



SOLANO-NAPA NEWS

CALIFORNIA SOCIETY OF ENROLLED AGENTS



“WE SPEAK TAX” - the Tax Professionals

Volume IV, Number 5

November 2008

President’s Message

I just returned from our monthly meeting where we were honored by our guest speaker, Norman M. Golden, EA, past president of CSEA and also past president of Golden Gate Chapter. The topic was ethics, which you all know is required each year. What amazes me is that I always thought that if you do the right thing you don’t have to worry. Now I still believe that, but the laws are complicated and sometimes things we think are ok are not in the sight of the law, and visa versa. Norman really got me thinking about that, so I am devoting this message to ethics.

I remember a story I heard in a Real Estate Ethics class I had to take once. A R.E. Agent took a cash deposit (and I mean real cash, not a check) on a small piece of land. The deposit was only \$300 and the agent wrote out the required deposit receipt and was taking the money back to his office to put in the safe until the next day when they would open escrow. This was all ok, except he decided to stop for a quick dinner at a fast food restaurant. When he went to pay he noticed he forgot his wallet, so he “borrowed” about \$5 from the deposit with the full intent of replacing it when he got home. But he went to the office first, still without his wallet and \$5 short on the deposit. His client was waiting for him at the office as he had changed his mind and wanted his deposit back. The agent explained he was short the \$5 and went home to get it, but the man was not happy about that and left before the agent got back. First thing in the morning the client filed a complaint with the Department of Real Estate and to make a long story short, the agent lost his license. What does this have to do with Taxes? Nothing! But it has a lot to do with ethics. The agent was wrong, but it was minor and there was no intent to steal. Had he known he didn’t have his wallet before he order the food, he most likely would have waited to eat later. In his mind, he did not do anything wrong. This is a good lesson that the little things will get you in trouble.

Another story, and this is to make a point, not to judge. I have my opinion, but will not express it here. I will leave it up to you to decide if this is right or wrong. This is a true story which I read from the individual’s book, but I will not say who it was. Anyway, this person, a coin dealer, thinks it is wrong to steal or cheat. That’s easy. But what is cheating? What is stealing? As Norm told us at the Ethics class, if you lie on the tax return you might as well rob a bank. Both are felonies and you’d get more money robbing a bank. So, this coin dealer says that a customer asked a price of a coin and the clerk behind the counter quoted \$20 instead of \$200. She misread the price.

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WHAT’S UP THIS MONTH?

Tuesday, November 18

During the coming tax season, take advantage of the research opportunities on the IRS website. This month’s speaker will show you the way for ...

Navigating the IRS.gov Site for Research
presented by Jennifer Henrie-Brown, IRS Stake Liason

4:00 pm Chapter Board Meeting

6:00 pm socializing until dinner at 6:30 pm

PLEASE NOTE: The meeting is at the
Elks Club in Napa (2840 Soscol Ave)

To make your online reservation go to:
<https://www.123signup.com/calendar?Org=SCC>
and follow the instructions. Remember, the standing reservation list is no longer applicable.

No Breakfast Meeting this Month
(November 11 is Veterans Day)

Special Announcement

We are offering a very timely and detailed

Foreclosure/Short Sale/Insolvency Workshop

Presented by Jerry Pusateri, EA

Monday, January 12, 2009

9:00 am to 1:00 pm

(Four hours of CPE)

The workshop will cover:

- the three recently passed Federal Laws
- resources available to deal with the Mortgage Maze
- completing the Sale Process (yes, foreclosure is a sale)
- proving Insolvency -- Problems and Solutions
- consequences of your actions as the Tax Professional

Jack & Linda’s Country Café
2390 N Texas Street, Fairfield

Early Bird Price \$85 (until January 5, 2009)

Regular Price \$95 (after Jan. 5)

Solano-Napa chapter members also receive three bonus tickets for our 2009 Super Seminar Drawing

Please register online at:

<https://www.123signup.com/calendar?Org=SCC>

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 generally at **Jack & Linda's Country Café, 2390 N Texas St., Fairfield**, unless another location in the Solano-Napa area is announced in the newsletter for a specific month.

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. You pay for your breakfast.

Dinner Meetings (6:00 pm attitude adjustment; 6:30 pm dinner followed by an educational presentation):

On the fourth Tuesday, we have Dinner Meetings with a speaker on a topic for continuing education, including practice management, legislative or other issues pertinent to our profession.

Cost is \$35 for members and their staff, \$40 for non-members, who attend any portion of the meeting. There is a **\$5 discount** if your reservations are made timely.

Reservations are now made through an on-line registration service called 123signup (as in 1,2,3). The deadline for the discounted price is Midnight the preceding Tuesday.

Napa Satellite Group Luncheons

The Napa Satellite Group meets on the **third Thursday** of each month. These informal luncheons are at the Napa Elks Club, 2840 Soscol Ave., Napa.

Meeting time: 12:30 pm to 2:00 pm

Cost is \$17. For **reservations**, contact Chuck Gravett's office at (707) 258-1030 and RSVP with his secretary. Make checks payable to **Linda Luchsinger**.

President's Message continued ...

It was a mistake. So taking advantage of the clerk is wrong according to our coin dealer. That same dealer once bought a valuable coin at a bargain price from another dealer because he knew it was a rare variety. The dealer he bought it from did not know about the various varieties and thought it was just a common date coin. What's the difference between these two deals? Knowledge. That's what our first coin dealer said. It's not ok to take advantage of a mistake, but if you have more knowledge than the next person, that's ok. Would it have been different if instead of a coin dealer it was a new coin collector? You would expect the dealer to have knowledge, but not the new collector. As I said, I am not rendering judgment on this dealer, I'm just pointing out what he thinks is ethical. You may or may not agree, but that is why we have laws for a subject that seems so simple. I would be interested in taking a poll as to who agrees and who disagrees with the coin dealer. And then maybe I will let you know my opinion. See you at our next meeting.

Ken Spingola, EA

Completely Revised Form 990 for Non-Profit Organizations

For the first time in 30 years, the IRS has subjected the non-profits to major changes in tax reporting. The new Form 990 is now 11 pages long and designed to collect additional information on the tax-exempt organizations' activities.

Form 990-EZ has also been updated to include certain schedules from Form 990 which replace previous attachments. Both new forms are required for use of 2008 tax returns that are being filed in 2009.

Two upcoming events offer help to tax practitioners in dealing with all the changes, and both provide CPE:

Tuesday, November 4, from 11 a.m. to Noon, the IRS is offering a free WEBCAST on Tax Talk Today. To get additional information and register for the webcast go to <http://www.taxtalktoday.tv/>

Wednesday, November 5, from 11 to 11:50 a.m., CSEA Audio Tax is available to CSEA members for \$50 and \$75 to non-members. For more information, look under Events at www.csea.org.

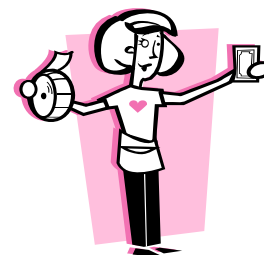
The revised Forms 990 & 990-EZ, along with instructions are available on the IRS website.



Super Seminar 2009 Drawing:

Each chapter member receives one ticket for each breakfast, lunch (in Napa) or dinner meeting (including the December Holiday Party) attended until the drawing date of February 24, 2009. You can even get five (5!!!) tickets all at once if you recruit a new member for our chapter.

Remember, each ticket brings you one step closer to winning a free Super Seminar registration next spring.



And the winner is ...



Solano-Napa Holiday Party

Tuesday, December 9, 2008

At Jack & Linda's Country Café, 2390 N. Texas St, Fairfield

A Holiday Party for EAs, their spouses, significant others and family members will be the theme of our December meeting. There will be no CPE or speaker at this meeting, just come and enjoy a time of celebration.



Bring a wrapped white elephant gift for our gift exchange and a non-perishable food donation for a local charity food pantry. Social hour with hors d'oeuvres will begin at 6 pm with the dinner and entertainment starting at 7 pm.

We will have a special performance of Christmas piano music by our own **Marcia Gillespie, EA** and, in a repeat appearance of Jerry Pusateri's alter ego, "**Rock Hardstone, EA**" will entertain us with his tax case of "Truth or Consequence."



Please direct any questions, comments or ideas to Patty Evans, EA, Party Coordinator at 707-374-3742 or patty422@yahoo.com

Another Education Opportunity

If you have not yet decided which Federal and California Tax Update seminar(s) you want to attend this year, here is something to consider:

WESTERN CPE

has scheduled 2-day update seminars in several locations around the Bay (e.g. Walnut Creek, Sacramento, Berkeley) with

SHARON KREIDER and KAREN BROSI

covering everything from individual to business taxation, payroll to retirement plans to real estate and investments. →

And the best part of it is that Western has offered all CSEA Chapters the opportunity to sign up at a **10% Discount** off the early bird and regular registration fees. But not only that, the Chapter also receives an amount equal to the discount for every member who signs up. In other words, a good deal for you and for our chapter

To find out more about the seminars, go to: www.westerncpe.com and download the complete brochure.

To register at the discount price, you select "Enter Promotion Code" and type in the code: **Z11R**

NAEA joins forces with **Totally Chocolate** to offer delicious tax-related treats for clients and EAs. NAEA members receive a discount on "Bite Back at the IRS" chocolate bars and coins, 1040 candy bars, "thank you" coins – and a special "EA" coin. As an additional incentive, order 250 or more of any of the bars before March 31, 2009 and Totally Chocolate will imprint your logo or message on the back of the wrapper at no additional charge! [click here](#) for details.

CSEA Education Foundation Needs You

The annual CSEA Education Foundation Internet Auction is NOW OPEN for business at www.csea.org/auction!

Last year, we raised more than \$5,800 for our Scholarship Fund, and this year, in an attempt to do even better, we've moved the Internet Auction from spring to fall; the auction runs through November 30, 2008.

We need YOUR assistance! Here's how you can help:

First, go to www.csea.org/auction. Then, follow the simple links to register, donate items and bid. That's it! Isn't that EASY? We'll make it even easier... you can donate an item by sending a description of the item, including its retail value (and if you have a picture in JPG format, all the better) to Cliff Weimer at cweimer@csea.org. Contributions to the CSEA Education Foundation are deductible for tax purposes.

We'll be adding new items from now through the end of the Auction, so check www.csea.org/auction each and every day and BID BID BID!

The CSEA Education Foundation Scholarship Program

Established in 1984 by outgoing President Nancy Nesbitt, EA, CSEA's Scholarship Fund awarded tens of thousands of dollars to worthy students to assist them with their education, particularly to promote the Enrolled Agent profession as a career choice.

In January 2008, the CSEA Education Foundation was formed as a 501(c)(3) entity, and has established a new Scholarship Program. (The Foundation is separate from CSEA.)

The primary purpose of the Foundation is to foster, improve and provide access to tax-related information and services available to the general public through education programs and scholarships aimed at increasing the knowledge of current Enrolled Agents and potential EA candidates.

There are two types of scholarships available:

(1) California residents not currently or previously licensed as EAs are eligible to apply for a scholarship for tuition, including registration fees and books for courses in the field of taxation, finance or accounting, particularly courses specifically designed for Special Enrollment Examination (SEE) preparation.

(2) Current California EAs who wish to broaden their knowledge in the field of taxation are eligible to apply for a scholarship for appropriate courses. Scholarships are NOT awarded for courses necessary to maintain Continuing Professional Education hour requirements, but are specifically intended for courses that expand the fields of knowledge and expertise. Examples of appropriate courses include Tax Court, NTPI, C-STAR, etc.

Scholarship Awards are funded through the generosity of donors and sponsors as well as bidders on the annual Internet Auction. Contributions to the CSEA Education Foundation are deductible for tax purposes.

Applications for scholarships can be downloaded under Career Information at www.csea.org.



Solano-Napa Officers and Directors

President	Ken Spingola, EA (707) 553-2645 kspingola@comcast.net	Directors	Tereza Avalos, EA (707) 678-4477 tereza@tabertax.com
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Life Is A Series Of Deadlines

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Solano-Napa Chapter CSEA

c/o Alma Guenther, EA

715 Tennessee St

Vallejo, CA 94590-4506

First Class Mail

Return Service Requested



2008/2009 CALENDAR OF EVENTS

NOV

- 5 CSEA Audio Tax: Exempt Organizations
Check www.csea.org for more details.
- 11 NO BREAKFAST MEETING DUE TO HOLIDAY
- 18 **PLEASE NOTE DATE/LOCATION CHANGE!**
Solano-Napa CSEA Board Meeting 4:00 pm
Solano-Napa Dinner 6:30 pm Topic: **Navigating the IRS.gov Site for Research**, Jennifer Henrie-Brown (IRS), Elk Club, 2840 Soscol Ave, Napa
- 20 Napa Satellite Group, Lunch Meeting, Napa Elk Club, 2840 Soscol Ave., Napa, 12:30 pm
- ### DEC
- 3 CSEA Audio Tax: California Update
Check www.csea.org for more details.
- 9 **ANNUAL CHAPTER HOLIDAY PARTY**, Jack & Linda's Country Café, Fairfield, 6:30 pm (no speaker/CPE)
- 18 Napa Satellite Group, **HOLIDAY LUNCH** 12:30 pm, Napa Elk Club, 2840 Soscol Ave, Napa

JAN 2009

- 7 CSEA Audio Tax: Federal Update
Check www.csea.org for more details.
- 12 **Foreclosure/Short Sale/Insolvency Workshop**
Jack & Linda's Country Café, Fairfield
- 13 Solano-Napa Breakfast Meeting - 8:00 am
Jack & Linda's Country Café, Fairfield
- 15 Napa Satellite Group, Lunch Meeting - 12:30 pm
Napa Elk Club, 2840 Soscol Ave., Napa,
- 27 Solano-Napa CSEA Board Meeting 4:00 pm
Solano-Napa Dinner 6:30 pm Topic: **Protecting your ASSETS with 1099 Reporting**, chapter board member Lillian Meyers, EA, CFP, CDFA, Jack & Linda's Country Café, Fairfield
- ### FEB
- 10 Solano-Napa Breakfast Meeting - 8:00 am
Jack & Linda's Country Café, Fairfield
- 19 Napa Satellite Group, Lunch Meeting - 12:30 pm
Napa Elk Club, 2840 Soscol Ave., Napa,
- 24 Solano-Napa Dinner 6:30 pm - **SolanoTax Panel with Joe Calderaro**, Jack & Linda's Country Café, Fairfield