision for the Washington Chapter. Come to the networking event on October 29th (see back page) and let's get busy!

Welcome to our **NEWEST** Members!

Mary Jarvis
 Elizabeth Ann Mance
 Serhiy Onyshchuk
 Harold Tellock
 Jeffrey Shields
 Joan McNeil
 Bob Legg
 Michael Lancey
 Carol Heinzman
 Cherine Elsayed
 Linda Dryden
 Dante John Driver
 Guillermo Cortes
 Robert Branting

Northport
 Seattle
 Marysville
 Battle Ground
 Federal Way
 Vancouver
 Mt Vernon
 Seattle
 Ocean Shores
 Edmonds
 Vancouver
 Seattle
 Aberdeen
 Everett



2010 National Board of Director Elections.



The candidates for the 2010 Board of Directors have been announced and are posted on the NATP website.

[Go to "Members Only/Login" then "Members Only Index" and click on "2010 Board Candidates".]

There are four (4) openings for 2010 and each state chapter has a vote in electing the board. Please review the candidate's information, including references and interviews, then email your preferences to bill@bsnw.biz

The Chapter President will cast a ballot for the chapter as a whole, so make sure you make your views known.



Coming Events – Mark Your Calendar



October 29, 2009 4:30-6:00 pm Chapter Networking Event Free

Join us at the Holiday Inn in Renton for a chapter networking event. All chapter members and their guests are invited. Meet your Chapter Officers and Directors, find out about upcoming events, tell us what you would like to see your chapter accomplish, and enjoy some light refreshments.

Holiday Inn Seattle-Renton, One South Grady Way, Renton, WA 98257

May 22, 2010 9:00am-2:00pm Educational Seminar \$50.00

The 2010 Washington Chapter Annual Meeting and Educational Seminar will be held on May 22, 2010 at The Heathman Lodge in Vancouver, WA. There will be presentations by the IRS, the WA State Department of Revenue, and more! Up to 4 hours of CPE, including ethics!

Watch your email for more information in January.

We're on the Web!

<http://www.natptax.com/wa.html>

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