CALIFORNIA SOCIETY OF TAX CONSULTANTS

The Inland Empire Tax Gazette

Newsletter of the Inland Empire Chapter of the
California Society of Tax Consultants. Published monthly May through December.

Editor: Hilde Morrow

November 2010

California Society of Tax Consultants
Inland Empire Chapter

PRESIDENT'S COLUMN

Well, the calendar puts Halloween behind us and tax season looming. Are we all ready? Two things that might be high on your TO DO list:

1. CTEC renewal
2. PTIN registration (or re-registrations)

Since the 31st is behind us, you probably have completed number 1. We had our Ethics requirement fulfilled in October as John Keil brought us "Ethics and Circular 230" on the 20th. There might be some grace time for CTEC renewal now, but in the future, late renewals will have to complete the 60 hour course over.

Now, on to PTIN registration. Have you done it yet? I know some are waiting as it will have to be done next year based on the registration date of this year. Don't delay too long! You cannot submit a tax return next year if you haven't done this.

EDUCATION REPORT

We have only 2 meetings left this year! The IRS will bring us a topic in November and we will have an update on Health Savings Accounts in December. We will also have elections in November and the Board installation in December. Please come and support your Board members. The slate of nominees is listed in this newsletter (pg 5).

Don't forget to sign up for the January workshop. It's an inexpensive 8 hours of CPE with Claudia Stanley and Steve Sims.

The Board meets at 4:00 at the Claremont Doubletree just before our monthly dinner. Feel free to join us!

Barbara

Barbara Feliciano, C.P.A., barbfelicpa@gmail.com 909-896-1452
President Inland Empire Chapter

Inside this issue:

Officers

President Barbara Feliciano
909-896-1452
1st VP Annette Finnerty
909-983-3716
2nd VP Clint Young
951-682-4848
Secretary Jessica Vasquez
909-591-1807
Treasurer Randi Stern
909-597-2721
Past President Hilde Morrow
909-624-9366

Directors

Membership Priscilla Lerma
909-983-3716
Asst Treasurer Ann Mills
909-983-3716
General Russel Bisgaard
760-880-1898

Newsletter Hilde Morrow
HildeMorrow@Prodigy.net
909 624 9366

NOVEMBER 2010 DINNER MEETING

DoubleTree Hotel Claremont

555 West Foothill Blvd

Claremont, CA 91711

Wednesday, November 17, 2010

Dinner at 6:00 pm —— Sign in at 5:30 pm

For Reservations and Menu Preference:

Phone 1-888-853-9670 on or before Saturday, November 13, 2010 11:59 pm

MEETING COST (dinner and 2 hrs of education)

$30 for members on the permanent dinner list & members with timely reservations.

$35 for first time attendees with timely reservations.

$45 for members without reservations or late reservations.

$45 for non-members with or without reservations.

== MENU ==

House Salad with Ranch and Italian Dressings
Fresh Rolls and Butter

Chef's Classic Meatloaf
Rice Pilaf
Steamed Mixed Vegetables

OR

Pasta Primavera
Fusilli Pasta in Rich Cream Sauce and Fresh Vegetables

Coffee, Ice Tea & Chef's Choice House Dessert

Cancellation Policy: If you are on the permanent dinner list or have made a reservation and are unable to attend, you must cancel your reservation by **Saturday, November 13, 2010**, **11:59 pm**, otherwise you will be billed for the dinner.

Did you prepay for the entire year and are unable to attend a meeting? Please be courteous and call the message line to cancel your reservation. This will prevent our chapter from having to pay for dinners nobody will eat. Thank you for your cooperation!

Note to all members: Please check the permanent dinner list below for accuracy. Are you on the list and should not be, or should you be on the list and your name does not appear?

If you wish to be added to or deleted from the permanent dinner list please inform Randi Stern, 909-597-2721, Email: RCS225@Verizon.net. Alternatively, you may call our message phone 1-888-853-9670 and leave a message.

PERMANENT DINNER LIST*

Marylou Balao	Mamie Erby	Lan Tran Le	Robert Rego
Emma Barrows	Barbara Feliciano	Priscilla Lerma	Michael Richeson
Russel Bisgaard	Annette Finnerty	Sonia Luviano	Randi Stern
Phillip Brown	Wayne Franck	Renee McClellan	Jessica Vasquez
Mary Carlos	Rosemary Genovese	Ann Mills	Dee Wonders
Noel Canon	Ruth Godfrey	Hilde Morrow	Clint Young
Janice Coleman	Sharon Hardy	J.M. Olchawa	*current to October 2010
Cookie Diamond	Eric Johnson	Michael Olden	

SAVE THE DATE—MARK YOUR CALENDAR NOW!

Tax Year 2010 Update and Review Workshop

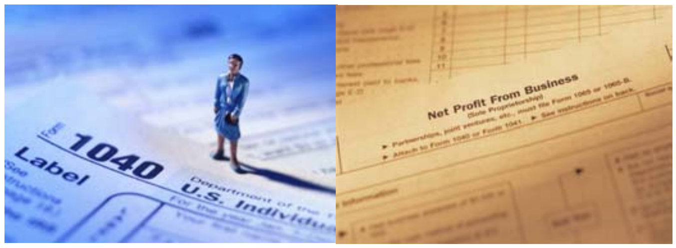
January 8, 2011 - 8 hours CPE credit

A Flyer with all the details including a reservation form is attached to the end of this newsletter.

NOVEMBER 2010 SPEAKER INFORMATION

TOPIC: SCHEDULE C and Recordkeeping

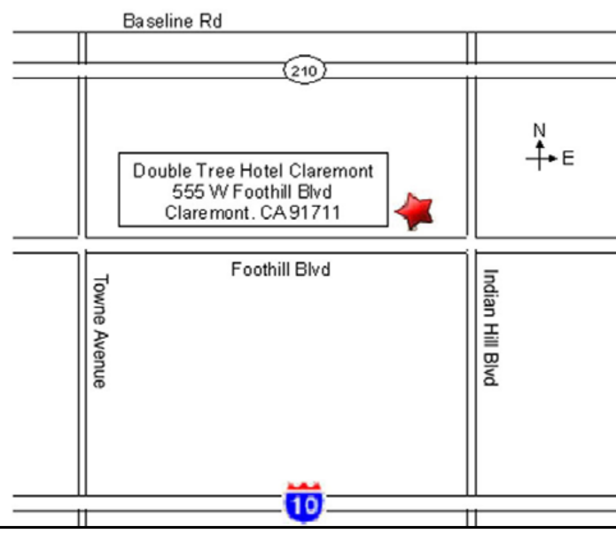
CTEC # 1000-CE– 3144 — 2 hours Federal credit



Speaker: Lori Cacioppo, Senior Stakeholder Liaison, IRS

This presentation has been designed to meet the requirements of the Director of Practice of the Internal Revenue Service; the California State Board of Accountancy; and the California Tax Education Council including code 31 of Federal Regulations 10.6(g). This does not constitute an endorsement by these groups. A listing of additional requirements to renew tax-preparer registration may be obtained by contacting CTEC at PO Box 2890, Sacramento, CA 95812-2890, or phone CTEC at 1-877-850-2832, or on the Internet at www.ctec.org.

This is our 2010 Meeting Location



CSTC MISSION STATEMENT

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

Who joins CSTC?

CSTC
California Society of Tax Consultants

Anyone who does tax work—tax preparers, bookkeepers, accountants, EAs , CPAs, part-timers, full-timers, beginners and veterans. CSTC welcomes anyone who meets California requirements to prepare tax returns.

Why join CSTC?

When professionals work together to solve common concerns everyone wins. The upscale word for this is "Networking." Most members point to this as the main benefit of membership in CSTC. No two of us are competitors! Members freely and openly turn to one another for help with:

- Researching tax laws
- Dealing with IRS and FTB
- Techniques of practice and management
- Selecting products, from library to computer systems to software to service bureaus
- Staffing and professional assistance
- Securing professional insurance products – health, life, liability, and others

Educational Opportunities

Programs cover as wide a spectrum as the membership. Most are approved for CTEC credit, IRS credit for EA's, and credit by the California Board of Accountancy. Local chapters offer:

- Monthly meetings with topical speakers and valuable networking
- Classes in Fundamentals of Tax Preparation
- Fall workshops covering a wide variety of topics on taxation of individuals,
- corporations, partnerships, fiduciaries and estates
- Last-minute update workshops just in time for tax season
- Workshops on practice management
- Workshops on tax research, dealing with the IRS, handling out-of-state tax returns

Larger programs are run by CSTC with all chapters working together

- Summer Tax Symposium. Combine education with fun for these three-day programs in resort areas like Las Vegas, Laughlin and Reno. Tailor your education by choosing from among concurrent sessions.
- Annual Tax Bridge Seminar.

CSTC Inland Empire Chapter Benefits

- A free Quickfinder or TheTaxBook for members who attend at least **5** of our educational dinner meetings (December does not count), or 4 meetings and the January 2010 Workshop.
- Members who prepay for their 2010 dinner meetings, will be able to save $45 off the total price. The cost for all 8 meetings is $195. The deadline to pay is June 16, 2010. No dinners will carry over to 2011 and there will be no refunds for missed dinners.
- Chance to win a ½ off dinner for wearing your badge to the meetings. Members who prepaid for all the meetings will receive a $15 Staples gift card.
- Any member who signs up a new member gets a ½ off dinner the month after the person joins. The new member will also get ½ off (this does not apply to prior members who join again).
- A monthly free Newsletter.
- Eight educational dinner meetings (2 hrs CPE) and **one** Saturday all day workshop (8 hrs CPE).
- Non-credit breakfast meetings during tax season provide a chance to network and get answers to difficult tax questions from other tax professionals.

Membership Anniversaries

November 2010

Thank you for your loyalty to our Chapter!

Member	Anniversary Month
Maryl Balao	1 year, November
Emma Barrows	33 years, November
Sally Blanco-Braun	13 years, November
Mary M. Carlos	33 years, November
Noel De Trinidad	28 years, November

Member	Anniversary Month
Vincent Griffith	1 year, November
Jimmy Kamio	11 years, November
Patricia Kamio	11 years, November
George H. Phillips	14 years, November

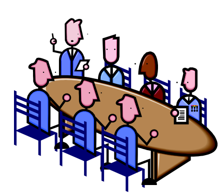
New Members! Please welcome our newest members Alex E. Paiz and Tina Garcia both of Claremont. Alex joined at the October meeting, Tina joined in November.

The October winner of our wear your badge drawing was Jo Olchawa. She received a $15 Staples certificate since she had prepaid for the year!

Below is the slate of the 2011 Officers and Directors. The nominations took place at our October general meeting. Since this date two people have withdrawn their nominations. This resulted in only one person running for each office.
Annette Finnerty withdrew her nomination for Membership and Hilde Morrow withdrew her nomination for Member at Large.

SLATE OF 2011 OFFICERS AND DIRECTORS

We will elect the 2011 Board at the November 17, 2010 meeting
The term of office is 1 year, unless otherwise stated.



President (2 year term)	Priscilla Lerma
1st Vice President	Ann Mills
2nd Vice President	Clint Young
Secretary	Jessica Vasquez
Treasurer (not open)	Randi Stern (serving 2nd year of a 2 year term)
Past President	Barbara Feliciano (not an elected position)
Director— Membership/Newsletter	Hilde Morrow
Director—Asst. Treasurer	Lan Tran-Le
Director – Member at Large	Cookie Diamond

DID YOU KNOW?

The Society "On-Line" education program replaces The Society Classroom Series. At this time 4 hours California, 2 hours California Differences and 2 hours Ethics are offered. More classes will be added later.

In case you are short of hours before the October 31, 2010 deadline, here is your chance to pick up extra hours.

The cost for MEMBERS is as follows:

$25 for the 2 hour Ethics course

$50 for the 4 hour California course

$25 for the 2 hour California Differences course

Non-members may also take the courses, but the fee is higher.

Go to: www.cstcsociety.org and click on the Education Button.

It is okay to use the CSTC logo on your letterhead. The conditions are: be a member in good standing, add the phrase "Member of …" or "Member since…"when using the logo.

CLASSIFIED ADS

There is no charge to members to advertise positions available in their practice, equipment for sale, or similar subjects. For non-members and for promotional advertising, there is a $15 charge for each advertisement in the newsletter, limited to business-card size, subject to available space and the discretion of the Chapter Board. Advertising does not constitute endorsement by the Inland Empire Chapter of the CSTC.

Please contact Hilde Morrow if you would like to place an ad. HildeMorrow@Prodigy.net

Job available at the start of the 2010 Tax season (January 2011) for:
"An experienced and bilingual (Spanish) Tax Preparer needed in Tax Center located in Upland, CA.
If interested, please call Maryl at 909.286.5552 or Suzy at 626.483.1319."

REMAINING 2010 CSTC INLAND EMPIRE CHAPTER MEETINGS

Date	Topics	Speakers
11/17/2010	Sch C and Recordkeeping Election of 2011 Board of Directors	Lori Cacioppo, IRS Senior Stakeholder Liaison
12/15/2010	HSAs Annual Meeting and Installation of 2011 Board	Raul Mercado

Note: All dinner meetings provide two hrs CPE credit: December provides only one hour CPE credit.

(Speakers and/or Topics are subject to change without notice.)

Amy Smith, Senior Stakeholder Liaison asked us to cascade the information below to our members.

Making a Noticeable Difference

Presented by

Wage and Investment Division , date November 17, 2010 (archived for later viewing)

Time: 2 p.m. Eastern

This is a free webinar for Tax Professionals. The webinar is for information purposes only.

Description:

- The call for change — why IRS notices needed revision
- The purpose of the Office of Taxpayer Correspondence
- The redesigned notices — how they better meet the needs of the taxpayers
- Cross-channel coordinating — using IRS.gov to support taxpayers who receive notices.

CLICK ON THE LINK TO REGISTER: **http://www.visualwebcaster.com/event.asp?id=73366**

IRS Live
For the tax pro in the know

NEWS FROM THE TAX FRONT

Spidell Publishing Inc. FLASH E-MAIL

IRS pulls back on PTIN and testing requirements (10-27-2010)

In a speech at the AICPA Fall Tax Meeting, IRS Commissioner Donald Shulman announced that the IRS will delay implementation of some of the requirements for the new PTIN program. (IR-2010-107 (October 26, 2010))

Preparers in accounting firms
Commissioner Shulman stated, "It is highly likely that … there will be some relief for testing and continuing education requirements for people who do not sign a return and work in a professional firm under the supervision of an accountant, enrolled agent, or lawyer."

No CPE requirement for 2011
Commissioner Shulman also announced that the IRS intends to waive the requirement for 15 hours of continuing education for tax preparers in 2011. This means that CTECs in California must meet their 20-hour state requirement between November 1, 2010, and October 30, 2011, but will not have a separate 2011 federal CPE requirement. EAs, CPAs, and attorneys must continue to meet their respective CPE requirements.

IRS Begins Notifying Tax Return Preparers on PTIN Renewals

IR-2010-106 October 25, 2010

WASHINGTON — The Internal Revenue Service has begun notifying about 1 million tax return preparers to remind them that they must renew their Preparer Tax Identification Numbers (PTIN) if they are still paid preparers. Use of the PTIN will be required on all federal returns prepared by paid tax return preparers starting Jan. 1.

Tax return preparers can register immediately using a new PTIN sign-up system available through www.IRS.gov/taxpros. Preparers will need to create an account, complete the PTIN application and pay a $64.25 fee before getting their PTINs.

The IRS will be sending approximately 125,000 notification letters each week for eight weeks. The notifications are based on those tax return preparers who currently have PTINs. Tax return preparers who received their PTINs prior to the new system launch on Sept. 28, 2010, must register using the new sign-up system. Existing PTIN holders who register through the new system will generally be reassigned their same numbers.

The PTIN was created several years ago as a nine-digit number that tax return preparers could obtain from the IRS to use on tax returns instead of their Social Security numbers.

The PTIN requirement is one of the main provisions in a new oversight program to help regulate the tax preparation industry. Anyone paid to prepare all or substantially all of any federal tax return or claim for refund must have a PTIN. The requirement applies to all tax return preparers, including those who are enrolled agents, certified public accountants and attorneys.

CSTC Tax Bridge to 2011

4 hrs CA credit and 12 hrs Federal credit

Thursday and Friday, December 2nd and 3rd at the Anaheim Plaza Hotel, Anaheim, CA.
To register on line go to http://cstcsociety.org/SOCIETY/bridge2010final.pdf.
For more information call the Society office at 714 750 2782.

IRS Issues Final Regulations on New Basis Reporting Requirement; For Investors, Reporting Gains and Losses Gets Easier Starting in 2011

WASHINGTON — The Internal Revenue Service today issued final regulations under a law change that will require reporting of basis and other information by stock brokers and mutual fund companies for most stock purchased in 2011 and all stock purchased in 2012 and later years. The reporting will be to investors and the IRS. This additional reporting will be optional for stock purchased prior to these dates.

"This important reporting change means investors will now receive the information they need to more easily and accurately report their gains and losses," said IRS Commissioner Doug Shulman. "We will continue to work closely with stakeholder groups to ensure a smooth implementation of the new requirement, which reduces the recordkeeping and paperwork burden for millions of taxpayers."

These regulations, posted today in the Federal Register, implement a provision in the Energy Improvement and Extension Act of 2008. Among other things, the regulations describe who is subject to this reporting requirement, which transactions are reportable and what information needs to be reported. Besides providing numerous examples, they also adopt a number of comments and suggestions received since the proposed regulations were issued last December.

Form 1099-B, Proceeds from Broker and Barter Exchange Transactions, long used to report sales prices, will be expanded in 2011 to include the cost or other basis of stock and mutual fund shares sold or exchanged during the year. Stock brokers and mutual fund companies will use this form to make these expanded year-end reports. The expanded form will also be used to report whether gain or loss realized on these transactions is long-term (held more than one year) or short-term (held one year or less), a key factor affecting the tax treatment of gain or loss. The expanded form, to be first used for calendar-year 2011 sales, must be filed with the IRS and furnished to investors in early 2012.

IRS Releases Draft W-2 Form for 2011; Announces Relief for Employers

WASHINGTON — The IRS today issued a draft Form W-2 for 2011, which employers use to report wages and employee tax withholding. The IRS also announced that it will defer the new requirement for employers to report the cost of coverage under an employer-sponsored group health plan, making that reporting by employers optional in 2011.

The draft Form W-2 includes the codes that employers may use to report the cost of coverage under an employer-sponsored group health plan. The Treasury Department and the IRS have determined that this relief is necessary to provide employers the time they need to make changes to their payroll systems or procedures in preparation for compliance with the new reporting requirement. The IRS will be publishing guidance on the new requirement later this year.

Although reporting the cost of coverage will be optional with respect to 2011, the IRS continues to stress that the amounts reportable are not taxable. Included in the Affordable Care Act passed by Congress in March, the new reporting requirement is intended to be informational only, and to provide employees with greater transparency into overall health care costs.

FY 2011 SB/SE Tax Professionals Survey Begins Nov. 3

The IRS will begin conducting its annual telephone survey of tax professionals starting Nov. 3 and running through January, 2011. Completing the survey is strictly voluntary, and all individual responses will remain anonymous to the IRS. The interviewers from PMR will not ask for any personal or financial information, including Social Security or Employer Identification Numbers, or banking, or credit card information.

Inflation Adjustments for Calendar Year 2011

The IRS has released IR 2010—107 Rev Proc 2010-40

providing a list of *some* inflation adjusted amounts for calendar year 2011 (tax season 2012).

California Society of Tax Consultants
Inland Empire Chapter

c/o Hilde Morrow
2058 N Mills Ave PMB 225
Claremont CA 91711

Address Service Requested

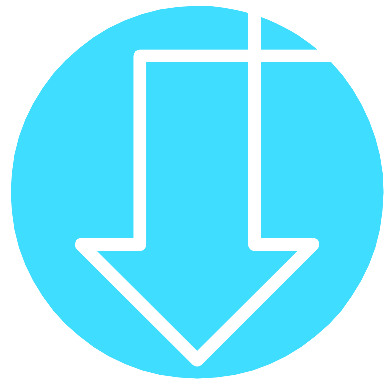
Please continue scrolling down.

The January 8, 2011 Workshop Flyer is attached to the end of the Newsletter.

November Educational Dinner Meeting:

November 17, 2010

Location: DoubleTree Hotel, Claremont



SOCIETY CALENDAR

11/15/2010	**Society Board Meeting**	
12/2 & 12/3/2010	**Tax Bridge to 2011**	
	Anaheim Plaza Hotel	
6/5-6/8/2011	**Summer Symposium, Las Vegas, NV**	

We now have 4 hours California, 2 hours California Differences, and 2 hours Ethics on-line courses

Go to: www.cstcsociety.org and click on the Education Button

The California Society of Tax Consultants was born in Southern California in 1966. Today we have 15 Chapters in California. CSTC's emphasis on high-quality education and its atmosphere of friendly sharing make it an ideal organization for the tax professional.

"2012 by 2012" (Society Benefit)

CSTC members in good standing

will receive a $25 Society Education Voucher for each new member they bring into CSTC.

California Society of Tax Consultants

The address for the Society Office is:
12419 Lewis , Ste 106
Garden Grove, CA 92840
Phone: 714-750-CSTC (2782)
Fax: 714-750-2722

CONTINUING EDUCATION REQUIREMENTS ?

Twenty (20) hours of CTEC-approved continuing education (12 hours of Federal taxation, 4 hours of California taxation, 2 hours Ethics and 2 hours of either Federal and/or California). This education must be taken from a CTEC approved curriculum provider and completed by October 31 of each year. CSTC meetings and workshops are approved curriculum providers.

CALIFORNIA SOCIETY OF TAX CONSULTANTS

CSTC—Inland Empire Chapter

Tax Year 2010 Update and Review

CTEC # 1000-CE-3190

Saturday, January 8, 2011

8:00 a.m. to 4:30 p.m. (check-in begins at 7:30 a.m.)

Double Tree Hotel Claremont

555 West Foothill, Claremont, CA 91711

Seating is Limited

A WORKSHOP LOCATION MAP CAN BE FOUND ON PAGE 2
REGISTER EARLY AND SAVE!

Federal Update—5 hours Federal credit
Speaker: Claudia Stanley, CPA, EA

Claudia Stanley is a practicing CPA and EA in the Fresno area and has been the owner of C. Stanley, CPA & Associates since 1991. She serves as an officer in the Fresno Chapter of Society of California Accountants and American Business Women's Association, and is a member of CSTC, Central Valley Chapter (formerly Modesto Chapter). She was named one of the Top Ten Women of the Year in 2001 by the American Business Women's Association. From time to time Claudia speaks on various tax topics, including the annual Enrolled Agent Cram Course for CSTC.

California FTB Update—3 hours California credit
Speaker: Steve Sims, EA from the FTB Taxpayers' Rights Advocates Office

Steve Sims is the Taxpayers' Rights Advocate for the Franchise Tax Board and is responsible for ensuring that taxpayers' rights are protected. As the Advocate his responsibilities include the coordination and resolution of taxpayer complaints and problems; and education and outreach efforts to taxpayers and tax practitioners.

He has been with Franchise Tax Board for over 25 years where he has worked as an auditor in Sacramento, San Jose and Oakland, a collection supervisor and project manager. He is a graduate of CSU Sacramento with a B.S. in Business Administration with a concentration in Accounting. He is an Enrolled Agent with the Internal Revenue Service.

These presentations, **5 hours Federal credit & 3 hours CA credit**, have been designed to meet the requirements of the Director of Practice of the Internal Revenue Service; the California State Board of Accountancy; and the California Tax Education Council including code 31 of Federal Regulations 10.6(g). This does not constitute an endorsement by these groups. A listing of additional requirements to renew tax preparer registration may be obtained by contacting CTEC at PO Box 2890, Sacramento, CA 95812-2890, or phone CTEC at (877) 850-2832, or on the Internet at www.ctec.org.

Note: Speakers and/or Topics are subject to change without notice.

For more information contact:
Clint Young (Chair) 951-682-4848, Email: adv_tax_svc@yahoo.com

Registration form on page 2

Workshop Location

Early Registration

Must be received and paid by 12/15/2010

Member: $145

Non-Member: $175

Your registration fee includes continental breakfast, lunch, snacks & handouts.
Parking is free.

CTEC # 1000-CE-3190
8 hrs credit (5 Federal & 3 CA)

Late Registration

All registrations received after the early registration deadline

Member: $165

Non-Member: $195

Walk-ins same price as late registration

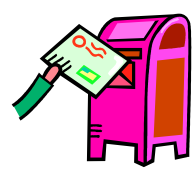
CANCELLATION POLICY: Full refund less $10 if requested by 12/31/2010. **NO refund if requested after 12/31/2010**

For more information contact: Clint Young 951-682-4848 or Email: adv_tax_svc@yahoo.com

Register early and save!

Please make your check payable to: CSTC

Mail to: CSTC c/o Randi Stern, 17649 Dandelion Lane, Chino Hills, CA 91709



Note: Telephone Registration no longer accepted.

(PLEASE PRINT) **Tax Year 2010 Update & Review - January 8, 2011**

Where: DoubleTree Hotel Claremont

☐ MEMBER CHAPTER ________________ ☐ OTHER ________________

☐ STAFF OF MEMBER ________________

CHECK ONE ☐ EA ☐ CPA ☐ CTEC ☐ OTHER ________ YOUR NUMBER ________

AMT. PAID $ ________ PHONE NUMBER (____) ________________

NAME ________________ EMAIL ________________

ADDRESS ________________

CITY ________________ STATE ________ ZIP ________

We suggest bringing a jacket or sweater as room temperature varies.