



# Ohio Chapter Newsletter

*Education. Information. Research.*

## Ohio Chapter: 2015 Second Quarter Newsletter

### A Note From Your President

#### Inside this issue:

President's Note	1
Education Corner	2
IRS Liaison	3
Ohio Update	4
Treasurer's Update	5
Upcoming Events	6
Ohio Board listing	7

With a great sigh of relief, we bid adieu to the 2015 tax season. We may still have that dreaded pile of extensions looming over our heads, but the mad rush is now behind us. Congratulations for surviving another tax season, and we hope it was good to you!

We are excited to announce that the Ohio Chapter is officially celebrating its **25th anniversary!** Founded in 1990, the Chapter has been educating its members and creating friendships across the State for two and a half decades. Celebration details will be upcoming in future newsletters and online *Chapter News*. We are glad that you will be joining us for this exciting anniversary year!

Those of us that worked hard to meet the RTRP requirements...be sure to keep

an eye on your mailbox. The IRS will be sending YOU a refund for your test fees if you took the RTRP test. (See further details on page 4.)

With all of the changes ahead for our profession, it is important to remember that our goal is to serve our clients to the best of our abilities. To this end, again this year, the board is excited to offer some great training opportunities! Next month, we have the **Ohio 1-Day seminar** which will be held on July 10 just north of Columbus. Be sure to join us for all things Ohio from...the Small Business Deduction to Workers' Compensation to how to close a business in Ohio. Additionally, on Thursday, July 9, we will conduct a training class titled **Ohio IT 1040 Line-by-Line**. Everything you always wanted to know about the details of filing a tax return in Ohio. Registra-

tion details are included inside.

The **Ohio Annual Conference** will be held at the Marriott North Cincinnati in West Chester. Mark your calendars now to attend on September 17-18 with an additional Schedule E training session the morning of Saturday, July 19th. We are happy to welcome *Melinda Garvin* (OH) and *Kathryn Keane* (NY) as our instructors for this educational conference. Watch your mailbox for your brochure and registration information. We hope you can join us.

As always, please feel free to contact me, or any board member with any questions about our events or the NATP organization.

Enjoy your summer!!

**Nancy Brunemann**  
President

## Education Corner

### 2015 Ohio Chapter NATP Live Education Line-Up.

The Ohio Chapter NATP is excited to announce details of our 2015 live education events. Your chapter board has put together **four exciting live events** to help you better serve your clients.

Event attendees will receive a binder containing copies of handouts and presentation slides as well as a custom USB drive (at no additional cost) with all the information provided and more.

**First up** is a new event that has been the subject of many requests from members. Thursday, July 9, Melinda Garvin will be teaching a 4-hour Ohio IT-1040 Line-By-Line class. This class will dig deep into the ever-changing Ohio personal income tax return. This course is suitable for new preparers or veterans who want to understand the “*hows*” and “*whys*” of the Ohio personal income tax return. This day provides 4 hours of Ohio CE.

**The next day** is our 5th annual Ohio One-Day Seminar on July 10th. This event allows you the opportunity to hear from representatives from the Ohio Department of Taxation, R.I.T.A and the Bureau of Workers’ Compensation in person. This day provides 8 hours of Ohio CE.

Both of the Ohio events will be held at the Nationwide Conference Center (formerly Northpointe). If you attended last year’s Ohio One Day or Annual Fall Conference, you are already familiar with this site’s wonderful rooms and food! As a reminder, these two days provide Ohio tax CE, but the hours do not count as federal CE for Enrolled Agents.

### **The deadline to register is July 3rd!**

You can register today for either of these events by calling (800) 558-3403 ext 3 or visiting:

<http://natptax.com/Chapters/Pages/OhioChapterEducation.aspx>

Our **annual fall conference** will be September 17th and 18th at the Cincinnati Marriott North in West Chester, just off Interstate 75. Plan to come a day early & visit the IKEA store, Cincinnati Premium Outlets or the Newport Aquarium - all within driving distance!

Melinda Garvin and Kathryn Keane will be presenting 16 hours of federal CE, including 3 hours of Federal Updates and 2 hours of Ethics. The remaining hours will be a mix of topics from Education Tax Breaks to FBAR to Divorce & Taxes.

We are also offering a **Saturday seminar** taught by Kathryn Keane – a 4-hour session focusing on rental issues.

Mark your calendars now to reserve these dates! Look for a brochure in your mailbox in July with registration details.

**Terri (Teresa) Alley, EA**  
Education Director

## IRS Liaison Updates

### Small business 1099-k audits:

Do you typically ignore your client's 1099-k forms when helping them prepare their schedule C forms? The 1099-k is NOT just used to reveal underhanded E-bay and Pay-Pal internet businesses.

In a recent IRS liaison meeting with different IRS panel members, Louis Hill (Area counsel for IRS) discussed some 1099k audit procedures and issues we should be aware of. Most have familiarity with the 1099k, but don't fully understand how the balance of cash/credit receipts can trigger an audit for our clients.

The IRS uses industry standards and regional consumer spending data to extrapolate what it believes their cash receipts should be based on their credit card receipts! Your small business taxpayer may find themselves having to explain why their cash/credit mixture is different from the norm, and reporting only their credit card sales will almost guarantee an audit. We need to let our clients know that the IRS will examine bank deposit records during a 1099-k audit.

Also, be aware that credit card receipts include Ohio sales tax in their totals, but they most likely do not report the sales tax amounts in their income. Some

businesses provide "cash back" in their transactions, and many times hair salons will have several people sharing the same machine. A good way to avoid an audit? Include some preparer notes with your e-filing that fully disclose any 1099-k positions that fall outside of the normal red-flag zone.

### New business outreach:

Helping a start-up business owner understand the filing requirements and documentation can be an adventure. The IRS offers assistance to new business owners and entrepreneurs through its website at [IRS.gov/businesses/](http://IRS.gov/businesses/) they offer help and information to guide the taxpayer in a new business startup.

Although they do not give advice on accounting principles (What can I use as amortized start-up costs?)... they show how to obtain an EIN, what forms are necessary for payroll, and describe different filing thresholds.

Although the IRS does not have a history of explaining tax code in layman's terms, it may help your new client understand what is involved in tax preparation, and may also make a difference in whether they become another shoe-box client... or a well organized and informed client!

### Auditor's focus:

Greg Dowling, one of our region's IRS exam group managers, discussed some of the shifts and changes due to the reduced budget and audit staff. (He did mention that a recent internal study showed that nearly 50% of the region's audit staff was within 5 years of retirement age).

With the reductions, the exam emphasis has moved towards partnerships and other flow-through entities for the time consuming office and field audits. (Individual taxpayer audits are nearly all computerized or correspondence).

Greg also emphasized that the push for ID theft protection has also ramped up the tax preparer audits, focusing on the preparers that "specialize" in EITC returns, or have a large percentage of clients that receive CP2000 corrections.

### Tim Bright, RTRP IRS Liaison



## Ohio Updates

### Sales Tax Holiday

The Ohio Senate Bill 243 enacted a one-time sales tax holiday to occur **only in 2015**. The holiday starts on Friday, August 7<sup>th</sup> at 12:01 a.m. and ends on Sunday, August 9<sup>th</sup> at 11:59 p.m.

The sales tax holiday is set by law and all vendors must comply! There is no limit on the amount of the total purchase. The qualification is determined item by item.

During the holiday, the following items are exempt from sales and use tax:

- \* An item of clothing priced at \$75 or less;
- \* An item of school supplies priced at \$20 or less; and
- \* An item of school instructional material priced at \$20 or less.

As with most laws, there is a long description written into

the text of the bill as to what is included in the description of “*clothing*” and “*school*” material. Generally though, the following descriptions apply:

**Clothing** is defined as “*all human wearing apparel suitable for general use.*”

**School instructional material** includes only the following items: *reference books, reference maps and globes, textbooks, and workbooks.*

While clothing is eligible for the holiday, the following items are **not eligible** for the holiday and are subject to tax during the holiday period:

- \* Items purchased for use in a trade or business.
- \* Clothing accessories or equipment.
- \* Protective equipment.
- \* Sewing equipment and supplies
- \* Sports or recreational equipment

The Sales Tax Holiday **FAQ page** is available on the Ohio State tax department website:

[http://www.tax.ohio.gov/sales\\_and\\_use/salestaxholiday/holidayfaq.aspx](http://www.tax.ohio.gov/sales_and_use/salestaxholiday/holidayfaq.aspx)

Or, if you have any questions regarding this information, please call 1-800-304-3211.

**Valorie Long, RTRP**  
Vice President



### RTRP fee refund!

**If you haven't heard yet, the IRS will be issuing a refund of your fees paid to take the RTRP test. If you took the test more than once, don't worry, you will receive a refund of the total fees paid.**

**The IRS will be issuing you a notice by mail, informing you about the details, and will be mailing test fee refunds by check based on the address listed on the test application. Remember though if you expensed the test fee expenses, make sure to include the refund as “other income”.**

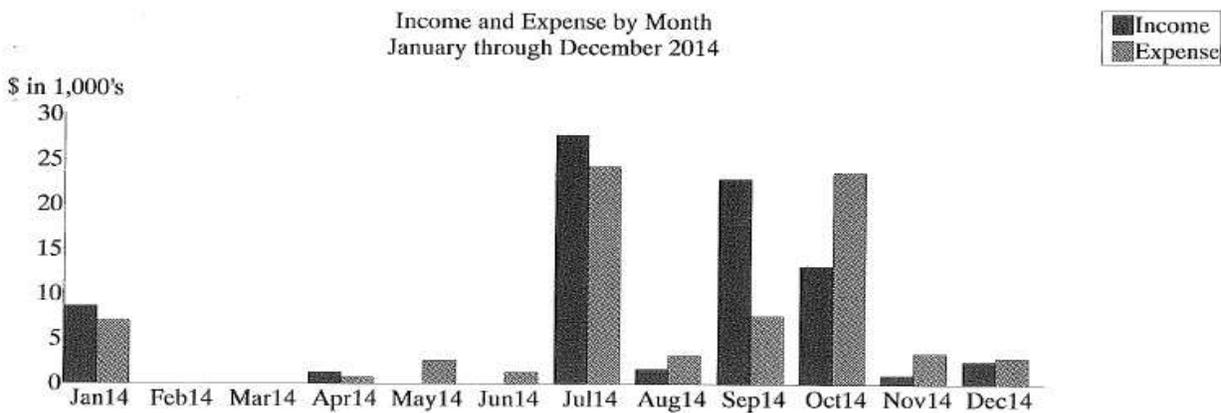
# Treasurer's Update

Great News! Our Ohio chapter is finally in a financial position that we can breathe a little easier as a board in planning events for our Ohio Members. We finished off strong for 2014 in both reaching members through education and accumulating reserves to cover future events. As forecasted we have spent over 72% of funds collected on our education offered to and for our Ohio Members.

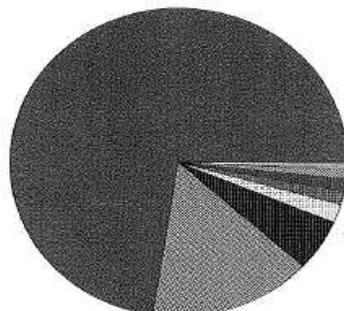
We hope that the Ohio One-Day in July will be as well attended as in 2014 but will be happy with 2013 attendance. Please note that our prices have gone up slightly in 2015 to cover the cost of food and sundries for these events, as these costs from vendors continue to increase each year. As with each event, we try to find a balance in price, comfort, and service, to make sure that the Ohio NATP events are both efficient and functional.

We look forward to another strong year in 2015!

**Joan M. Grispin CPA,**  
Treasurer



Expense Summary  
January through December 2014



800 · Conferences	%72.80
710 · Board Meeting Expense	15.68
615 · Cost of books	5.54
730 · Office Expense	1.98
808 · Thumbdrives	1.48
780 · Scholarships	1.30
745 · Nat'l Conf - Showcase	1.02
790 · Insurance	0.20
<b>Total</b>	<b>\$76,828.75</b>

By Account

## Other news

### NATP National Conference in New Orleans

There's only one thing better than the education and networking at the Ohio Annual Fall Conference -- and that would be the education and networking available at NATP's *National Conference*, scheduled this year for July 20 - 23, being held in New Orleans.

Of course Ohio has a great conference to offer:

- \* 16 hours of education available
- \* Choice of two tracks for parts of the conference
- \* Two highly respected, nationally known instructors,
- \* Over 100 colleagues from all corners of Ohio

The National convention takes this same format to a much larger scale! Imagine (if you can):

- \* 28 hours of education
- \* Choice of six tracks of varying topics
- \* 18 highly respected, nationally known instructors,
- \* Over 1,000 colleagues from all over the country!

You'll make contacts with other tax preparers that you can keep in touch with, so that when you find yourself needing to prepare a Texas or Georgia return, you'll have someone to call with those questions you get on the first return. Or you'll chat over lunch with a tax preparer four states away who specializes in taxation of day care providers, so when your least-favorite customer comes in with a shoebox of "records" for the day care business his wife started, you have a resource to help them organize the next year better.

As if that isn't enough, there is the exhibit hall, where you can

score a bag (and a lot of swag), and possibly find new sources for supplies and services to improve your firm's service to your customers.

There's the excitement and fun of charity fundraisers for a local charity -- a couple more great times for networking and just plain enjoying yourself.

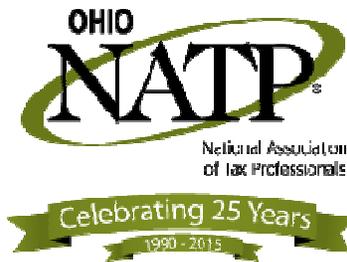
All this fun, education, and networking culminates in a gala banquet Thursday evening that could be even better than your high school prom! Putting it all together, deciding to get "Jazzed in New Orleans" could be the decision you'll always remember as "The big Easy"

### Joel Veldt, CPA Vendor Liaison

(six time national conference attendee)



Location:  
 Nationwide Conference Center  
 100 Green Meadows Drive S.  
 Lewis Center, OH  
 (Greater Columbus area)



To register, go to  
<http://natptax.com/Chapters/Pages/OhioChapterEducation.aspx>

## Ohio IT-1040 Line-By-Line

taught by Melinda Garvin, EA

Thursday July 9, 2015

12:30 PM \_ Registration

1:00- 2:40 - Part I

2:40- 3:00 - Break

3:00 - 4:40 - Part II

4 hours Ohio CE



## 5<sup>th</sup> Annual All-Ohio One Day Seminar

Friday July 10 2015

Schedule

- 7:30 - 8:00 Registration (Continental Breakfast provided)
- 8:00—9:40 Ohio Small Business Deduction *Deborah Smith & Matthew Dodovich*
- 9:40—10:30 Personal Income Tax Update *Deborah Smith & Matthew Dodovich*
- 10:20—10:40 *BREAK*
- 10:40—11:30 Closing an Ohio Business *Brenda McDonald*
- 11:30—12:30 *LUNCH* (Provided on-site, no additional cost)
- 12:30—1:20 Sales & Use Tax *Steven Russell*
- 1:20 -2:10 Ohio Bureau of Workers' Compensation *Mark Clendenin*
- 2:10—2:30 *BREAK*
- 2:30—4:20 Ohio Municipal Tax Update *Jeffrey Sherman*

8 hours Ohio CE

# 2015 Ohio NATP THE QUICKFINDER Order Form

Name & Company: \_\_\_\_\_  
 Shipping Address: \_\_\_\_\_  
 City/State/Zip: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_ Email: \_\_\_\_\_

Product	Quantity
1040 <u>Quickfinder Handbook</u> (includes shipping & tax)	____ x \$52.00 = \$ _____
Small Business <u>Quickfinder</u> (includes shipping & tax)	____ x \$52.00 = \$ _____
Tax Planning for Individuals (includes shipping & tax)	____ x \$52.00 = \$ _____
<b>NEW!</b> Health Care Reform (includes shipping & tax)	____ x \$52.00 = \$ _____
IRA & Retirement Plan (includes shipping & tax)	____ x \$52.00 = \$ _____
<u>Quickfinder Premium</u> (includes shipping & tax)	____ x \$75.00 = \$ _____
<b>Total Enclosed</b>	



	Ohio NATP	VS	<u>Quickfinder</u> (1040) 1 Book
Price	\$52.00		\$ 49.00
Shipping	included		\$ 5.50
Tax	included		\$ 3.82
<b>Total</b>	<b>\$52.00</b>		<b>\$58.32</b>
	<b>Per book</b>		<b>Per Book</b>

⊕ Orders will be shipped to you as soon as the books are received. Please be aware that shipping dates for some of the products are after the New Year.  
 ⊕ If you choose to order directly from Quickfinder, please use the NATP code Q680.

➤ If there is another book in the Quickfinder series that you would like to order, please call Melissa Bowman at the number below for prices. Ohio NATP will work to order it for you to save you the shipping and sales tax.

➤ Make checks payable to: Ohio Chapter NATP      Orders must be received by: **October 15, 2015**

➤ Please send completed orders to:      Call, Fax or E-mail Melissa at:  
     \*Melissa Bowman      \*937-448-6159      Call  
     \*8917 N State Route 121      \*937-448-0626      Fax  
     \*Bradford, OH 45308      [\\*melissa@rainbowaccting.com](mailto:melissa@rainbowaccting.com)

➤ Credit cards accepted.      Type: Visa- MasterCard – Discover (Please remember credit card charges will show on your statement as a charge to Rainbow Accounting Services, LLC.)

Credit Card Number: \_\_\_\_\_

Expiration Date: \_\_\_\_\_ Code: \_\_\_\_\_

Cardholder Name: \_\_\_\_\_

Cardholder Billing Address: \_\_\_\_\_

Cardholder City/State/Zip Code: \_\_\_\_\_

Cardholder Phone Number: \_\_\_\_\_

Cardholders Signature: \_\_\_\_\_

**Thank You for supporting Your state NATP Chapter!!**



## Your Ohio Chapter Board

Nancy Brunemann, RTRP, President	513.549.6435 njb@platinumaccountingservices.com
Valorie Long, RTRP, Vice President	937.271.6881 fourforces@sbcglobal.net
Joan Grispin, CPA, Treasurer	330.535.5230 grispinca@sbcglobal.net
Christa Hall, RTRP, Secretary	614.933.9809 christa@hallfinancialconsulting.com

Joel Veldt, CPA	937.844.7004 ohiocpa@gmail.com
Travis Starbuck, EA	419.782.6727 travis@sritax.com
Melissa Bowman, EA	937.448.6159 Melissa@rainbowaccting.com
Candy Irwin, EA	513.755.0200 candy.irwin@choosestevens.com
Tim Bright, RTRP	614.259.3993 my1040@ymail.com
Jared Foos	419.468.4813 Jared.foos@yahoo.com
Rick Sealscott, CPA	419.238.5221 rick@sealscottcpa.com
Terri Alley, EA	937.381.1133 terria@mwwr.net
Kathy Welfle, EA	419.663.2300 kwelfle@browncrane.com

## Feedback Welcome!

The Ohio Chapter Board of Directors wants to know how we can better serve you, our valued members!

We are interested in your thoughts about education—teachers, locations, schedules, topics, etc.! We are also interested in knowing what types of services or benefits would pro-

vide added-value to you. We can only serve you in beneficial ways if we know the needs of our membership. Please take a few minutes to submit your feedback via email (please send feedback via email so that we have adequate time to read, consider, and respond as needed).

Please submit your comments to Tim Bright:

my1040@ymail.com

Also... find and *like* us on our FaceBook group “Ohio NATP”

