SUNSHINE STATE REPORTER

YOUR FLORIDA CHAPTER NEWSLETTER

JANUARY 2016

Welcome to a new year and the wonders of another tax season. In this issue on pages 2 thru 9 you'll find information on our Spring conference in Daytona Beach, May 19 and 20. Our speaker is the very knowledgeable and popular (and she can be funny, too), Kathryn Keane, EA. Topics range from "Death, Dying and the Tax Man" to Education Tax Breaks, Charitable Contributions, Foreign Tax Credits and FBAR and more. Not only will you have plenty of food for thought, but there will be plenty of food to eat. As always breakfast, breaks and lunch are provided at our conference. The menus are on pages 8 and 9. The Shores Resort and Spa was very popular last spring, so we will be there again. It's right on the beach, so sign up and get some sun on your nose and sand between your toes.

We welcomed 20 new members in December so check out page 13. Anyone you know? On our last page there are "Bits and Pieces" of interesting and important information.

For those of you in your initial tax season or going it alone after "apprenticing" in a larger firm we bring you a series of articles by our past president, Amy Brosnan, on starting a new tax business. Her first article starts on page 10.

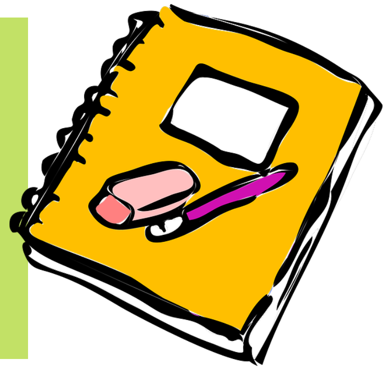
National Association of Tax Professionals | FLORIDA CHAPTER

2016 SPRING CONFERENCE

AGENDA — 16 HOURS CPE

MAY 19 –20, 2016

THE SHORES RESORT & SPA



2637 S. ATLANTIC AVE, DAYTONA BEACH, FL 32118

SPEAKER: KATHRYN KEANE, EA

THURSDAY, MAY 19

7:00——7:45 AM	Registration, Continental Breakfast	
7:45——8:30 AM	Annual Meeting	
8:30—-10:20 AM	FBAR, Foreign Tax Credit, Foreign Earned Income Exclusion	
10:20—10:30 AM	Mid-Morning Break (Refreshments provided)	
10:30—12:20 PM	FBAR, etc. continued	4 CPE
12:20—-1:20 PM	Lunch (provided)	
1:20——3:10 PM	Education Tax Breaks	2 CPE
3:10——3:20 PM	Afternoon Break (Refreshments provided)	
3:20——5:10 PM	Nuts & Bolts of Charitable Contributions	2 CPE

FRIDAY, May 20

7:15——8:00 AM	Registration, Continental Breakfast	
8:00——9:40 AM	Terminating and Liquidating a Business	
9:40—-10:00 AM	Mid-morning Break (Refreshments provided)	
10:00—11:40 AM	Terminating and Liquidating a Business, continued	4 CPE
11:40—-12:40PM	Lunch (provided)	
12:40—–2:30 PM	Death, Dying and The Tax Man	2 CPE
2:30—–-2:50 PM	Afternoon Break (Refreshments provided)	
2:50——4:40 PM	Ethics: Conflict of Interest	2 CPE

KATHRYN SPEAKS ON:

GLOBAL CLIENTS: FBAR, Foreign Tax Credit and the Foreign Earned Income Exclusion: (4 CPE)

More clients are investing overseas as well as living and working outside the US. This session will look at FBAR requirements for those with investments overseas and its impact on taxpayers. Everyone has a client with some foreign income whether it is a dividend from a foreign stock or a job overseas so at the end of the session, attendees should be able to:

Recognize who must file FBAR; Comprehend what exactly is reported with FBAR; Understand what our obligations are; Recognize when the Foreign Tax Credit applies; Understand the requirements and mechanics of Form 1116; Properly prepare Forms 2555 and 1116 and recognize and utilize the carry forward of the Foreign Tax Credit.

EDUCATION TAX BREAKS: (2 CPE)

As our economy still struggles, financial aid dollars are drying up. More and more clients are carrying more of the financial end of college and other post-secondary education. This session will address all the options available—the American Opportunity, Lifetime Learning, Tuition Deduction and the every confusing 1099-Q distribution. At the end of this session, attendees should be able to:

Understand requirements for American Opportunity Tax Credits and the Lifetime Learning Credit; Properly calculate Education Tax Credits; Discuss Education Planning tools such as the Coverdell and Section 529 Plans; Properly compute taxable portions of 1099-Q distributions, when appropriate and determine if penalties apply and compute allowed Coverdell contributions.

Continued on page 4

NUTS & BOLTS OF CHARITABLE CONTRIBUTIONS (2 CPE)

The new environment at the IRS has brought a new scrutiny of charitable contributions. This session will examine the receipt requirements, the different types of charity limitations (30% vs. 50%) as well as the due diligence requirements on the professional tax community. After this seminar, attendees will be able to:

Advise clients on when receipts are required and what types of receipts are acceptable; Recognize when AGI limitations on charitable contributions apply; Properly prepare Form 8283; Inform clients about record retention.

TERMINATING AND LIQUIDATING A BUSINESS (4 CPE)

While many clients are starting up businesses many are closing them down and clients may think they can simply walk away. This module looks at the concepts and follows a typical small business through hands-on examples. After this session, attendees will be able to:

Recognize struggling businesses; Recognize and advise clients on the tax impacts of selling or liquidating their Schedule C business, S Corporation or Partnership interests; Advise clients on the steps involved in closing a business; Accurately calculate the gain or loss on the sale of a business and/or its components and properly report the sale of a business and/or its components.

DEATH, DYING AND THE TAX MAN (2 CPE)

When clients die, often the family turns to tax professionals for guidance. This session provides an overview of what is needed to close out the decedent's tax obligation. From determining what is reported on the 1040, whether an estate is required to file an income tax return and when an Estate return is required, this session is a good review tool or primer on death and taxes. After this session, attendees should be able to:

Continued on page 5

ETHICS: CONFLICT OF INTEREST (2 CPE)

In all the various items of Ethical practice, Conflicts of Interest remain the most difficult to recognize. That's not because tax professionals don't know the rules. It is because tax professionals often don't see the forest for the trees. At the conclusion of this session, attendees will be able to:

Recognize the commonly faced Conflicts of Interest; Recognize the potential for a Conflict of Interest in innocent situations; Acknowledge the potential for a Conflict of Interest in our tax practices; Implement procedures to recognize and inform clients of the potential for a Conflict of Interest; Develop safeguards to recognize Conflicts and develop procedures to inform and obtain the necessary authorizations.

ABOUT OUR SPEAKER

Kathryn Keane, EA is the principal tax professional at Macanta Corporation, a small family owned tax and related services practice located in Brooklyn, NY, serving over 850 individual clients and 50 businesses. In December 2006, Kathryn completed two 3 year terms on the National Board of Directors of the NATP, which included one year as Secretary. Kathryn was awarded Chapter Person of the Year for 2002, 2008 and 2014 in recognition of her volunteer service to the community at large as well as to NATP. She is the only one who has won that award three times. In addition to serving on the Board of the NY Chapter of NATP she currently serves as Chair of the Chapter's Education Committee and as Chair of the IRS Tri—boro Practitioner Liaison Committee. Kathryn presents for NATP as part of their Famous 1040 Series, has spoken at their National Annual Conference and for NATP Chapters across the country. She frequently speaks at Pratt Institute of Art and to a variety of local community groups. Kathryn is a member of the National Society of Accountants, National Association of Enrolled Agents and the Better Business Bureau of NYC. Kathryn has a BS from Brooklyn College.

REGISTRATION FORM

2016 SPRING CONFERENCE

MAY 19—20, 2016

THE SHORES RESORT & SPA, 2637 S ATLANTIC AVE, DAYTONA BEACH, FL 32118 386-767-7350

Name: (please print clearly)____

PTIN (required)________________________NATP Member # (required for discount)____________________

Address:____

City:__________________________________State____________________ZIP_______________

EMAIL: ____Phone______________________

Emergency Contact Name & Number:____

REGISTRATION FEE***	ONE DAY	BOTH DAYS
Member	$ 260	$ 395
Non-Member	$ 290	$ 425

After APRIL 27 please add $30 per applicable fee. If attending for one day only: 5/19 ___ 5/20___

NEW THIS YEAR: Receive your course materials by email. We will send you a pdf file with all the course materials 10 days prior to the conference. Use your laptop or IPad in class or print out the courses.

(Note that no power cord hookups will be available in the classroom.)

***Receive a $20 discount if you choose electronic receipt of course materials: Yes ____ No _____

Attendees will receive the regular binder and materials at check-in if selecting "no".

PAYMENT METHOD

We accept: Visa, MC, AMEX and Discover cards. Make checks payable to Florida Chapter NATP.

Please be advised that e-mailed registrations do not go to a secure site.

Names as it appears on cc: ____

CC #_________________________________Exp Date: _____________Security Code_____________

Signature: ____

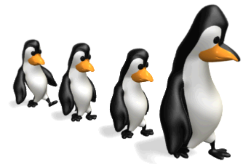
HOW TO REGISTER

Mail to: Florida Chapter NATP, 13001 Spring Hill Drive, Spring Hill, FL 34609-5048

Phone: 352-686-0220 FAX: 352-686-0215 EMAIL: b.rudestedt@gmail.com

Cancellation Policy: To cancel your registration, please notify in writing, Sandra Torrence, Treasurer, no later than **May 12, 2016** to receive a refund. Cancellation fee is $30.

GOING TO THE CONFERENCE…….



CONFERENCE MATERIALS: Your 3-ring binder of class materials will be available at the check-in desk unless you have opted to receive pdf files. (See the registration form.)

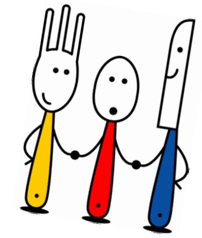
HOTEL ACCOMODATIONS: The Chapter has a block of rooms available at the Shores Resort & Spa. The Shores is located right on Daytona Beach at 2637 S. Atlantic Ave. To make your reservation call them at 386-767-7350 or visit their web site: www.shoresresort.com. Basic room rates are:

	May 17, 18 and 19	May 20 and 21
River View	$ 129	$ 149
Ocean View	$ 139	$ 159
Ocean Front	$ 159	$ 179

The cut off date for these rates is April 27. The reservation code if you call the hotel is: Florida NATP 2016. If you book online the code is: FLNATP. The hotel will add tax plus a resort fee of $10 per night.

REMINDERS: The usual cautions apply about wearing layered clothing due to varying temperatures. No smoking or use of recording devices is permitted.

CONFERENCE MENUS



THURSDAY, MAY 19TH

THE SHORES CONTINENTAL BREAKFAST: Fresh Florida orange juice, freshly baked pastries, muffins, bagels and breakfast breads. Cream cheese, butter, honey and fruit preserves. A variety of individual yogurts. Freshly brewed regular or decaf coffee and a variety of teas.

MID-MORNING BREAK: A variety of granola and energy bars with whole fruit selections. Freshly brewed regular and decaf coffee and iced tea.

LUNCH: Salad of mixed greens with tomatoes and cucumbers. Apple cider vinaigrette. Prosciutto and sage breast of chicken served with creamy risotto and wood roasted mushrooms, grilled asparagus, lemon caper sauce. Pastry Chef's choice of signature dessert. Coffee and tea.

MID-AFTERNOON BREAK: More cookies than you'll be able to eat washed down with soft drinks, milk, coffee or tea.

FRIDAY, MAY 20TH

THE SHORES CONTINENTAL BREAKFAST: Fresh Florida orange or grapefruit juice, assortment of cereals and oatmeal with skim and whole milk, pastries, muffins, bagels and breakfast breads with honey, butter, cream cheese and fruit preserves. Freshly brewed regular or decaf coffee and assorted teas.

MID-MORNNG BREAK: Sliced seasonal fruits and berries. Coffee and tea.

BUFFET LUNCH: Select from: classic Caesar salad, Caprese salad (Mozzarella and Tomatoes with fresh basil and a virgin olive oil balsamic reduction dressing), Chicken piccata with lemon caper sauce, Penne Bolognaise with sausage, Vegetarian pasta primavera or Ratatouille of zucchini, eggplant and tomatoes in

Continued on page 9

CONFERENCE MENUS

FRIDAY, MAY 20TH ……continued

olive oil and garlic. Italian bread sticks with parmesan and garlic. For dessert chose from petite fours, dessert shooters, mousse martini cakes, gourmet cookies, brownies, mini cannoli's, cream puffs or eclairs. Coffees, tea and iced tea.

MID-AFTERNOON BREAK : Individual bags of chips, pretzels or popcorn, assorted candy bars, sodas, iced tea, coffee and hot tea.

NOTE: Dinner on Thursday night is on your own. Attendees are invited to gather in the bar and patio area of the hotel after Thursday's classes for networking and socializing.

ALL MY LIFE I THOUGHT AIR WAS FREE,

UNTIL I BOUGHT A BAG OF CHIPS.

FL NATP DEALS AND DISCOUNTS

QUICKFINDER –code Q680 **THE TAX BOOK-code 433**

Each of these companies are offering a discount to all FL NATP members.

Access the websites below to see the complete list of books offered and order forms. You can order online, print out the form and mail it in or just phone them. Quickfinder: 800.510.8997; Tax Book: 866.919.5277

http://tax.thompsonreuters.com/products/brands/checkpoint/quickfinder

STARTING A NEW TAX BUSINESS

AN ONGOING SERIES BY *AMY BROSNAN*

Starting a new business is never easy. How often do we give advice to our clients on the proper way to start a business? Do we follow our own advice? Well, starting a tax business is no picnic and sometimes we need other's advice on how to start a tax business. You probably have worked in the tax field before—as an employee and you have some idea of what needs to be done, but what's the first thing you need to do when you go out on your own? Big question. It's scary. You are making the choice to leave your "safe" job with a regular paycheck and choosing to start you own business. When you were an employee, you came in and left and didn't really have to think about what your boss did. This move is a big decision and an even bigger time commitment. Is it right for you? Here are some things to think about and what you need to do to get started.

First, make a plan. How are you going to get paid? What kind of business do you want: sole proprietor, S corporation, partnership, etc.? What kind of returns do you want to prepare? What other services will you offer: bookkeeping, notary, insurance? Will you work from home or rent an office? Do you have the appropriate licenses? Will you have employees? What software do you want to use and can afford? How will you advertise? There are so many decisions to make—so make a solid plan. Then show it to someone who can give you honest and experienced feedback and then be prepared for it to take some time to get your "ducks in a row".

So—you've decided this is for you. What's next? Getting your EFIN takes the longest, so start that first. If you aren't an EA you will need fingerprints. The IRS has a process, so make sure you know what that process is.

Continued on page 11

STARTING A NEW TAX BUSINESS…...CONTINUED

By Amy Brosnan

It isn't always clear, so be prepared to ask a friend in the business if you don't know. You can apply online for your EFIN, so take advantage of that. This is a hurry up and wait process. Unlike an EIN, this process requires multiple steps—online application, sign up for e-services, communications from the IRS, finger-prints and approval. You should plan for this to take 45-60 days. Don't wait for tax season to get here (oops) and then apply. Start right away.

Once you have decided whether you are renting an office or opening one from your home (are you zoned to do so?) you need to know what are the re-quirements from the IRS for a tax office? What are you responsible for? What do you have to save? How are you required to protect your client's data? Anybody can prepare tax returns, but are you doing it the right way? Do you have an office manual and a safety plan? Where can you get this information? The IRS gives some information on their web site under "tax pros". If you are a member of NATP, you can find classes on audit proofing your office. This class and its material is highly recommended. It will give you a good tool to find out where you really are. Yes, the IRS <u>can</u> audit your office and give you penalties. As an owner, you need to be prepared ahead of time.

There is so much to think about and it is not a decision that should be made overnight. Before you do this, talk to your family because this is a huge time commitment and may require some extra funds. Consult some tax pros that you know and ask them for things you might need to know. It is important to get their feedback on starting a tax business and show them your plan. It is easy to forget things that you could need for the business. This is where that network-ing you do, especially when you attend a conference, comes in handy. You do have a network of tax friends, so use them. Most would be happy to lend you a few minutes of their time to encourage you.

Continued on page 12

STARTING A TAX BUSINESS…..continued

BY Amy Brosnan

Learn your boundaries and establish them. You may not be an expert at partnership returns, so who do you refer them to? Set up your "referral list" and make sure it is okay to refer clients to them. It's okay that you are not an expert on every type of return and you should feel confident turning over returns that you don't feel qualified to do. In the meantime, you can schedule classes on those returns or purchase reading materials to become familiar with them. As you build your clientele, set boundaries and expectations with them. The last thing you want or need are clients that call at midnight on your cell phone or don't respect your office and your office hours.

There are so many things to think about when you begin a business. This is just a small start to that list and just gives you basic things to think about. It is never easy to "go this alone" and it can be very daunting. The best thing you can do is make sure you have a membership in a professional organization like NATP behind you and make sure you attend the educational conferences offered so you can meet other tax pros in the state. This way you will have a group of people who know exactly how you feel, what you are going through and can encourage you and share feedback with you. If this is the right decision for you, then take that step and start your plan.

EAST COAST REGIONAL NETWORKING MEETING—MAY 5th

NORWOOD'S RESTAURANT—6:00 PM (a Thursday)

CORNER OF HWY 44 AND PENINSULA AVE-NEW SMYRNA BEACH

RSVP: SANDRA TORRENCE *CONFIDENTIAL1227@AOL.COM*

(This is really planning ahead! More details later.)

DECEMBER

NEW CHAPTER MEMBERS

TOTAL CHAPTER MEMBERS: 1672

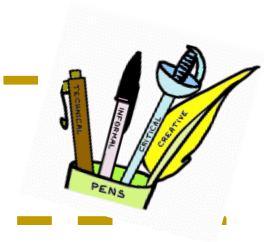
ILEANA MAESTRE	CHRISTOPHER GRAFTON	VALENTINE F MATELIS
JILLIAN E DENMARK	AMY M BOYLE	GEORGE MOTRAN
PAUL DELEO	JAY B FISCHER	COLON E ZAMORA
BARBARA FERNANDEZ	LORI-ANN VOSS	ABRAHAM GUTWAKS
ROI K TURGEMAN	ROBERT ZAYAS	MARK C BRUNT
EDWARD J DAVILA	KATHY DIAZ	DONNA SMITH
MARGARET A PYTEL	NATALIA A HERNANDEZ	

WELCOME TO OUR NEW MEMBERS. WE VERY MUCH HOPE TO MEET YOU IN PERSON AT OUR SPRING CONFERENCE IN DAYTONA BEACH IN MAY. THANK YOU FOR BECOMING PART OF OUR CHAPTER "FAMILY".

John Rudestedt, President

VERY SPECIAL NOTE: Congratulations and kudos to our Board member, Ken Dowdall, EA for his exemplary article in the Winter 2015 TAXPRO Journal. Ken wrote about "Dying in Debt—The dilemma facing preparers". This is a *must read* article. Don't miss it.

BITS AND PIECES



1. REGIONAL NETWORKING MEETING: (IF IT'S FREE, IT'S FOR ME!)

MONDAY, FEBRUARY 1ST—6:30 PM

PERKINS RESTAURANT 11929 US HWY 19

NEW PORT RICHEY—RSVP TO: B.RUDESTEDT@GMAIL.COM

2. FACEBOOK , WEB SITES AND YOUR CHAPTER:

*The Florida Chapter is working hard to find all the best ways to communicate with our membership. You can find us on the web at **flnatp.com**. All the information you could need about upcoming events is listed there. Are you on **Facebook?** This is a great way to find out details about the Chapter, upcoming events and see all the other members of Florida NATP. If you are on Facebook, please look us up and join us. We are listed as "Florida Chapter, National Association of Tax Professionals". Let's be friends. If you have any questions about our Facebook page contact Amy Brosnan at abrosnanrtrp@gmail.com.*

3. WEBINARS: *Remember that the IRS has a multitude of free webinars available. Go to www.irs.gov and enter "webinars" in the search box. Effective acquisition of the IRS's latest news, etc. can be sent to you directly via their "e News for tax professionals". Go to "for tax pros" on the home page and once there scroll down and click on "e News" to subscribe.*

4. DUE DATES: *This filing season ends on April 18. We can either groan or cheer. This due date change also applies to estimated tax payments. All this because Emancipation Day is observed in DC on Friday, April 15—which throws the ending date for filing forward to Monday, April 18.*

5. FORM 1099 — PENALTIES: *Total penalties for a taxpayer who does not prepare a required Form 1099 is now $500 per form—that's $250 for not sending a copy to the IRS plus $250 for not giving a copy to the payee.*