



**Our Mission:** *To promote professionalism by providing quality educational events for tax professionals, creating and encouraging networking opportunities for members, & advocating professional standards & positions within the tax industry.*

### President's Message

CSTC is a great way for members to get their education requirements, keep up to date on new laws and share with fellow associates. The Society has a Yellow Pages. This gives us the opportunity to call fellow members with expertise in topics we may not have and get help. CSTC has members working with CTEC, FTB, BOE and IRS who report to us with news regarding tax law changes. I try and pass thing information on to you. CSTC as a State Wide Society has a goal of 2012 members by year 2012. CSTC members in good standing who bring in new members will receive a \$25.00 Education Voucher per person from the Society. Members, when you give somebody an application form, be sure your name is on it so you receive the voucher. This is for each member you bring in. Lets all work together to achieve the goal "2012".

Do you make use of the CSTC Society Website? [www.cstcsociety.org](http://www.cstcsociety.org). There is members only section where you can learn more about other chapters. I will give you more information at our September meeting.

We have a meeting place change. (flyer attached). We increased non member meeting fee \$40.00.

Our Ethics and CA Seminar was not as well attended as we hoped. We sent out 1000 flyers in all and several e-mails. We picked up 4 new guests, 12 members from our chapter attended, balance previous guests. Thank you all. Our attendance was 27. It looks like we made about \$500.00. We should have figures this month at the board meeting. This should have been a good money maker. We need to decide if we should try next year. Our chapter needs some money making events to keep going forward. Please membership help with participation and ideas.

Carmen  
Foothill Chapter President

### Benefits of Foothill Chapter Membership:

Networking - Education - 2 hrs. Educations Credit per meeting  
Updated legislation - State & Federal  
Monthly meetings

**Cost of CSTC Membership:** \$155 initial fee - \$130 annual renewal  
For a chapter near you call: (714) 750-2782 or go to [www.cstcsociety.org](http://www.cstcsociety.org)

### UPCOMING PROGRAMS

#### Thursday September 2, 2010 6:00pm

Dinner meeting

Speaker: David Eastis

Subject: "990 Tax Exempt Organizations"

2 hrs Federal CTEC: 1000-CE-3118

#### Thursday October 7, 2010 6:00pm

Dinner meeting

Speaker: Hal LeMaster

Subject: "Death Without A Will or Trust"

2 hrs Federal CTEC: 1000-CE-3120

#### Thursday November 4, 2010 6:00pm

Dinner meeting

Speaker: Keith Kershner, IRS Stakeholder Liason

Subject: "New IRS Preparer Requirements"

CTEC: 1000-CE-3119

#### Dinner Meeting: Thursday Dec 2, 2010

Annual Christmas Party

Installation of Officers

Gift Exchange

#### CSTC Society & Chapter Education Programs:

##### CSTC on Line Education

California 4hr course/Ethics 2 hr course

##### FUNDAMENTAL COURSE

Begins September 9<sup>th</sup>, @ South Coast College,  
Monday and Thursday evenings

##### TAX BRIDGE - December 2010

Registration Forms available at our chapter meeting or contact Society Office. \_\_\_\_\_

Go to the Society Website and see what programs Society and other chapters are offering.

[www.cstcsociety.org](http://www.cstcsociety.org)

##### Golden Pot:

*Precilla Arenas name was drawn and she was not present. Pot drawing in September will be \$40.00.*

**Be Sure to Attend the**  
September 2nd Meeting  
Speaker: David Eastis  
Subject: "990 Tax Exempt Organizations"  
*CTEC: 2 hr Federal #1000-CE-3118*

**FOOTHILL CHAPTER OFFICERS**

President: Carmen Hustad	909-595-6032
Past President: Augustine Beanez	626 333-9167
1 <sup>st</sup> Vice President:	
2nd Vice President:	
Secretary: Elaine Patterson	818-790-1719
Treasurer: Esther Lopez	626-289-9627

**BOARD OF DIRECTORS**

Director: Jeanne Chin	310-203-9199
Director: Helen Redondo	
Director: Jack Vela	626-331-0803
Director: Melinda Estrada	323-887-1182
Director: Dorothy Solomon	909-865-1164
Director: Victor Romero	626-483-9900

**NEW LOCATION:**

**MARIE CALENDERS**

1560 ALBATROSS RD  
PUENTE HILLS EAST MALL

**RESERVATIONS**

**Carmen K. Hustad**

**909-595-6032**

[carmkep@aol.com](mailto:carmkep@aol.com)

Call or email for reservations  
by Monday August 30th.

**RESERVATIONS ARE A MUST**

\$30.00 CSTC Members w/ reservation  
\$40.00 for Non-Members or Members w/o reservation

Return Service Requested

1431 N. Pleasant Ave.  
Ontario, CA 91764

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CSTC - Foothill Chapter - September 2010  
[www.cstcsociety.org](http://www.cstcsociety.org)





## Issue Number: IRS Summertime Tax Tip 2010-20

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### Employee vs. Independent Contractor - Seven Tips for Business Owners

As a small business owner you may hire people as independent contractors or as employees. There are rules that will help you determine how to classify the people you hire. This will affect how much you pay in taxes, whether you need to withhold from your workers paychecks and what tax documents you need to file.

Here are seven things every business owner should know about hiring people as independent contractors versus hiring them as employees.

1. The IRS uses three characteristics to determine the relationship between businesses and workers:

**Behavioral Control** covers facts that show whether the business has a right to direct or control how the work is done through instructions, training or other means.

**Financial Control** covers facts that show whether the business has a right to direct or control the financial and business aspects of the worker's job.

**Type of Relationship** factor relates to how the workers and the business owner perceive their relationship.

2. If you have the right to control or direct not only what is to be done, but also how it is to be done, then your workers are most likely employees.

3. If you can direct or control only the result of the work done -- and not the means and methods of accomplishing the result -- then your workers are probably independent contractors.

4. Employers who misclassify workers as independent contractors can end up with substantial tax bills. Additionally, they can face penalties for failing to pay employment taxes and for failing to file required tax forms.

5. Workers can avoid higher tax bills and lost benefits if they know their proper status.

6. Both employers and workers can ask the IRS to make a determination on whether a specific individual is an independent contractor or an employee by filing a Form SS-8, Determination of Worker Status for Purposes of Federal Employment Taxes and Income Tax Withholding, with the IRS.

7. You can learn more about the critical determination of a worker's status as an Independent Contractor or Employee at IRS.gov by selecting the Small Business link. Additional resources include IRS Publication 15-A, Employer's Supplemental Tax Guide, Publication 1779, Independent Contractor or Employee, and Publication 1976, Do You Qualify for Relief under Section 530? These publications and Form SS-8 are available on the IRS website or by calling the IRS at 800-829-3676 (800-TAX-FORM).

#### Links:

- [Publication 15-A, Employer's Supplemental Tax Guide \(PDF\)](#)
- [Publication 1779, Independent Contractor or Employee \(PDF\)](#)
- [Publication 1976, Do You Qualify for Relief under Section 530? \(PDF\)](#)
- [Form SS-8, Determination of Worker Status for Purposes of Federal Employment Taxes and Income Tax Withholding \(PDF\)](#)

Thank you for subscribing to IRS Tax Tips, an IRS e-mail service. For more info on federal taxes please visit IRS.gov.