PRESIDENT’S MESSAGE

President's Message – Summer 2017
I want to talk to you about a couple new things that your chapter and the national organization are tossing around as ideas for helping us attract new members and add value to our practices.
The first one we have mentioned before, and that is roundtables. What is a roundtable? Well, it can be whatever the members want it to be. The idea is to provide an informal atmosphere for getting to know other people who are tax preparers, so that you have business contacts and friends in your profession. It’s always nice to have a friend who can listen to your stories about clients (protecting confidentiality of course) and who you can bounce an idea off of, or get some advice on handling a situation. Some roundtables are more business-oriented with specific learning objectives, and others are more free-form. Are you interested in joining a roundtable? Talk to one of your board members about it and see if there is a roundtable near you already or if there is enough interest to form a roundtable.
The second idea involves helping your business clients. Would it be beneficial to have a session with clients or potential clients in your area to learn more about a specific area of tax, tax planning, business practices, etc.? Would your clients be interested in this type of learning opportunity? Do you think this would help your relationship with your existing clients or help you find new clients? If you’re interested in exploring this idea, let any of the board members know. We haven’t done anything with this idea yet, so you can get in on the ground floor!
I feel strongly that our group is filled with tax preparers, accountants and business advisors who are talented, savvy and knowledgeable about taxes and business practices. These are just some ideas that we hope will make your membership more valuable to you and enhance your practice. If you have any ideas on how NATP and your Wisconsin Chapter can help you, please let me know!
Jann Kostecke
Wisconsin Tax News

WI Unemployment Required Online Filing in 2017

Starting May 24, 2017 workers are required to apply for unemployment insurance benefits online at https://my.unemployment.wisconsin.gov. The majority of unemployment benefit claims are already being filed through the state's fast, easy, and secure online system. Workers who need help using online services or are truly unable to go online can call 414-438-7713 or 608-232-0824 during business hours. The automated telephone filing system will be phased out later in the year.

Military Pay Income Subtraction

A subtraction from Wisconsin income is available for certain military pay that meets all of the following:
1. Received from the federal government,
2. Received after being called into active federal service or into special state service authorized by the federal Department of Defense, and
3. Paid for the time during which you were on active duty.

This subtraction only applies to Reserve or National Guard members called into active federal service under 10 USC 12302(a) or 10 USC 12304 or special state service under 32 USC 502(f).

Note: The subtraction does not apply to pay that members of the Reserves and National Guard receive for their weekend or two-week annual training. It also does not apply to a member of a reserve component of the U.S. armed forces, who is serving on active duty or full-time duty in the active guard reserve (AGR) program under 32 USC 502(f).

A copy of the military orders may be requested by the department to verify the subtraction taken. The military orders must clearly specify that the individual was called into active federal or state service under one of the codes listed above and must not have been in the AGR program.

For more information for active military personnel, see Fact Sheet 1118, Income Tax Information for Active Military Personnel.

Mandatory Five-Year Basis Modification

The 2016 Wisconsin income/franchise tax return is the third return on which the required five-year basis modification must be reported, assuming the taxpayer has not had any short taxable years. Starting with the first taxable year beginning after December 31, 2013, and for each of the next four taxable years, an adjustment to federal adjusted gross income must be made on the Wisconsin income/franchise tax return that is equal to 20 percent of the difference between the combined federal adjusted basis of all depreciated or amortized assets also being depreciated or amortized for Wisconsin and the combined Wisconsin adjusted basis of those assets as of the last day of the taxable year beginning in 2013.

The basis modification is reported on the following lines of the Wisconsin tax returns:
- Form 1, Lines 4 or 11
- Form 1NPR, Schedule M, Lines 18 or 43
- Form 2, Schedule A, Lines 5 or 11
- Form 3, Schedule 3K, Part III, Lines 4 or 11
- Form 4, Schedule 4V, Line 6 or Schedule 4W, Line 9
- Form 5S, Schedule 5K, Page 6, Lines 4 or 14
- Form 6, Part II, Line 2f or 4i
For taxable years beginning on or after January 1, 2014, depreciation and amortization on assets subject to the five-year basis modification described above is computed under the federal Internal Revenue Code in effect on January 1, 2014 using the same federal and Wisconsin adjusted basis.

**Note:** For property placed in service in taxable years beginning on or after January 1, 2014, the federal and Wisconsin adjusted basis for computing depreciation and amortization may be different because federal bonus depreciation has not been adopted under Wisconsin law.

For more information about the five-year basis modification for differences in federal and Wisconsin adjusted basis of depreciated or amortized assets, see the [common questions](#) on the department’s website.

---

**Hiring a Nonresident Entertainer? You May Be Required to Withhold Wisconsin Income Tax**

*Taken from WI Dept of Revenue Tax News*

If you hire a person or business from another state to furnish amusement, entertainment, or public speaking services in Wisconsin for an upcoming festival, conference, or other event, you may be considered the nonresident entertainer’s employer for purposes of Wisconsin withholding. Nonresident entertainer withholding is reported separately from regular employee withholding.

**Nonresident entertainer requirement** - A nonresident entertainer must file a surety bond or cash deposit equal to 6% of the accumulative total contract price if the performance or performances in Wisconsin exceed $7,000. The bond or deposit must be filed with the Wisconsin Department of Revenue at least seven days before the performance.

---

**Sales and Use Tax Training for Grocers**

*Taken from WI Dept of Revenue Tax News*

The Wisconsin Department of Revenue has developed a web page that provides sales and use tax information and training for grocers and convenience stores. The web page includes links to sales and use tax reference materials, along with a four-part series of training videos discussing the following:

- Resources and Sales by Grocers
- Sales of Candy, Soft Drinks, & Dietary Supplements
- Sales of Prepared Foods
- Preparing for an Audit

The information is available on the Wisconsin Department of Revenue's [Sales and Use Tax Training Videos for Grocers](#) web page.

---

**Nonprofit Organizations that Hold a Seller's Permit Must Collect Tax**

*Taken from WI Dept of Revenue Tax News*

A nonprofit organization is required to charge Wisconsin sales tax unless an exemption, such as the occasional sale exemption for nonprofit organizations, applies. If a nonprofit organization makes sales of taxable products or services, the organization is required to obtain a seller’s permit and collect and remit sales tax on those sales. A nonprofit organization's sales are exempt occasional sales if all of the following standards are met:

- Its sales of otherwise taxable products occur on 75 days or less in a calendar year OR are $50,000 or less in a calendar year;
- Entertainment is not involved at an event for which admission is charged. "Entertainment" is not involved if the total amount paid for ALL entertainment is $10,000 or less; and
- The nonprofit organization does not have and is not required to have a seller's permit.

If the nonprofit organization holds a seller's permit, but its sales would otherwise qualify as exempt occasional sales, the organization is still required to collect and remit Wisconsin sales tax on all of its sales of taxable products and services, unless another exemption applies.

For additional information visit: [https://www.revenue.wi.gov/DOR%20Publications/pb206.pdf](https://www.revenue.wi.gov/DOR%20Publications/pb206.pdf)
My Tax Account – New Look Coming This Fall
Taken from WI Dept of Revenue Tax News

This fall, users of My Tax Account will see changes to the department's online tax account management platform. The department will implement a new responsive web design, making it more mobile-friendly, intuitive, and easier to use.

Note: My Tax Account access and tax filing process will generally remain the same. Watch for changes in September.

IRS News

IRS Stakeholder Liaison wants you to have the information you need when you need it.

Submitted by: Vickie L. Zukaitis

Taxpayers can now sign up for emailed notifications about their tax payment when they use IRS Direct Pay and EFTPS to pay their taxes.

- With the new IRS Direct Pay and EFTPS emailed notifications, taxpayers will receive updates about their electronic payment.
- Reminder for a scheduled payment,
- Payment cancellation,
- Payment modified and return of a payment,
- Address change confirmation.
- For Direct Pay, individual taxpayers need to sign up for email updates each time they make a payment.
- For EFTPS, individual and business taxpayers can sign up for email one time and they’ll receive the messages each time they pay with EFTPS. Taxpayers can cancel at any time.
- The IRS continues to remind taxpayers to watch out for email schemes. Taxpayers will only receive an email from IRS Direct Pay or EFTPS if they have requested the service.
Join WI NATP for the 2017 Wisconsin Update Seminar

**Tuesday September 26, 2017 from 9:00 am ~ 4:00 pm**

Ho Chunk Casino Wisconsin Dells

S3214 County Road BD

Baraboo, WI 53913

1-800-746-2486 (Ext. 7878) (For a discount rate use Room Code: 6718)

**Featuring:**

**David & Mary Mellem**

Focused on: WI Updates for 2017. What’s necessary to know about Education Issues, Health Insurance, Child Care Credits, and Real Estate Tax Relief. Special Issues of divorce & death in Wisconsin; Getting a business started & ended in Wisconsin and Security Issues.

Please note these are Wisconsin Topics and do not qualify for CPE Credits

**Register on line at:** [https://www.natptax.com/Chapters/Pages/WisconsinChapterEducation.aspx](https://www.natptax.com/Chapters/Pages/WisconsinChapterEducation.aspx)

Members: $75 Non Members $75

Cancellation Fee: $25  Registrants must cancel by: 9/20/17

**SPECIAL:** $25 off of Farm Seminar if you register for both WI Update and Farm Seminar together.

Lunch Included

~Register ON-LINE NOW at~

[http://www.natptax.com/Chapters/Pages/WisconsinChapterEducation.aspx](http://www.natptax.com/Chapters/Pages/WisconsinChapterEducation.aspx)
NATP Wisconsin Chapter
Wisconsin Tax & Update Seminar
Sept. 26, 2017
9:00 AM – 4:00 PM

Ho-Chunk Casino
S3214 Cty Hwy BD
Baraboo, WI 53913
800.746.2486

Name: ___________________________ Customer ID#: ________________
Designation(s): _______________ License #: _____________ PTIN #: ________________
Address: ____________________________________________________________________
City: __________________________ State: __________ Zip: ____________________________
Email: __________________________ Phone: _______________________________
Emergency Contact Name & Phone Number __________________________________________

Registration Fee $75

Register for the Farm Tax Seminar and the Wisconsin Seminar at the same time and receive a $25 discount.
Registration includes a meal.

REGISTRATIONS MUST BE RECEIVED AT NATP BY CLOSE OF SEPTEMBER 25, 2017
AFTER THAT DATE, PLEASE REGISTER AT THE DOOR.

Payment Method: Credit Card or Checks made payable to NATP
Name as it appears on CC: __________________________
CC #: __________________________ Exp. Date: ___________ CVV # ___________
Signature: __________________________________________________________________

How To Register:
Mail To: NATP, PO Box 8002 Appleton, WI 54912-8002
Phone: 800.558.3402, Ext. 3
Fax: 800.747.0001
Online: https://www.natptax.com/Chapters/Pages/WisconsinChapterEducation.aspx

Cancellation Policy: Cancellations must be submitted to NATP by September 20, 2017 to receive a refund.
Cancellation is subject to a $25 fee.
Join WI NATP for the 2017 Wisconsin Farm Seminar

**Wednesday September 27, 2017 from 8:00 am ~ 4:35 pm**

Ho Chunk Casino Wisconsin Dells
S3214 County Road BD Baraboo, WI 53913

1-800-746-2486 (Ext. 7878) (For a discount rate use Room Code: 6718)

**6 CPE Credits ~ Lunch Included**

**Featuring: Les Marti**

Bankruptcy ~ NOL - 2 year Election ~ Puts and Calls

Gifting Grain ~ Permanent items to PATH act ~ How to determine Employee vs Independent Contractor (plus Form 1099-MISC issues)

Tax free housing allowance

Payment in Kind (PIK)

Retirement Plans ~ Final Form 1040 ~ Items eligible for step-up in basis ~ Is 1041 Required?

Discussion of Various Wisconsin Agricultural Issues

**Special Guest: Alison Volk Speaking on Farmland Preservation**

Register on line at: [https://www.natptax.com/Chapters/Pages/WisconsinChapterEducation.aspx](https://www.natptax.com/Chapters/Pages/WisconsinChapterEducation.aspx)

Members: $150 Non Members $175

Cancellation Fee: $25 Registrants must cancel by: 9/21/17

**SPECIAL:** $25 off if you register for both WI Update and Farm Seminar together.

~Register ON-LINE NOW at~

[http://www.natptax.com/Chapters/Pages/WisconsinChapterEducation.aspx](http://www.natptax.com/Chapters/Pages/WisconsinChapterEducation.aspx)
Name: ____________________________ Customer ID#: ______________________
Designation(s): ________________ License #: ______________ PTIN #: ______________
Address: ____________________________
City: ____________________________ State: ____________ Zip: ___________________
Email: ____________________________ Phone: ____________________________
Emergency Contact Name & Phone Number _______________________________________

<table>
<thead>
<tr>
<th>Registration Fee</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>NATP Member</td>
<td>$150</td>
</tr>
<tr>
<td>Non-Member</td>
<td>$175</td>
</tr>
</tbody>
</table>

Register for the Farm Tax Seminar and the Wisconsin Seminar at the same time and receive a $25 discount.
Registration includes meal.

REGISTRATIONS MUST BE RECEIVED AT NATP BY CLOSE OF BUSINESS SEPTEMBER 26, 2017
AFTER THAT DATE, PLEASE REGISTER AT THE DOOR.

Payment Method: Credit Card or Checks made payable to NATP
Name as it appears on CC: ____________________________
CC #: ____________________________ Exp. Date: ______________ CVV # ______________
Signature: ____________________________

How To Register:

Mail To: NATP, PO Box 8002 Appleton, WI 54912-8002
Phone: 800.558.3402, Ext. 3
Fax: 800.746.2486
Online: https://www.natptax.com/Chapters/Pages/WisconsinChapterEducation.aspx

Cancellation Policy: Cancellations must be submitted to NATP by September 21, 2017 to receive a refund. Cancellation is subject to a $25 fee.
Mark Your Calendars NOW

September 26 (Tues), 2017 - WI Tax Update Seminar
Ho-Chunk Casino Baraboo, WI

September 27 (Wed), 2017 - WI Farm Tax Seminar
Ho-Chunk Casino Baraboo, WI

November 2nd & 3rd, 2017 - Fall 2017 Seminar
Ho-Chunk Casino Baraboo, WI

(Dates & Locations subject to change)

IMPORTANT REMINDER

Seminar attendees, please bring your PTIN. We are now required to have that number to credit your PTIN account for the CPE credits earned.
**WI NATP Classifieds**

The WI NATP Newsletter is published four times a year. When considering an entry for the newsletter, please be aware of the following deadline cut offs for getting in your articles or classifieds:

- September 15, 2017
- December 22, 2017

Photos or videos may be taken by WI NATP staff during the event for WI NATP use only. By attending the event, your photo or video may be used in future NATP publications, promotions or on our website.

<table>
<thead>
<tr>
<th>Advertising Rates:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Classified Ad</strong> - $10 per forty Words ($10 minimum) Standard text at 12-14 font</td>
</tr>
<tr>
<td>size. 50 cents per additional word after forty. 20% Discount for WI NATP Members</td>
</tr>
<tr>
<td><strong>Business Card Size Ad:</strong> (2&quot;x3.5&quot;) Horizontal or vertical placement</td>
</tr>
<tr>
<td>$40 Each Placement ($10 discount if paid in full for a whole year of placement)</td>
</tr>
<tr>
<td>50% Discount for WI NATP Members</td>
</tr>
<tr>
<td><strong>Quarter Page Size Ad:</strong> $80 Each Placement ($10 Discount if paid in full for a</td>
</tr>
<tr>
<td>whole year of placement)</td>
</tr>
<tr>
<td>50% Discount for WI NATP Members</td>
</tr>
<tr>
<td><strong>Half Page Size Ad:</strong> $140.00 Each Placement ($10 Discount if paid in full for a</td>
</tr>
<tr>
<td>whole year of placement)</td>
</tr>
<tr>
<td>50% Discount for WI NATP Members</td>
</tr>
<tr>
<td>**** Add a photograph to any ad for an additional $3 charge</td>
</tr>
</tbody>
</table>

**To place an ad:** Contact Tina Heinrich by Email at abctina@sbcglobal.net or phone at 262-248-9037