

September 2009

President's Message

Alexander B. Thomson, EA, CFP

I hope you have had a restful summer and are ready to finish off the remaining returns on extension. There are several exciting developments at VASEA and NAEA to report on.



The outgoing VASEA Board met in June just before the *Annual Spring Seminar*, and the new Board met in July to conduct the business of our association and support the goals of our updated Strategic Plan. The Board approved the annual budget, scheduled our audit, and along with several other actions, concluded the 2 year process of updating the "VASEA Policy & Procedure Manual" which will be circulated to chapters shortly.

The Education Committee (chaired by Ken Whitley) met and has scheduled another year of first rate seminars for our members. Given the success of this year's *Spring Seminar* we have a large challenge to make the 2010 event even better. We will remain in Fredericksburg, but will move to the Convention Center for our educational sessions and a new hotel for housing. Our SEE classes (taught by Barry Iacono and Willie Robbins) have seen a steady increase in enrollment and a high rate of success by those taking the exam. The VASEA/NCPE sessions continue this fall (see calendar for dates and locations). Our "*Current Tax Issues Seminar*" will be held in Richmond on October 29th and will include presentations from the IRS, VTAX, VEC, and for the first time the State Corporation Commission.

The Membership Committee (chaired by Alisa Lam) continues to work with our chapter's to ensure new members are welcomed and our existing members are included in all activities of our association. A "new" member drive will begin later this month.

Our Public Awareness Committee chaired by Rebecca Donehew, and Government Relations Committee chaired by Steve Rue, continue their work to increase recognition of EA's and improve our relationships with the public, other practitioners, financial professionals and taxing authorities. Other committees and members of the Board continue their efforts to make VASEA the premier organization serving the needs of enrolled agents in Virginia.

Our hard working Administrator, Heather Greenwell, superbly manages the day-to-day operations and responds to questions from members in our Richmond office. Be sure to check out the newly launched web-site which permits on-line event registration and membership directory updates.

AT NAEA

Last week, NAEA announced that Michael Nelson, CAE, has accepted the position of Executive Vice President, effective September 1. As the top staff executive, Mike is responsible for the successful implementation of the goals and initiatives set by the Board of Directors in accordance with NAEA's strategic plan.

Mike brings a strong history of innovative leadership at a number of prestigious organizations spanning a twenty-year career in association management. Nelson earned the impressive certified association executive (CAE) designation from the American Society of Association Executives, having passed a rigorous examination and having committed to ongoing studies to remain abreast of current best practices. There are fewer than 3700 such credentialed professionals nationwide. We look forward to working with him and hope you take the opportunity to welcome him.

In this Issue

- New Members ~ page 3
- Education Committee Report ~ page 4
- Speakers Bureau Update ~ page 6
- SEE Review Courses ~ page 7
- NAEA Update ~ page 8
- Amnesty ~ page 8

continued on page 2

REGULATION OF PREPARERS

As you know, IRS Commissioner Douglas Shulman is hosting three public hearings, with the goal of proposing new oversight and regulation of all paid tax return preparers. I joined NAEA President Sandra Martin, and several senior staff directors in attending the first hearing in Washington DC. At the conclusion, Commissioner Shulman once again stated that all options are on the table and he expects to produce a set of proposals by year's end, some of which IRS can implement and some of which may require legislation. NAEA Director of Government Relations, Bob Kerr, and our entire government relations operation continues to work closely to both monitor and shape the evolving process for regulation.

As chair of the NAEA PAC Steering Committee, I have traveled extensively since April, to promote and answer questions about NAEA's PAC. I believe a better understanding of what the PAC does and the role it plays is necessary to increase participation. A stronger PAC is an asset to NAEA and our government relations efforts.

We need to keep in mind that in today's climate of regulation of preparers, increased IRS activity, the ever-widening tax gap, and the complexity of the tax code itself, NAEA and enrolled agents are poised to catapult into national prominence. Your support and participation are critical to the determining the structure we will practice under for years to come.

A COUPLE OF THOUGHTS TO CONSIDER

Recent events in both my personal and professional life have given me reason to reflect on family, friends and volunteerism.

Like most of you, as the years go by, we suffer the loss of friends, family members and people we hold dear. Many feel regret at not having expressed our love or respect before it was too late. Most regret not spending more time with those we care about, and the long hours and days we spend away for "work". While our profession is time intensive, we need to make a concerted effort to keep a healthy balance in our life. Don't wait until it happens (again) to you. Make the time *today* to appreciate your family, friends, and those many others around you, who help you, who serve our community and our country.

The final point I would like to raise has to do with volunteers. Organizations like NAEA and VASEA could not exist without the hard work and dedication of our members, who volunteer to run our meetings, serve as officers and directors, and administer our programs. Volunteers work to support and

give back to our profession, to help us improve our skills, to assist our colleagues and advance the common good. I have to believe that all volunteers come to the table to do the very best for the organization as a whole. It is important to understand that some decisions may not be popular. A disagreement should not result in disagreeable behavior. Civility and consideration should always prevail. Volunteer leaders make mistakes like everyone else. But they are made with the same commitment and dedication to the organization as those decisions that everybody likes. Attributing negative motives to their actions is wrong and always unproductive.

I ask every member to appreciate the work the NAEA and VASEA volunteers do. Our work comes from the heart and deserves your respect. You can help make your chapter, VASEA and NAEA even better. Participate in a committee, run for chapter or state board, or pitch in wherever needed. I assure you it will be a very rewarding personal experience.

To all of you who have so generously stepped up to make VASEA the association it is, please accept my sincere gratitude.

Teddy Roosevelt said *"It is not the critic who counts, not the man who points out how the strong man stumbled or where the doer of deeds could have done them better. The credit belongs to the man who is actually in the arena; whose face is marred by dust and sweat and blood; who strives valiantly; who errs and comes short again and again; who knows the great enthusiasms, the great devotions, and spends himself in a worthy cause; who at the best, knows the triumph of high achievement; and who, at worst, if he fails, at least fails while daring greatly, so that his place shall never be with those cold and timid souls who know neither victory nor defeat."*

Warm regards,



Welcome New Members and Associates!

Congratulations to the following new members and associates of the Society!

Faheem Ahmed, EA
Sterling, VA

Fay Babcock, EA
Tabb, VA

Carolyn C. Baughman, EA
Poquoson, VA

Abderrahim Benouraida, EA
Alexandria, VA

Joyce B. Brown
Dogue, VA

Mary Jane Brown, EA
Springfield, VA

Jo Ann B. Chapman, EA
Henrico, VA

Sung Hun Choe, EA
Centreville, VA

John N. Couric, EA
Port Republic, VA

Bobby LeRoy Crook, EA
Virginia Beach, VA

Jennifer L. Davis, EA
Midlothian, VA

Daynah Edwards
Woodbridge, VA

Iris R. Garriss
Hampton, VA

Joan M. Gaven
Alexandria, VA

Irene Gonzalez, EA
Woodbridge, VA

John R. Himelright
Winchester, VA

Jeff Holtmeier, EA
Fairfax, VA

Igor Jekauc, EA
Richmond, VA

Joel Jordan
Grandy, NC

Roberto S. Lopez Bonilla
Manassas, VA

Melissa Marcus
Virginia Beach, VA

Jan S. Martin, EA
Smithfield, VA

Robert E. Mayo, EA
Potomac Falls, VA

John M. Mitchell
Upper Marlboro, MD

Rebecca L. Mohler, EA
Suffolk, VA

Carmela Mondelli, EA
Vienna, VA

Beth Parziale, EA
Williamsburg, VA

James O. Rauch, EA
Fairfax, VA

Frank J. Riggio, EA
Norfolk, VA

David J. Roseberry, CPA, CFP
Leesburg, VA

Joseph A. Sabatini, III, EA
Richmond, VA

Anita C. Simpers, EA
Elkton, MD

Lucy P. Stafford
Chesapeake, VA

Clara L. Stanley, EA
Virginia Beach, VA

Debra Stone-Walker
Wytheville, VA

Homer L. Turman
Woodlawn, VA

The 20/20 Membership Recruitment Campaign Is Back!

VASEA is reinstating the 20/20 Membership Recruitment Campaign. If you recruit a new member, you and the new member will each receive a \$20 gift card good towards the VASEA Spring Seminar or the VASEA Current Tax Issues Seminar. When you refer a new member, ask them to include your name in the “referred by” section of the application or contact the Heather Greenwell at the Administrative Office to let her know you recruited a new member. There is no limit to how many gift cards you can receive so the more members you recruit, the more money you’ll save.

Education Committee Report

by *Kenneth W. Whitley, Sr, EA*

VASEA held its 21st Annual Spring Seminar on June 4th-6th, 2009 in Fredericksburg, Virginia. There were 130 attendees signed up for the three day seminar. Don Williamson, LL.M, CPA and Robert Pyne presented four hours on “Performing Federal Tax Research using Judicial, Legislative & Administrative Authorities.” Attendees learned how to find resources to perform tax research in order to better prepare tax returns for clients.

Marilyn Meredith, EA from Michigan gave a four hour presentation on “Foreclosures, Forms & Forgiveness.” Her session gave attendees an in-depth look at tax consequences for both the debtor and the creditor when there is debt cancellation. Ms. Meredith also conducted a session on “Basis of Property and Sale of Business” in which she presented an in-depth discussion on the many considerations involved in determining basis and disposition of assets in various types of sales.

Michael Goodman formerly with the Internal Revenue Service presented a session on “Foreign Issues on the Federal Income Tax Return.” He covered such items as the Foreign Earned Income Exclusion, Foreign Housing Exclusion, Teachers and Researchers, Social Security and Self-employment tax and Foreign Tax Credit. With his many years of experience with the IRS in dealing with these issues he was able to present a very effective session.

Alice Orzechowski, CPA, CMA, EA made a presentation entitled “Deductible or Not? Schedules A, C, & E.” She offered many tax situations in which the attendees were able to be involved with the solutions. This turned out to be an excellent interactive session.

Attendees were able to get their two hours of Ethics requirement fulfilled at this seminar.

At VASEA seminars there are always ticket sales with the opportunity to win something, either cash or non-cash items. The following were winners this year at the seminar:

Cash winners:

Jim Lam EA, \$65.00, \$45.00 & \$22.00, Diane Beverly EA, \$25.00, Leah Rife, \$75.00, Mike Cullers EA, \$50.00, Margaret Hajian EA, \$40.00, Al Thomson EA, \$60.00

Prize winners:

Rosemary McMahon EA, CPA, Anniversary Shirt, Carolyn Lebsock, Quickfinder, Pamela Andraschko EA, Quickfinder Set, Roger Ladd EA, The Tax Book, Frances O’Donnell EA, VASEA Shirt, Joe Mosteller EA, Tote Bag, Richard Nason EA, The Tax Works, Anita Simperts EA, 101 Tax Tips.

The VASEA Board and Education Committee would like to extend our sincere thank you for your attendance and participation in our seminars. Without you we could not possibly be successful.

2009 Spring Seminar Highlights



1.) Rosemary McMahon, EA, Rosemary Fahl, EA, Winston Macon, EA, Al Thomson, EA, 2.) Rick Budd, EA, Charles Prince, EA, 3.) Diane Beverly, EA, Julie Compton, EA, 4.) Marilyn Meredith, EA, 5.) Nancy Cartier, EA, Pat Inman, EA, 6.) Rosemary McMahon, EA, Ken Whitley, EA, Julie Compton, EA, Gerry Macheck, EA, 7.) Carmela Mondelli, EA, Jack Pearl, EA, 8.) Deborah Gladden, EA, Al Thomson, EA, 9.) Bill Price, EA, 10.) Larry Fahl, EA, Elizabeth Geiger, EA, Sharon Tabor Warren, EA, 11.) Carolyn Lebsock, EA.

New Speakers Bureau In Its Early Stages

By Rosemary C. McMahon, EA, CPA

Last fall, a note was shared stating the Virginia Society of Enrolled Agents has teamed with the IRS Stakeholder Liaison - Field (SL) section to present Small Business Tax Workshops to your community. These tax workshops are designed to educate Small Business owners and the Self-Employed on relevant topics to enable them to understand their federal tax responsibilities and avoid getting into trouble. Valuable information will be provided at the workshops, such as: Understanding Payroll Taxes, Worker Classification, Business Income and Expenses, Office-in-Home Deductions, Entity Selections, and Electronic Filing.

After the busy 2009 tax season, meetings were held in Falls Church, Richmond, Hampton, and Lynchburg between Ley Mills (IRS-Stakeholder Liaison), Barbara Lindahl (IRS-Stakeholder Liaison), and a total of 24 volunteers from VASEA. The program is in its early stages and, hopefully, various tax workshops will soon be offered throughout the state. We are still looking for volunteers from the Virginia Society of Enrolled Agents who are willing to speak at local Small Business Development Centers, Chambers of Commerce, the Small Business Administration and other groups on these relevant topics. You are also encouraged to establish your own contacts and schedule your own classes.

This will be an excellent opportunity to partner with the Internal Revenue Service in promoting the “EA” designation and your tax practice in the community in which you live and work.

A sample power-point presentation and workbook will be provided and can be used as a guideline. You can structure the workshops to meet the needs of your audience: you can combine topics for a 4-hour workshop or do one or two topics for a 2-hour workshop. A representative from the IRS will be available to train you on presenting these seminars. Additional materials, publications and brochures will be available from the IRS. These materials can be sent to you directly to distribute at the workshops.

If you are interested in joining our team for what will be a winning proposition for Enrolled Agents, the IRS, and the small business community, please email Rosemary McMahon at rory@mcmahoncpa.com or call me at 703-272-8840.



Special Enrollment Exam (SEE) Review Courses

Plan Now for 2010!

VASEA is committed to promoting the EA designation and providing assistance to EA candidates in their efforts to pass the Special Enrollment Exam. This is the second year that VASEA has partnered with Gleim to offer a 15-Week SEE Review Course that combines online course work with live classroom instruction.

This year we were able to offer the program in Virginia Beach, Fredericksburg, and Vienna. Our instructors are Barry Iacono, EA, CFP, Gerald Machek, EA, and William Robbins, Jr., EA, CFP, respectively.

We have received positive feedback on this program and plan to offer it again next year. However, we need at least 4 students to start a class. Class locations will be determined by student concentration levels. For example, if we have 4 students in Williamsburg, we will put a class together in Williamsburg. Our goal is to start classes in May so they do not conflict with tax season.

If you or anyone you know is interested in participating in an SEE Review Course in 2010, **please let us know now** so we can start putting classes together. Please contact Heather Greenwell, Society Administrator, 1-800-344-8732, admin@vasea.org or Barry Iacono, EA, CFP at (757) 671-7000, biacono@barryiacono.com.

Employment Opportunity

Langley Financial Services, LLC, a wholly owned subsidiary of Langley Federal Credit Union, is seeking qualified tax practitioners for the upcoming tax season.

QUALIFICATIONS REQUIRED:

- *5 years' experience with computerized tax preparation*
- *Able to work independently*
- *High degree of accuracy and attention to detail*
- *Excellent customers service skills*
- *Acceptable credit report*

QUALIFICATIONS PREFERRED:

- *Enrolled Agent designation*

We offer a competitive salary and flexible work schedule.

For more information please call or e-mail Barbara Roe, EA at 757-838-7561 or broe@langleyfcu.org

EOE/M/F/V/D

NAEA Is Working For You

by Winston A. Macon, EA

I attended my first National Tax Practice Institute (NTPI) classes on August 11, 2009. The classes included Trust Fund Recovery, Statute of Limitations and Advance Collection Topics. The text material was well organized and the instructors were experienced in the subject and did an excellent job in their presentations. If you are doing representation or would like to consider representation work, I recommend that you consider NTPI. The next NTPI classes will be August 8 – 10, 2010 at the Mandalay Bay Hotel, Las Vegas, NV.

NAEA has an online Special Enrollment Examination (SEE) prep program in partnership with Gleim Publications. The program has over 100 students in six different sessions. They have offered three Part 1 classes, two Part 2 classes and one Part 3 class. VASEA also offer the SEE online classes. If you are interested or know of someone who may have an interest in SEE, contact our Administrative office.

NAEA is recognized as the voice of enrolled agents and advocates for the profession and for taxpayers. The IRS is currently working to develop policy proposals for tax return preparers. IRS hosted a panel discussion on July 30, 2009. One of the panels included the three Circular 230 organizations (NAEA, ABA tax section, AICPA) and two other mixed membership organizations. Frank Degen, EA, USTCP (NAEA past president) spoke on behalf of NAEA and forwarded the three tenets of return preparer oversight: competence, centralization, and adequate resources. Paul Harrison, EA (member of VASEA) spoke at a panel with consumer rights organizations. All in all, the panel discussions were incredibly high-profile opportunities for NAEA, and the voice of enrolled agents was not only solicited but welcomed and praised.

NAEA has formed a partnership with the American Society of Women Accountants that will provide the members of each association a discount on membership in the other. Each association receives complimentary booth space at the other's conference. NAEA plans to use this opportunity to promote becoming an enrolled agent and the SEE prep course. NAEA has 11,540 members as of August 2, 2009. They continue to clearly communicate the value of membership by re-designing marketing materials and the new membership brochure.

Amnesty

by Steve Rue, EA

The Tax Amnesty Program will take place over a period of 60 to 75 days during Fiscal Year 2010. To be eligible, liabilities and nonfiler periods must be at least 90 days old. The program will waive 50 percent of the interest and all penalties on amnesty-eligible bills and liabilities, if the remaining balance is paid. Any outstanding amnesty-eligible liabilities at the end of the amnesty period will have a 20% amnesty penalty applied.

The following will not be eligible for amnesty relief: 2008 corporate, individual and fiduciary income tax, 2008 PTE withholding, liabilities less than 90 days old, taxpayers under investigation or prosecution for fraud, and taxpayers with a jeopardy or fraud assessment.

Amnesty will be granted on a bill-by-bill basis. That means that a taxpayer can receive the benefits of amnesty on one bill, or multiple bills, but that they are not required to pay off all liabilities to receive amnesty as was the case with VTAX'S first amnesty program. There will be no form to receive amnesty benefits; taxpayers merely have to pay the remaining balance and will be granted relief.

The state will outsource the call center as was done in 2003. The outside collection firm will still handle those calls; the State will not recall those bills already assigned to DCS. It is estimated a gross revenue increase of \$48 million, with costs estimated at about \$7 million.

Please note the details of Amnesty have not been announced but should be forthcoming shortly. One detail that is missing deals with returns yet to be filed.

It is the **writer's opinion only** that Amnesty should start about October and run thru November.

New VASEA Website Features

There are some new features on the VASEA website, including online event registration and an online membership directory. Go to the VASEA homepage for a link to the new features - www.vasea.org. To use the new features of the website, you will need to login with a temporary password. Your temporary password is Password1 and it is case sensitive. Once you login, you will be prompted to change your password.

If you plan to register for the Current Tax Issues Seminar in Richmond on October 29th, please take this opportunity to try out the new online registration feature. This is a new system so if you have any problems, please feel free to contact the VASEA office at (804) 340-5225 / toll-free 1-800-344-8732.

Upcoming VASEA Events

For the most current version of the Society calendar, please visit VASEA's website at www.vasea.org or contact the VASEA Administrative Office at (804) 340-5225 or 1-800-344-8732 toll-free.

Thursday, October 29, 2009

IRS/VA Department of Taxation Current Tax Issues Seminar (8 hours CPE)
Crowne Plaza Richmond Downtown, Richmond, VA

Tuesday-Wednesday, November 3-4, 2009

NCPE 1040 Individual Income Tax Workshop (16 hours CPE)
Holiday Inn Tanglewood, Roanoke, Virginia

Wednesday-Thursday, November 11-12, 2009

NCPE 1040 Individual Income Tax Workshop (16 hours CPE)
Holiday Inn Select Norfolk Airport, Norfolk, Virginia

Wednesday-Thursday, November 18-19, 2009

NCPE 1040 Individual Income Tax Workshop (16 hours CPE)
Crowne Plaza Dulles Airport, Herndon, Virginia



2415 Westwood Avenue ~ Richmond, VA 23230
Phone: (804) 340-5225 / (800) 344-8732
Fax: (804) 288-3551
Email: admin@vasea.org
Website: www.vasea.org