



SOLANO-NAPA NEWS

CALIFORNIA SOCIETY OF ENROLLED AGENTS

“WE SPEAK TAX” - The Tax Professionals



Volume IV, Number 11

June 2009

President’s Message

This message is delivered with both joy and sadness. The joy of having the opportunity to serve our Chapter in its highest position for the past year, and the sadness of leaving this office of your President. I often joked about looking forward to “the best job in the world, Past President.” But in reality, I really did enjoy my term as President. This year really did go by quickly and I’m already feeling a little emptiness inside knowing this is my last President’s Message.

For a change, this year I attended Super in Las Vegas. I gained a lot from this year’s Seminar, about five pounds. But seriously, I do think this Super gave me a lot of knowledge to take back to my clients. I’m proud to say that at the head of Super was our own Anne Arms, EA. Congratulation, Anne, on another great Super. However, do you think you can get a shuttle bus to take us from one class room to another?

Being in Vegas and going to see *The Rat Pack is Back*, inspired me to look up quotes by my favorite singer and this one I think is worth passing on. “I would like to be remembered as a man who had a wonderful time living life, a man who had good friends, fine family - and I don't think I could ask for anything more than that, actually,” Frank Sinatra, Singer, Actor, and Chairman of the Board.

Moving forward, we need to focus on our goals for our fiscal year 2009-2010. Sherri Scarrott, EA put on a great planning retreat and we were able to see our successes and areas where we need to improve. First, we did not see the increase in membership that won us Chapter of the Year for three straight years. There may be many reasons why our membership went down, such as losing members who joined just to get the discount on Super. But the bottom line is that we need to keep recruiting new members and retain old members. Every member is a recruiter. Invite other tax preparers to our meetings, even if they are not Enrolled Agents. We offer great education and every one of our members is a resource that can be tapped during our meetings. There is much value to being a member, but you must also join us at our meetings to get your full money’s worth.

Our finances seem to be in order, but with people moving and some computer software issues, we had our share of problems producing good financial statements for our members. For that I will take the blame and hope that a lesson was learned that will result in better reporting and communication of our financial position to our members in the future.

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WHAT’S UP THIS MONTH?

Tuesday, June 23

Passive Tax Efficient Real Estate Solutions

presented by

Treavor Mosbaugh

Welton Street Investments, LLC

Covers the basic concepts of tax efficient real estate exchange strategies, including Tenant-In-Common Investment, Delaware Statutory Trusts, UPREITS and Pooled Income Funds. Reviews investor suitability requirements and benefits, and Rev.Proc. 2002-22, Rev.Rul. 2004-86 and Sec. 721 & 1031 provisions.

6:00 pm social gathering – 6:30 pm dinner

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

Please make your reservations online at:

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

UPCOMING EVENTS

Solano-Napa Triple Play

Due to the air condition problems we encountered last year, we are continuing our annual half-day seminars at a new location this year at the

Fairfield Inn & Suites

315 Pittman Road, Fairfield

The hotel is located right off I-80 near the I-680 junction in the Green Valley-Cordelia-Fairfield area.

Since the dates and time seemed to work out very well, we are sticking to the same schedule:

Fridays from 9 a.m. to 1 p.m.

August 21, September 18 and October 16

The one-page flyer of the Triple Play Series you received as an e-mail attachment, together with the announcement of this newsletter, can also be downloaded from our website at

www.solanonapa-ea.org

complete with the program, location and directions, fee schedule and sign-up/reservation information.

For program details please go to page 3.

(President's Message continued from page 1)

I want to thank all my Board Members for their help and support. As you all know, this was a difficult year for me, and I could not have functioned as President without all of your help. My Vice-President, Sherri, kept me advised of deadlines and upcoming events. Past Presidents Anne Arms, EA and Alma Guenther, EA advised me on many issues. And Jerry Pusateri, EA offered his knowledge from many years of experience and gave me guidance when I had to make difficult decisions. Our Newsletter took on a new look with Dina Smith, EA and Alma as co-editors. Our Secretary, Lea Garrity, EA did a professional job on our minutes and made sure that if she was not available for a meeting that there was someone to fill in for her. In my opinion, one of the toughest jobs in any organization is the Treasurer, and Chris Raycraft, EA always had our bills paid and managed our cash by keeping as much cash as possible in savings and earning interest. She was a good cash manager who made sure we were never overdrawn. And I would never forgive myself if I didn't acknowledge the fine work Peggy Elliott, EA has done in selecting candidates for our board. I only hope I lived up to her expectations as I know my fellow officers have.

Now, looking at the list of officers for 2009-2010, I see many of the same names in new positions. While it is good that we keep members with experience, as we approach our fifth year (2010-2011) we should be thinking about getting some new blood. Which brings to mind my favorite quote. This quote was my inspiration to come forth and serve on the Board of our Chapter and to move up to the position of your president. I hope it will inspire many of you to do the same. Just remember, "You only have to attend meetings," Gerald Pusateri, Enrolled Agent, musician, lecturer, and co-founder of Solano-Napa Chapter/CSEA.

Ken Spingola, EA

**Your newly elected 2009/2010
Solano-Napa Chapter Board of Directors**

President	Sherri Scarrott, EA
1 st Vice President	Don Wulf, EA
2 nd Vice President	Jerry Pusateri, EA
Secretary	Lea Garrity, EA
Treasurer	Janine Weber, EA

Directors

Two Year Term	Tereza Avalos, EA
Two Year Term	Lillian Meyers, EA
Two Year Term	Chris Raycraft, EA
One Year Term	Phil Correia, EA
One Year Term	Patricia Evans, EA
One Year Term	Dina Smith, EA

CSEA Director **Jerry Pusateri, EA**

Chapter Member Profiles



Spotlight on Peggy Elliott

For many years, Peggy has been one of the most active chapter members not only of the Solano-Napa chapter but of North Bay before that. Always ready to pick up the ball when help was needed and ready to share her knowledge with other members. An example of her generous spirit was her free workshops for the Lacerte User Group. Whether you were a new or an experienced user of the Lacerte tax program, you always picked up some new or changed features from her without having to spend frustrating hours trying to figure them out for yourself. Even if you contacted her for some quick advice during the height of the tax season, she would take the time to help you.

Peggy was forced to retire for health reasons just before the 2009 tax season got started. But don't let that fool you into thinking she has truly retired. "I am not fully ready for the retirement scene, regardless of what my health professionals may think", she says. "I hope to be able to work part time next year during the filing season for some overworked EA. Not necessarily interviewing clients, but back room and computer work at least. Possibly some front desk for interaction with clients. I missed the interaction with the clients but not the stress of the work, especially not the last weeks with the constant knot in your stomach and the nights of little sleep." Indeed, Peggy is back attending chapter functions any time she feels just well enough to come, which is sometimes against the objections of her husband and/or her doctors.

After working for several years for banking and other financial institutions, including Dun and Bradstreet as an outside credit investigator, Peggy has been doing taxes since 1976. She became an Enrolled Agent in 1983 and opened her own office in Fairfield in 1992.

When asked what her idea is of how best to spend the first couple of weeks after tax season, she is ready with a typical no-nonsense response: "The first week is sleeping hard enough and long enough to drool into my pillow! The second week is getting out and getting re-acquainted with my non-tax professional friends and family." Peggy has been blessed with a wonderful family, and particularly enjoys her two grandchildren. Now that she is at least officially "retired", she will have more time to spend with them and joining them at their sporting events.

And did you already know about her pets? Peggy raises bull frogs "to populate my pond and also give to little boys (and girls)."

by DS

Editor's Note: Peggy is doing quite well now and the latest prognosis is good. We all wish her continuing improvement.

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 by midnight the preceding Tuesday.

Reservations are to be made through the 123signup on-line service. The deadline to sign up through 123 is midnight Monday before the meeting. There is a \$5 surcharge for anyone not signed up but showing up and paying at the door.

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 Gay McGreal at Chuck Gravett's office (mcgreal320@comcast.net or 707-258-1030). Make checks payable to **Linda Luchsinger**.

First-Time Homebuyer Credit 2008 & 2009 Comparison and Summary:

- ♦ The maximum credit of \$7,500 (for home purchase between 4/9/08 and 12/31/08) and \$8,000 (for home purchase between 1/1/09 and 11/30/09) is refundable for the purchase of a new personal residence if the home buyer did not own a US personal residence during 3 years prior to the purchase.
- ♦ There is an AGI phase-out of the credit of \$75,000 – \$95,000 (single) and \$150,000-\$170,000 (MFJ).
- ♦ There is a recapture provision for both the “2008 credit” and the “2009 credit” if the house is sold or ceases to be a personal residence within 36 months of purchase.
- ♦ The “2008 Credit” must be paid back ratably over 15 years, but no payback is required for the 2009 credit.
- ♦ The most confusing part about this credit, and why it is particularly timely to remember the rules now, is that a taxpayer who buys a home in 2009 prior to 12/1 can elect to apply the credit to 2008 at the “2009 credit” rules. **Don't forget to let any client know about this who may be a potential “new homebuyer”.**

Triple Play Seminars – Program Details

For the opening program of the series, you'll get two topics and two speakers for the price of one, and both are new speakers at our chapter although quite well known to many of our members.

Gary Anspach, EA is past president of the North Bay Chapter and currently on the board of CSEA. He graduated from Stanford University in 1970 and has been a tax practitioner in San Rafael for 30 years. Five years ago, he formed the Anspach Financial Group partnership. Gary is known for his regular involvement in a variety of causes in Marin County and is currently serving on the board of three non-profit organizations, including the Conservation Corps North Bay. His special interest in education landed him in the chair position of the San Rafael Chamber of Commerce Education Committee and in the President's Circle of the College of Marin.

Gary, whose tax clients include many business entities, large and small, will provide some insights on special S-corporation issues and a few C-corporation ones as well. Aside from sharing his practical approach to assisting clients in determining reasonable compensation in S-corps, he'll also address a wide range of issues ranging from basis, shareholder loans, auto deductions and use of personal credit cards to balance sheets.

The seminar is shared by **Jackie Thomson, EA, CFP**, a partner in the Anspach Financial Group in San Rafael where she provides fee-only financial planning and tax advisory services. An enrolled agent since 1987, she took a new career path into the financial services industry in 1997 as a brokerage firm representative with AXA Advisors. Her services included the establishment and servicing of small business retirement plans. Later, she managed a comprehensive financial education program for Bechtel retirement plan participants and retirees. Today, Jackie enjoys integrating her planning skills into her tax practice as she helps her clients prepare for retirement.

Jackie will help us identify clients who should be considering Roth IRA conversions in the year 2010, or how to advise the heirs of a deceased client about options regarding the decedent's retirement assets. This class is designed to provide a straightforward approach for you to assist your clients with complex retirement plan rules and tax issues. It will include a review of basic concepts about retirement plan funding and distributions with an emphasis on the opportunities for you to keep your clients informed and help protect them from making costly mistakes.

In September, our own chapter member and very popular speaker, **Jerry Pusateri, EA**, will return with two topics in one seminar – one involving the automobile and the other the home office. As always, Jerry will go into a lot of detail to give us the tools to ask our clients all the pertinent questions before advising them on specific tax issues.

Another prominent chapter member, **Alma Guenther, EA** will, as she did last year, round out the seminar series in October with everything you need to know when your client calls you and tells you that he or she is planning on starting a business.

More details about these fall programs and the speakers will be included in the July newsletter.

Solano-Napa Officers and Directors

President	Ken Spingola, EA (707) 553-2645 kenspingolaea@att.net	Directors	Tereza Avalos, EA (707) 678-4477 tereza@tabertax.com
1st Vice President	Sherri Scarrott, EA (707) 426-9472 eataxldy@pacbell.net		Patricia Evans, EA (707) 374-3742 patty422@yahoo.com
2nd Vice President	Phil Correia, EA (707) 426-0920 pcorreia@sbcglobal.net		Dina Smith, EA (415) 640-7214 ds@dinasmithea.com
Secretary	Lea Garrity, EA (707) 386-3390 leagarrity@wavecable.com		Lillian Meyers, EA (707) 935-1124 lillian@meyersfinancial.com
Treasurer	Chris Raycraft, EA (707) 428-4741 craycraftea@sbcglobal.net		Janine Weber, EA (707) 421-8391 janineweber@sbcglobal.net
CSEA Director	Sherri Scarrott, EA (707) 426-9472 eataxldy@pacbell.net		Donald Wulf, EA (707) 252-0442 dwulf@calltpac.net
Immediate Past President	Alma Guenther, EA (707) 643-2226 almaea@pacbell.net		

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BYLAWS Lea Garrity, EA (707) 386-3390 leagarrity@wavecable.com	CHAPTER EXAMINATION Kaori (Kay) Mimaki (707) 745-3471 kay@mimakiconsultant.com	EDUCATION Dina Smith, EA (415) 640-7214 ds@dinasmithea.com	FINANCE & BUDGET Doug Ellis, EA (707) 448-1407 dellisea@pacbell.net
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PRACTITIONER DISASTER COMMITTEE	Alma Guenther, EA (707) 643-2226 almaea@pacbell.net

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



2009 CALENDAR OF EVENTS

JUNE

- 9 Solano-Napa Breakfast Meeting - 8:00 am
Jack & Linda's Country Café, 2390 N Texas St,
Fairfield
- 18 Napa Satellite Group, Lunch Meeting - 12:30 pm
Napa Elks Club, 2840 Soscol Ave., Napa
- 23 Solano-Napa Board Meeting at 5:00 pm
Solano-Napa Dinner 6:30 pm – Topic: **Passive Tax
Efficient Real Estate Solutions** – Speaker: Treavor
Mosbaugh of Welton Street Investments
– Jack & Linda's Country Café, 2390 N Texas, Fairfield

JULY

- 13 Solano-Napa Breakfast Meeting - 8:00 am
Jack & Linda's Country Café, Fairfield
- 16 Napa Satellite Group, Lunch Meeting - 12:30 pm
Napa Elks Club, 2840 Soscol Ave., Napa
- 28 Solano-Napa Board Meeting at 4:00 pm
Solano-Napa Dinner 6:30 pm – Topic: **What's a
Pet Trust and Do I Want One?** – Speaker: Dina
Smith, EA – Napa Elks Club, 2840 Soscol, Napa

AUGUST

- 11 Solano-Napa Breakfast Meeting - 8:00 am
Jack & Linda's Country Café, 2390 N Texas St, Fairfield
- 20 Napa Satellite Group, Lunch Meeting - 12:30 pm
Napa Elks Club, 2840 Soscol Ave., Napa
- 21 First of the Solano-Napa 2009 Triple Play Seminars –
see page one and three of this newsletter for details.
- 25 Solano-Napa Board Meeting at 5:00 pm
Dinner Meeting at 6:30 pm – Topic: **IRS Audit
Policies and Procedures** – Speakers: Sheryl Y.
Parker and Brigitte Doan of the IRS –
Jack & Linda's Country Café, 2390 N Texas, Fairfield

SEPTEMBER

- 8 Solano-Napa Breakfast Meeting - 8:00 am
Jack & Linda's Country Café, Fairfield
- 20 Napa Satellite Group, Lunch Meeting - 12:30 pm
Napa Elks Club, 2840 Soscol Ave., Napa
- 21 Second of the Solano-Napa 2009 Triple Play Seminars –
- 22 Solano-Napa Board Meeting at 5:00 pm
Dinner Meeting at 6:30 pm – Topic: **Ethics (2 hrs
CPE)** – Speaker: David Shaw, EA, CSEA President
– Jack & Linda's Country Café, 2390 N Texas, Fairfield