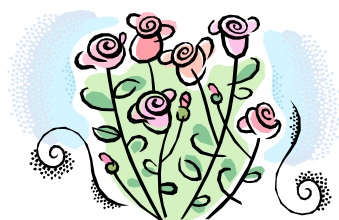




California Society of Tax Consultants  
**HIGH DESERT CHAPTER**  
15 CHAPTERS STATEWIDE  
May 2011



We look forward to seeing you at the July meeting.

**Speaker and Topic for May 11, 2011:  
Roundtable Discussion**

**TOPICS: Roundtable Discussion**

Let's get together and share our questions and struggles during tax time that we all experienced. Please bring in your hardest tax questions maybe someone will know the answers.

This presentation has been designed to meet the requirements going back to of the Director of Practice of the Internal Revenue Service, the California State Board of Accountancy, and the California Tax Education Council, Business & Professions Code #22250-222859, including Code 31 of Federal Regulations 10.6(g), continuing education rule 88(c) covering maintenance of attendance records, retention of program outlines, qualifications of instructors and length of class hours. This does not constitute an endorsement by these groups.

**REGISTRATION: 5:30 PM**  
**DINNER: 6:00 PM**

**MEMBERS: \$ 25.00**  
**MEMBERS/GUESTS: \$ 35.00**

**1<sup>st</sup> time visitors – Free!**

**LOCATION:**  
**Lil' Bit of Country**  
**14335 Hesperia Road**  
**Victorville, CA**

## Hi-Desert Chapter CSTC Officers

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### **What are the benefits of joining your local chapter of CSTC?**

Keep abreast of tax laws with our professional education monthly meetings, seminars, workshops or a basic 60-hour tax course. We also offer tune-up workshops just prior to tax season. Education is discounted for members and is offered in locations throughout California. Members also receive a monthly newsletter from their chapter.

Receive assistance from other tax professionals with: researching tax laws, dealing with IRS, FTB, SBOE and EDD issues, practice management techniques to expand your business, professional assistance in selecting library, software & hardware products. Get to know other professionals in your community.

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

The latest Reporter is available online now!

Don't forget to log into the society web page for the latest news, you can also view and print the reporter, and be sure to check out the members' only page and bulletin boards

Past editions of the newsletter for our Chapter are on line at [www.cstcsociety.org/HIGHDESERT](http://www.cstcsociety.org/HIGHDESERT) click on the Calendar/News link to view the education schedules and issues of the newsletter.

*Anyone planning to attend a board meeting should contact any board members to confirm their attendance.*

**The next board meeting will be held May 11th, 4:30pm at Lil' Bit O' Country.**

To assure timely delivery of your monthly newsletter please notify Lori LaPlante of any change of address, phone number or email address.

Come and Join Us at a Dinner meeting!!

We always look forward to seeing all our members. Take advantage of the opportunity to learn something new or just refresh your knowledge on some interesting topics.

**REMINDER** Wear your badge to be eligible for the drawing. If you do not have a badge, please tell T.C. Markowitz, so she can order one for you. If you have lost your badge, replacements are available at a cost of \$15.00, due at the time of ordering.

## FYI

### NATIONAL WEBINARS

**Meeting:** Small Business Advantage: Put Our Knowledge to Work for You (Webinar)

**Date(s):** May 18, 2011

**Time:** 2:00 p.m. (ET); 1:00 p.m. (CT); 12:00 (MT); 11:00 a.m. (PT)

**Location:** Your Home or Office

**Contact:** IRS Webinar; E-mail:

[sbse.webinars@irs.gov](mailto:sbse.webinars@irs.gov).

**Event Information:** This FREE webinar is for:

- Small business owners
- Self-employed persons
- Independent contractors
- Tax practitioners

**Please note:** CPE credit is not available for attending this webinar.

#### **Learn about:**

- The new IRS brand for small business resources
- Discover multiple resources to help small businesses thrive
- What are the benefits of using Small Business Advantage?
- Find out about opportunities available now for small businesses

To register for this event, visit the [Internal Revenue Service Webinar Registration Web Site](#).

If you experience difficulty viewing the event, please use the email option on the event page or call (866) 956-4770. This event will be archived on the [IRS Video Portal](#) for later viewing approximately two weeks after the date of the event.

**Sponsored by:** IRS Small Business/Self-Employed Division

**Meeting:** The Examination Process for Employment Tax Returns

**Date(s):** June 22, 2011

**Time:** 2:00 p.m.

**Location:** Your home or office

**Contact:** IRS Live; E-mail: [IRS.Live@irs.gov](mailto:IRS.Live@irs.gov)

**Event Information:** This FREE broadcast is for:

- Tax Professionals
- Employers
- Payroll Providers

Learn what to expect from an employment tax examination including information about:

- The entire examination process
- The statute of limitations
- Examination results
- Taxpayer and appeal rights
- Settlement agreements and payment options

Earn Continuing Professional Education credit:

- Enrolled agents receive one CPE credit for participating for a minimum of 50 minutes from the start of the broadcast.
- Other tax professionals may receive credit if the broadcast meets their organization's or state's CPE requirements.
- To receive credit, you must attend the broadcast on June 22, 2011.
- Register for the broadcast using your email address and use the same email address to log in to attend. This will confirm your attendance and generate your Certificate of Completion.
- Groups cannot register with one email address and then receive separate certificates. If certificates are needed, each person must register separately.
- Only June 22, 2011 participants will receive credit. If you do not need a certificate to obtain CPE credit, you may choose to view the archived version of the broadcast.
- Look for your Certificate of Completion by email approximately one week after the broadcast. If you have met all requirements, you will receive your certificate automatically.

To register for this session, visit the [Internal Revenue Service Webinar Registration Web site](#).

If you experience difficulty viewing the event, please use the email option on the event page or call (866) 956-4770. The event will be archived for later viewing, approximately two weeks after the date of the event, on the [IRS Video Portal](#).

**Sponsored by:** IRS, Small Business Self-Employed Division

## **California**

### **LLC Estimated Fee Due June 15th**

For most calendar year LLCs, June 15 is the date that their 2011 estimated LLC fee is due. For fiscal year LLCs, the estimated fee is due on the 15th day of the sixth month of the current taxable year. LLCs should use [Form 3536](#), Estimated Fee for LLCs, to make their estimated fee payments. LLCs can also use our [Web Pay](#) feature to make your estimate fee payment, go to [ftb.ca.gov](http://ftb.ca.gov), and click on Payment Options.

The estimated fee requirement is 100 percent of the current taxable year fee. If your payment is late or less than the amount owed, we will assess a ten percent of the underpaid fee penalty. The underpaid fee is the difference between the current taxable year LLC fee, and the estimated fee paid on or before the estimated fee due date.

LLCs can avoid the penalty if their estimated fee payment is equal to or greater than their prior year's LLC fee. Unlike the corporation's estimated-tax prior tax-year exception, there is no requirement that the prior tax year be a full 12 months. Also, there is no penalty for the LLC's first year filing in California. We cannot waive the penalty for reasonable cause.

### **Short Period LLC Returns**

Sometimes, when a LLC is required to file short period returns such as a technical termination. Each short period is considered a taxable year (R&TC 17010) and subject to both the \$800 annual tax and LLC fee. In addition, if the LLC is going to owe a LLC fee in the current tax year, it is required to make an estimated LLC fee payment. Let us look at an example:

Lemon Pie LLC, a calendar year filer, reported a fee of \$900 on its 2009 return. Lemon Pie had a technical termination on July 31, 2010. On June 15, 2010, Lemon Pie made a \$900 timely estimated fee payment. Lemon Pie filed its first short period return ending July 31, 2010 and reported a \$2,500 LLC fee. Lemon Pie does not have an estimated LLC fee underpayment penalty. The LLC meets the prior year exception.

On its second short period return for August 1, 2010 through December 31, 2010, Lemon Pie reported a fee of \$11,790. Lemon Pie has no estimate payment requirement for this short period, because the 15th day of the sixth month after the beginning of the tax year (January 15, 2011) is not included within its tax year (August 1, 2009 to December 31, 2010).