

In Case you missed it!

Does Your Business Have a Sexual Harassment Prevention Policy In Place?

You are Required to Do So!!!

See Page 2 of the newsletter!

Questions from the Field!

See Page 2

Do you have Tax Season Issues?

Send them to the NY Chapter!

Find out more on the final page of the newsletter

E-News

New York Chapter of NATP
Monthly Newsletter

February 2019

**RERUN: We received so many calls on this issue we are rerunning it in this issue!
NYC Tightens Signage Regulations on ALL Preparers Doing Business within NYC!**

For more information see pages 3-4 of the newsletter!



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This Month's Issue

- Questions from the field
- NYS Tightens Signage Requirements
- In case you missed it: Sexual Harassment Policy

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Questions from the field...

Members reach out to the leadership with questions. Sometimes the questions are broad and impact many others. Here are two from this past month.

Tax Reform greatly expanded the Section 179 expense deduction from \$500K to \$1 million. NYS decoupled “entirely” from Tax Reform. Did NYS accept the new expanded Section 179 expense deduction or retain the old smaller version?

According to NYS DTF, NYS did accept the greatly expanded Section 179!!!!

Tax Reform eliminated Like Kind Exchanges for all EXCEPT for Real Property exchanges. While NYS decoupled, did they retain the old law?

According to NYS DTF, NYS did not retain the old law and only recognizing Like Kind Exchanges for real property. Keep in mind that a trade in of a vehicle is no longer a tax free exchange wherein the gain from the first vehicle is deferred into the replacement vehicle; it is a taxable exchange resulting in taxable income!

While the Chapter Leadership volunteers to assist members with NYS (and Yonkers & NYC) tax questions, we can not answer federal questions.

Written by: Kathryn M. Keane, EA

Does Your Business Have a Sexual Harassment Prevention Policy In Place? You are Required to Do So!!!

NYS requires businesses to implement a written policy on Sexual Harassment Prevention. Additionally, all employees must participate in interactive training before October.

NYS has created templates that can be easily personalized for your tax practice and your clients' businesses. They also have training videos that can be used to train staffs.

For more information, check NYS' website at <https://www.ny.gov/combating-sexual-harassment-workplace/employers>.

NYC Tightens Signage Regulations on ALL Preparers Doing Business within NYC

NYC has amended the Administrative Charter **requiring all paid preparers provide itemized receipts, post minimum fees, and disclose fee structure statements as well as provide a written estimate if requested.** The Chapter specifically requested from the NYC Department of Consumer Affairs (NYC DCA) clarification concerning EA and CPA members. Historically, the only requirements NYC made of EAs and CPAs dealt with RAL (Loan) products. NYC DCA responded that EAs and CPAs are NOT exempt from the new signage and billing requirements.

EA and CPA are exempt from the other requirements such as Taxpayer Bill of Rights.

Below is the information provided to the Chapter from NYC DCA.:

Licensed CPAs and/or Enrolled Agents are not automatically exempt from the requirements of section 5-66 of Title 6 of the Rules of the City of New York. In order to determine whether you are exempt, you should review the definition of a “tax preparer” and the exemption language of section 5-66(g), copied below.

Section 5-66(a) defines a “tax preparer” as:

[A]ny individual or business that prepares any income tax return, for a fee, to obtain or retain clients, or in connection with the sale of items or services. It does not include an individual employed to prepare tax returns by another individual or business entity if that individual makes clear that he or she is only an employee and that his or her employer will sign the taxpayer's return.

There is also an exemption under section 5-66(g) for tax preparers who fit the following description:

(g) Exemption. Any individual or business which prepares income tax returns as an adjunct service to year-round fiduciary activities provided in the regular course of business for its customers is exempt from this section. If the business also offers individual tax return preparation services which are not related to such fiduciary activities, this section applies to those services.

Example: A bank trust department offers its services for a fee as trustee on personal trust accounts. The bank advertises that preparation of the beneficiaries' personal income tax returns is available to the beneficiaries of any trust for which it is trustee. This section does not apply to this tax preparation service. If, however, the bank has an agreement with a tax preparation service, under which the service would supply tax preparation services to the public at various branches of the bank, the bank is subject to this section. If the bank provides the service by its own employees, it is subject to this section.

NYC Tightens Signage Regulations on ALL Preparers Doing Business within NYC continued...

If you fall within the definition of a “tax preparer” and do not qualify for the section 5-66(g) exemption, you must comply with the requirements of the rule, including posting the necessary signs and providing the appropriate disclosures. In addition, licensed CPAs and/or Enrolled Agents must also comply with the requirements under § 20-741.1 of the NYC Administrative Code regarding Refund Anticipation Loans (“RALs”).

In terms of the signage requirements you describe in your email, section 5-66(c)(1) of the Rules of the City of New York applies to “[t]ax preparers that advertise their tax preparation services in a manner designed to reach the general public” Nevertheless, a person may be said to be engaging in advertising in a manner designed to reach the general public by, for example, maintaining a public-facing sign at an office stating that a person is a tax preparer or provides tax preparation services.

If you are a licensed CPA or Enrolled Agent, you are exempt, however, from the remaining requirements of Subchapter 8 of Chapter 5 of Title 20 of the New York City Administrative Code and Subchapter H of Chapter 5 of Title 6 of the Rules of the City of New York.

For the full text of this Administrative code, please visit the below link:

[http://library.amlegal.com/nxt/gateway.dll/New%20York/rules/title6departmentofconsumeraffairs/chapter5unfairtradepractices?f=templates\\$fn=default.htm\\$3.0\\$vid=amlegal:newyork_ny\\$anc=JD_T06C005_5-66](http://library.amlegal.com/nxt/gateway.dll/New%20York/rules/title6departmentofconsumeraffairs/chapter5unfairtradepractices?f=templates$fn=default.htm$3.0$vid=amlegal:newyork_ny$anc=JD_T06C005_5-66)

Tax Season Issues?

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Did you have a taxpayer who asked a tricky tax question that you just couldn't answer?

Did you encounter a tax issue not common in your practice and need some guidance?

Send them to the NYS Chapter!

For the past four years, we have gathered your questions and sticky situations into our Tax Season Issues Module for our Fall Series and it has been a HUGE hit!

For this coming year we would love to keep Tax Season Issues fresh and exciting for our seminars, but we can't do it without your help!

Send your "Tax Season Issues" to Rick Rottkamp at rh1040@aol.com

You may just find the answer in our 2019 Fall Seminar!

NY Chapter Founders Award

Ralph Sommers
2013

Wendy C. Loomis
2014

Karl Herba
2015

Dwayne "Rocky" Rhodes
2016

Kathryn M. Keane
2017

Purchasing a Quickfinder?

Will you be buying a Quickfinder for the coming season? The NY Chapter receives a donation for each book ordered when you use the Association Code below, mention NATP or use the Special Order Form provided at:

<http://newyorknatp.com/quickfinder-purchase/>

Quickfinder Association Code Q680

You also receive a discount when you mention our codes!

The NY Chapter THANKS YOU FOR YOUR SUPPORT!!



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Tricia Santana