



SOLANO-NAPA NEWS

CALIFORNIA SOCIETY OF ENROLLED AGENTS



"WE SPEAK TAX" - the Tax Professionals

Volume II, Number 18

October 2007

NET UNREALIZED APPRECIATION

At our next dinner meeting, there will be a discussion on **Net Unrealized Appreciation, NUA**, presented by our very own, Michael Klobas, **EA**. The fun starts at 6:00 pm, dinner at 6:30 pm. Location is **Jack & Linda's Country Café**, Fairfield, CA, on Tuesday, October 23, 2007.

Our Chapter Board of Directors will meet at the same location, 4:00 pm. Anyone interested may attend as a guest. So mark your calendar and come for the food, the networking, the education, and most of all. **the fun!**

President's Message

For those who were not at the September meeting, you missed a good time. We had a great crowd there and had lots of new faces. Hawaiian was the theme and we had a fair number of good hearted souls who dressed accordingly.

During the PIA (Public Information Awareness) committee meeting and the Board meeting, we have come up with some new PIA efforts for Tax Season. We will be contacting the Chamber of Commerce in each of our six main cities and have a flyer put in the January Chamber mailing. Then we will also hit the newspapers a couple times during tax season. Our goal is to get the **EA** name out to the public, we are **the Tax Professionals**.

How does a client find you? They can go in the phonebook; they can go online to CSEA and look up Find an **EA**. To find you on the CSEA website (www.csea.com), you have to register and sign up for Find an **EA**. The first listing is free and there are other listings that will cost you. But for no fee you can have you name on the list. You can also list your specialties. The same goes for the NAEA website. If you are a member in good standing, you are already in their Find an **EA** listing. Go online to www.naea.org and update your information and enter your specialties. The public can search for you under name, city or specialty. Specialties listed are: NTPFI Fellow, Trust & (See Prez, page 2)

Solano-Napa Chapter Breakfast & Dinner Programs

Solano-Napa EAs meet on the **second and fourth Tuesdays** of each month to share information with other EAs and tax professionals. The meetings are at Jack & Linda's Country Café, 2390 N Texas St., Fairfield, CA and, as announced, at other locations in the Solano-Napa area.

Breakfast Meetings – 8:00 am - 9:00 am:

On the second Tuesday, we have Breakfast Meetings where a predetermined topic will be discussed. All attendees are encouraged to participate by sharing their knowledge and experience. Cost is Dutch.

Dinner Meetings:

6:00 pm	Attitude adjustment
6:30 pm	Dinner
After dinner	Education

On the fourth Tuesday, we have Dinner Meetings where generally there will be a speaker on a topic for continuing education, practice management, legislative, or other issues pertinent to our profession. **Cost is \$35, Members and staff, \$40, non-members, who attend any portion of the meeting.** There is a **\$5** discount if your reservations are made timely. Reservations, and meal choice, when applicable, are due to Tereza Avalos, **EA**, fax (707) 678-1144 or email: tereza@tabertax.com by 5 pm on the third Tuesday of each month. **Tereza is our only contact with restaurants. No member should ever contact restaurants for meal choices.**

If you don't want to worry about timely reservations, this would be a perfect time to have your name added to the **Standing Reservation List**. (That way you only have to give notice when you are not going to be there!)

Napa Satellite Group Luncheons

Napa Satellite Group meets on the **third Thursday** of each month. These luncheons are at the Napa Elks Club, 2840 Soscol Ave., Napa. Meetings start at the 12:30 pm.

Lunch Meeting – 12:30 pm to 2:00 pm

Invitation is open. **Cost is \$14.** For reservations, contact Chuck Gravett's office at (707) 258-1030 and RSVP with his secretary. Make checks payable to Linda Luchsinger.

Jerry Pusateri, **EA** is available for car pool from Fairfield.

(Prez, message)

Estates, Representation, Small Business, Non Profit, Military, International, Individual, Farming, Domestic Partnerships and Corporations. If you want to contact an EA who specializes in an area you have questions about, you can find them at this same site. There is also a member resource section that has camera ready art for Ads, Engagement Letters, Press Releases, Let's Talk Tax Columns, Tax Organizers for New Clients, and a Member Share area. Need to contact or refer to an EA in another state? NAEA also has a listing of all state affiliates and contact information. To log on to the member area of the NAEA website you will need your membership number and your zip code. **These are great member benefits!**

Don't forget our Brass Tax annual Tax Tune Up seminar. Deadline is Halloween, October 31, so get those applications and checks to my office. Registration form is attached to this newsletter.

Check out the Solano Napa Social Calendar and call or email Jerry Pusateri, **EA** for more information. Remember, it's not all about work, we get to play too!

Alma Guenther, **EA**
President



Members enjoying Hawaiian Night at our September dinner meeting.



Members and guest having fun at Hawaiian Night.



The Phil and Jerry Show: Phil Fiegler, EA, and Jerry Pusateri, EA, presenters at recent Solano-Napa Mini-Seminar

Having fun is another great member benefit!!

This is an open invitation to all CTEC and other tax professionals to join our chapter:

Dear Business Professional:



The Solano-Napa Chapter of the California Society of Enrolled Agents would like to inform you of our upcoming and continuing meetings. The meetings are open to all tax, bookkeeping, payroll, accounting, legal and financial business professionals with an interest in taxation.

President:

Alma Guenther, EA
(707) 643-2226; Fax (707) 643-2222
e-mail: almaea@pacbell.net

1st Vice-President:

Ken Spingola, EA
(707) 553-2645
e-mail: kspingola@sbcglobal.net

2nd Vice-President

Sherri Scarrott, EA
(707) 426-9472; Fax: (707) 426-9478
e-mail: eataxldy@pacbell.net

Secretary:

Lea Garrity, EA
(707) 386-3390
e-mail: leagarrity@charter.net

Treasurer:

Chris Raycraft, EA
(707) 428-4741; Fax: ((707) 428-0256
e-mail: craycraft@sbcbglobal.net

Directors:

Tereza Avalos, EA
(707) 678-4477; Fax (707) 678-1144
e-mails: tereza@tabertax.com

Marcia Gillespie, EA
(707) 251-5520; Fax: (707) 251-5525
e-mail: marciaea@sbcglobal.net

Louanna Grindle, EA
(707) 451-7611; fax (707) 451-4866
e-mail: taxhouse@sbcglobal.net

Matt Jones, EA
(707) 557-6838; Fax (707) 557-7702
e-mail: mattstax@sbcglobal.net

Gerald Pusateri, EA,
(707) 426-4396; Fax: (707) 426-4397
e-mail: untaxit@pacbell.net

Don Wulf, EA
(707) 252-0442; Fax (707) 252-7942
Email: dwulf@calltpac.net

CSEA Director

Sharyn Scarrott, EA
(707) 426-9472 Fax: (707) 426-9478
e-mail: eataxldy@pacbell.net

IPP

Anne Arms, EA
(707) 745-1040; Fax: (707) 745-0281
email: armspna@aol.com

Breakfast Meetings – 8:00 am – 9:00 am: On the second Tuesday of each month Solano-Napa EAs meet to share information with other EAs, tax professionals, and interested parties. They are Breakfast Meetings where a predetermined topic will be discussed. All attendees are encouraged to participate by sharing their knowledge and experience. The meetings are at Jack & Linda's Country Cafe, 2390 N. Texas Street, Fairfield, CA and, as announced, at other locations in the Solano-Napa area. Cost is Dutch Treat.

Dinner Meetings – 6:00 pm – 8:30 pm approx. On the fourth Tuesday, we have Dinner Meetings where generally there will be a speaker on a topic for continuing education, practice management, legislative, or other issues pertinent to our profession. Cost is \$35, Members and staff and \$40, nonmembers. There is a \$5 discount if your reservations are made timely. Reservations and meal choice are due to Tereza Avalos, EA, fax (707) 678-1144 or e-mail: tereza@tabertax.com by 5 pm on the third Tuesday of each month.

Napa Satellite Group meets on the third Thursday of each month. These luncheons are at the Napa Elks Lodge, 2840 Soscol Ave, Napa. Meetings start at **12:30 and last till about 2:00pm.**

Invitation is open. Cost is \$14. For reservations, contact Chuck Gravett's office at (707) 258-1030 and RSVP with his secretary. Make checks payable to Linda Luchsinger.

If you would like to be placed on our e-mail list and receive our e-mail newsletter, please contact either of the following two people and they would be happy to oblige.

Alma Guenther, EA-Chapter President

Ph. 707-643-2226 e-mail: almaea@pacbell.net

Jerry Pusateri, EA-Membership Chair

Ph. 707-426-4396 e-mail: untaxit@pacbell.net

Respectfully,

Alma Guenther, EA

President, Solano-Napa CSEA

For your convenience, a CSEA Professional Associates Application is attached to this Newsletter.

We believe that the benefits of membership are well worth the fee.

Standing Reservation Reminder:

If you have a standing reservation for dinner meetings and if you do not want to be charged for a dinner that you do not consume due to not attending a meeting, then you must notify Tereza Avalos, EA, tereza@tabertax.com, that you will not attend a meeting. Please keep in mind that we need to have an accurate head count to give to Jack & Linda to prepare sufficient enough food, and for us to keep dinner cost as efficient as possible. If you do not notify Tereza, via email, that you will not attend a meeting, then you will still be charged for the standing reservation. Your cooperation is requested. Thanks.

Some Good Stuff from the IRS:
Get an Employer Identification Number Online in Minutes

The new Web-based [EIN Assistant](#) instantly processes requests and generates Employer Identification Numbers in real time.

Simply answer the interview style questions and receive your EIN immediately after the information is validated. You can even download and print the EIN confirmation notice.

Redesigned Allowable Living Expense Standards Effective Oct. 1

IRS released the 2007 [Allowable Living Expense standards](#) Oct. 1. The standards are used to help determine the ability of a self-employed or individual taxpayer to pay a delinquent tax liability.

Fall 2007 SSA/IRS Reporter

The fall 2007 issue of the [SSA/IRS Reporter](#), a quarterly newsletter for employers, is now available on IRS.gov.

Foreclosure Tax Relief Available to Many

IRS.gov has a questions and answers section for people who have lost their homes due to foreclosure. For more information and additional links, see news release [IR-2007-159](#).

With foreclosures increasing in our counties, this release and associated links can be a good resource to us and some of our clients. Check it out.

FROM CSEA BEACON:

CSEA provides complimentary copies of a magazine called *CSEA Technology Advisor* to our Members, Associates, and Affiliates. This Member benefit costs the Society more than \$12,000 per year, partially offset by a Super Seminar advertisement included in an issue of the magazine at no additional charge to us. This month, we're asking you to voice YOUR opinion on this Member benefit.

Is it worth the \$12 grand? Do you read it every month?

Does it look nice on the table in your tax firm's lobby? Are you even aware that you've been receiving it? Would you like to keep it as a Member benefit, only with additional articles pertaining to you and your practice?



October 07.pdf

Please double click on the above pdf file for link to CSEA BEAcon. Find the survey at bottom right of page 6 and put in your 2 cents.

From Board of Equalization (BOE):

(Submitted by Alma Guenther, EA and Sherri Scarrott, EA, who attend California State Liaison Meeting)

BOE wants business to come forward and voluntarily disclose the use and sales tax liabilities. Both in state and out of state businesses are encouraged to file past three years (v/s 8 years regularly required) and be compliant and file future returns. In state businesses have until December 31, 2007 to come forward. After that penalties will apply and the 8 year look back will be enforced. BOE has collected \$5.46 million in Use Tax from the state income tax returns. While 60% of all returns filed are prepared by professional tax preparers, **only 12.8% of the returns containing use tax were prepared by professional tax preparers. We might have to be more vigilant on this question during our tax interviews, especially since the legislature has made this use tax reporting required and not just an election.** If a taxpayer is not required to file a Form 540, they can File Form BOE 401-DS to report and pay their use tax liability.

**CSEA'S 2005-2006
"Chapter of the Year"
SOLANO-NAPA CHAPTER**

INTRODUCES THE 3rd ANNUAL



October 19, 2007, 9:00 am to 1:00 pm

Tax Free Exchanges

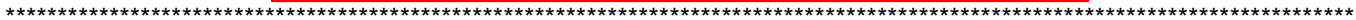
Is It Tax free? Is It An Exchange?
Here's How To Make It Work.

Presenter: Alma Guenther, **EA**

**Registration Fee: \$85 for One Seminar.
Includes Continental Breakfast**

**All seminars at Jack & Linda's Country Café, 2390 N Texas Street, Fairfield, CA 94533
For more information contact: Alma Guenther,
707-643-2226 or almaea@pacbell.net**

Registration Form is an attachment to this newsletter.



BRASS TAX GROUP PROGRAM

Education for you and *\$\$\$CASH\$\$\$* for our Chapter!

This program provides an opportunity for the Chapter to raise funds while its members obtain quality CPE credits presented by renowned instructors, David Gorsich, **EA** and Michael Karll, **EA** of Brass Tax PresentationsTM. Here's how it works. We get 10 or more members to register for either of the presentations, Brass Tax will give back to the Chapter \$25 for each registered member. Wow, that's a great way for us to get some cash into the treasury and get quality education at the same time!! What's even better, we do not have to register for or attend at the same location. We just need 10 or more to commit to register. The following details the official rules to qualify:

Our Chapter will charge \$150 per attendee, the regular early bird registration fee. The Chapter would then send to Brass Tax only \$125 per attendee and keep \$25 per attendee as a referral fee.

Again, we must have 10 or more registered attendees. All attendees must be listed on one roster with name, address, phone number and certificate or registration number and location; however, all do not have to attend at the same location.

Lastly, the Chapter will make payment on 1 check for the full amount due Brass Tax and that payment must be received by **October 31, 2007** for the November/December Update Program. Registrations received after those dates will be charged the full fee. You can find the dates and locations at the following link, [Brass Tax--Education for the Tax Professional](#).

If you have attended presentations given by David and Michael before, then you know the show; however, if you have not, then you will be in for a real treat while obtain quality CPE. So, let's all get together and go. What a deal. Eight (8) hours of quality CPE at an affordable price made even for affordable because we get to keep some for our Chapter. We did this last year and made some money! ***So, let's do it again!!***

Seminar:

Preparing the 1120S--Part 1: Getting In and Staying In

A practical introduction to the preparation of the Form 1120S
What you need to know to prepare a return for a new "S" Corporation.

Saturday, November 3rd
Lafayette, near the BART station
9 am – 1 pm

4 hours CPE on "S" Corporations, sponsored by CSTC

We will cover details on how to prepare the 1120S return, specifically:

Getting In:

- Who may become an "S" Corporation and who should not incorporate.
- Sole Proprietor: Section 351 Tax-Free Exchange, with examples
- Conversions from other entities, including the Built-In Gains (BIG) Tax

Staying In:

- Officer Compensation issues
- Reporting Auto Expenses when vehicle is used personally by a > 2% owner
 - Health Insurance issues for > 2% owners
 - Annual requirements to maintain "S" Corp status
- Preparing Schedules L, M-1 and M-2 (the Balance Sheet Schedules), and how to repair.

\$200 at the door, \$175 if paid by October 26
(CSTC Members: \$175 at the door, \$150 if paid by October 26)

Andrew S Rogers, **EA** presents training seminars for the IRS, the US SBA, and the Women's Initiative for Self Employment, among others. Andrew works for Tax Buddha™ and has specialized in preparing corporate and business returns since 1999.

NAME AS IT APPEARS ON CARD _____ PHONE NUMBER _____

ADDRESS _____ SUITE _____

CITY _____ STATE _____ ZIP _____

CREDIT CARD MASTERCARD VISA THREE DIGIT CVC NUMBER (CUSTOMER VERIFICATION CODE NUMBER) _____

CARD NUMBER _____ EXPIRATION DATE _____ / _____

CUSTOMER SIGNATURE _____ DATE _____

Fax to 510.237.5045 ANDY@TAXBUDDDHA.COM

Solano-Napa Officers and Directors

President

Alma Guenther, EA
707 643-2226
almaea@pacbell.net

1st Vice President

Ken Spingola, EA
707 553-2645
kspingola@comcast.net

2nd Vice President

Sherri Scarrott, EA
707 426-9472
eataxldy@pacbell.net

Secretary

Lea Garrity, EA
707 386-3390
leagarrity@charter.net

Treasurer

Chris Raycraft, EA
707 428-4741
craycraftea@sbcglobal.net

CSEA Director

Sherri Scarrott, EA
707 426-4396
eataxldy@pacbell.net

Immediate Past President

Anne Arms, EA
707 644-9016
armspna@aol.com

Directors

Marcia Gillespie, EA
707 251-5520
marciaea@sbcglobal.net

Matt Jones, EA
707 557-6838
mattstax@sbcglobal.net

Gerald Pusateri, EA
707 426-4396
untaxit@pacbell.net

Tereza Avalos, EA
707 678-1144
tereza@tabertax.com

Donald Wulf, EA
707 252-0442
dwulf@calltpac.net

Louanna Grindle, EA
707 451-7611
taxhouse@sbcglobal.net

Chapter Committee Chairs

AUDIT

Phil Correia, EA
707 426-0920
pcorreia@sbcglobal.net

DINNER/SITE

Sherri Scarrott, EA
707 426-9472
eataxldy@pacbell.net

NOMINATING

Peggy Elliott, EA
707 421-8088
peggye@aol.com

PUBLIC AWARENESS

Marcia Gillespie, EA
707 251-5520
marciaea@sbcglobal.net

BYLAWS

Lea Garrity, EA
707 386-3390
leagarrity@charter.net

BREAKFAST FACILITATOR

Alma Guenther, EA
707 643-2226
almaea@pacbell.net

MEMBERSHIP

Gerald Pusateri, EA
707 426-4396
untaxit@pacbell.net

RESERVATIONS

Tereza Avalos, EA
707 678-1144
tereza@tabertax.com

Preservation of Practice due to Medical Emergency

Alma Guenther, EA or Death (PPMED)
707 643-2226
almaea@pacbell.net

FINANCE & BUDGET

Doug Ellis, EA
707 448-1407
dellisea@pacbell.net

NEWSLETTER

Matt Jones, EA
707 557-6838
mattstax@sbcglobal.net

hEArd It Through The Grapevine

CSEA dues have been increased for 2008-2009. **Dues for Members will increase \$15, to \$155 per year; for Professional Affiliates, dues will increase \$20, from \$225 to \$245.** Dues for other categories of membership, including Professional Associate and Student Associate will not change. Based on information considered by the Board, these increases will bring CSEA close to keeping up with the cost of living increases in running the Society. Based on what other similar professional groups' charge, CSEA is still priced at the lower end of the professional spectrum. NAEA will not increase its dues.

Newsletter Editor: Matthew J. Jones, EA

Phone: (707) 557-6838

Fax: (707) 557-7702

Address: 2437 Springs Rd., Vallejo, CA 94591-5610

E-mail: mattstax@sbcglobal.net

Co-Editor: Alma Guenther, EA

Phone: (707) 643-2226

Fax: (707) 643-2222

Address: 715 Tennessee St., Vallejo, CA 94590-4506

E-mail: almaea@pacbell.net

Solano-Napa Chapter CSEA

c/o Matt Jones, EA

2437 Springs Rd.

Vallejo, CA 94591-5610

First Class Mail

Return Service Requested



2007-2008 CALENDAR OF EVENTS

OCT

- 9 Solano-Napa Breakfast (2nd Tue.) 8:00 am
Jack & Linda's Country Café, Fairfield
Topic: **Fees**
- 18 Napa Satellite Group, Lunch Meeting, Napa
Elks Club, 2840 Soscol Ave, Napa, 12:30 pm
- 19 Solano-Napa **Mini-Seminar**, 9:00 am – 1:00pm
Jack & Linda's Country Café, Fairfield
- 23 Solano-Napa Board Meeting, 4:00 pm
Solano-Napa Dinner (4th Tue.) 6:30 pm Topic:
Net Unrealized Appreciation, Michael Klobas
Jack & Linda's Country Café, Fairfield

NOV

- 13 Solano-Napa Breakfast (2nd Tue.) 8:00 am
Jack & Linda's Country Café, Fairfield
Topic: **Source Documents**
- 15 Napa Satellite Group, Lunch Meeting, Napa
Elks Club, 2840 Soscol Ave, Napa, 12:30 pm
- 27 Solano-Napa Board Meeting, 4:00 pm
Solano-Napa Dinner (4th Tue.) 6:30 pm Topic:
AMT: Does your client know what's coming?
Stewart Burch, EA, Napa Elks Club

DEC

- 11 **Solano-Napa 2007 Holiday Party**, Jack &
Linda's Country Café, Fairfield
Happy Holidays!

JAN

- 4 CSEA FTB Facilities Tour, check www.csea.org
for more details.
- 8 Solano-Napa Breakfast (2nd Tue.) 8:00 am
Jack & Linda's Country Café, Fairfield
Topic: **Digital Document Management**
- 17 Napa Satellite Group, Lunch Meeting, Napa Elks
Club, 2840 Soscol Ave, Napa, 12:30 pm
- 22 Solano-Napa Board Meeting, 4:00 pm
Solano-Napa Dinner (4th Tue.) 6:30 pm Topic:
Learning to Love the S Corp, Andy Rogers, EA
FEB
- 12 Solano-Napa Breakfast (2nd Tue.) 8:00 am
Jack & Linda's Country Café, Fairfield
Topic: **TBA**
- 21 Napa Satellite Group, Lunch Meeting, Napa Elks
Club, 2840 Soscol Ave, Napa, 12:30 pm
- 26 Solano-Napa Dinner (4th Tue.) 6:30 pm Topic:
Panel Discussion, Joe Calderaro, IRS
Jack & Linda's Country Café, Fairfield
MAR
- 11 Solano-Napa Breakfast (2nd Tue.) 8:00 am
Jack & Linda's Country Café, Fairfield
Topic: **TBA**
- 20 Napa Satellite Group, Lunch Meeting, Napa Elks
Club, 2840 Soscol Ave, Napa, 12:30 pm