



California Society of Tax Consultants

San Diego Chapter
7827 Convoy Court #403 • San Diego, CA 92111-1218

**California Society of Tax Consultants
San Diego Chapter Newsletter • September 2004**

September, 2004 Dinner Meeting

Date **Thursday**, September 16, 2004

Where Handlery Hotel & Resort, Presidio Room
950 Hotel Circle North
Mission Valley, San Diego, CA

Times 5:00 p.m. Registration & Social
5:30 p.m. Education Presentation
6:30 p.m. Social/Dinner Setup
7:00 p.m. Dinner
7:45 p.m. Education Presentation

Cost \$25 - Members With Reservations
\$30 - All Others

Menu

- Salad – Chef’s Choice
- Rosarito Fajitas – Marinated Beef, Peppers & Onions, Salsa and Warm Tortillas
- Spanish Rice
- Refried Beans
- Dessert – Chef’s Choice
- Vegetarian Meal Is Available

Requests must be made with the reservation

RESERVATIONS

Deadline is Noon, Wednesday, September 15th

Call **1-800-994-4782** or online at
www.cstcsandiego.org.

Leave your name, number of reservations, and
your telephone number.

No-Show Dinner Reservations Billing Policy

An individual who has made a reservation for a
dinner meeting and fails to cancel the reservation
by noon the day prior to the dinner meeting will be
billed the Chapter's cost of the dinner.

An individual will be allowed one (1) no-show
at no charge per calendar year.

EDUCATIONAL PRESENTATIONS

ABUSIVE TAX AVOIDANCE

Speaker

Gina Laurisden, IRS

**BUSINESS PROPERTY TAX
Form 571L**

Speaker

Jackie McElhaney & Gary Price
Business Appraisers with San Diego County
Assessor’s Office

California law regarding Business Personal
Property Tax and the filing of Form 571L will be
discussed.

**CTEC 1000-CE-1347 & CTEC 1000-CE-1495 (respectively)
(1 hour Federal credit & 1 hour State credit)**

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, the International Board of Standards
and Practices for Certified Financial Planners, Inc. The California
Tax Education Council has recognized the California Society of Tax
Consultants as an approved curriculum provider. Successful
completion of this course may be reported to fulfill the (continuing
education/qualifying education) requirement of the California
Business & Professions, Code Sections 22250-22259. This does not
constitute an endorsement by the California Tax Education Council,
or any of the other above named agencies, as to the quality of the
course or its contribution to the professional competence of the
speaker.

NEW CSTC NAME BADGES

New name badges are being sent by mail, from the
Society Office, directly to each member.

PRESIDENT'S MESSAGE

Wasn't our August speaker, Steve Sims from the Franchise Tax Board, interesting and entertaining? Steve really knows how to take some rather bland topics and really pep it up with presentation methods. He may not know all of the California tax law answers but he can lead you to the person or department who can answer your question.

In case you have been following it, Senate Bill 615 that makes California law in conformance with the federal *Servicemembers' Civil Relief Act of 2003* was "enrolled" by the Legislature and sent to the Governor for review and signature. Since there was never any opposition, at any point, I doubt anything but a signature will be forthcoming. Once it is signed, we will have to wait for corrected forms and software updates.

I contacted Steve Sims about this and he said the FTB Forms Division has the forms well on the way to completion. Now, we have to pressure our software people for updates so that we can get these returns done by October 15th. We also need to have past programs updated because this law is retroactive (Good Luck!).

We are well on our way to getting our nominations for Officers and Directors for this year's election. Many of our current Officers and Directors will fill some of the required spots. We have also had members come forward to say they will help in any way they can. **THANK YOU!** We still have other positions and committees that could use your help. So don't be shy – come forward and volunteer.

The Society Board Meeting is on Monday, September 20th – after our September meeting – so I have nothing to report this month. I will have news for next month's newsletter and if there is any *breaking news*, I will see that it gets posted on our chapter website and disseminated to you via e-mail.

A recurring note and request: If you have changed your mailing and/or e-mail address, please let our chapter office know, so that you will get our newsletter.

See you at the Dinner Meeting. Don't forget to make your reservations – and those for your sponsored guests.

Val J. Daigle – *Chapter President*

SOCIETY NOTES

There are no Society Notes this month due to the Society Meeting taking place after our Chapter Meeting.

Look for this column next month!

Editor's note: Would you like this column to be a regular feature in the newsletter? Please forward your comments or suggestions to Naomi Badger, editor, at badgern@sbcglobal.net AND reference the Subject Line as CSTC. Thank you, in advance!

SPONSORED GUESTS

San Diego Chapter members may bring a guest who qualifies as a prospective member of the Chapter. Qualifications may include CPAs, EAs, CRTPs, CFPs, Attorneys, etc. (i.e.: must be in the tax field).

Chapter members must specify, when making Dinner Meeting reservations, that the guest is qualified. The guest will be asked to fill out an information card, which will be available upon check-in.

This guest may qualify for the **ONE-TIME FREE** dinner meeting.

This recruiting incentive will help prospective members to become familiar with our organization.

HOLIDAY PARTY CHARITY

The holiday season will be upon us very soon. All members are invited to make a suggestion for the Holiday Party Charity Recipient. As in the past, we are looking for a local organization that would appreciate receiving our funds and items.

Please send your written suggestion to me via fax, mail or e-mail.

FAX: 602-224-9162

ADDRESS: Shirley Henry-Bisantz,
2701 E. Thomas Road #E, Phoenix, AZ 85016

E-MAIL: Shirley@kachinaranch.com

The suggestions will be discussed at the Chapter Board meeting in September, so please get your suggestions in to me quickly.

Shirley Henry-Bisantz – Holiday Comm. Chair

EDUCATIONAL INCENTIVES

Name Badge Drawings for \$25 Education Certificates at each Dinner Meeting

At each San Diego chapter dinner meeting in 2004 two drawings will be held for \$25 certificates that will be good toward any San Diego Chapter education event. Getting into the drawing is simple. Just be sure to wear your name badge and you are entered!

\$100 Education Reimbursement

For 2004 the San Diego Chapter will reimburse each member \$100 if they meet *all* of the following criteria in 2004:

- 1) The member must attend *one* of the following:
 - San Diego Chapter's Running Start Seminar held in January 2005,
 - All General Interest Fall Workshop Classes (see page 6), or
 - Two (2) of the Special Interest Fall Workshop Classes

AND

2) The member must attend at least four (4) San Diego Chapter Dinner meetings between May and November 2004; AND

The member must attend *one* of the following:

- Society Summer Symposium – May 2004
- Society Fall Classroom Series
- Society Winter Tax Bridge

If you meet all of the criteria, contact the Chapter Office for an Education Rebate Form. Submit the form by December 10, 2004 to receive your rebate.

FREE QUICKFINDERS

A FREE Individual Quickfinder will be given to each San Diego Chapter member who:

- Attends four San Diego Chapter dinner meetings between May and November 2004, **and**
- Registers and prepays prior to December 1, 2004 for the San Diego Running Start Seminar to be held in January 2005.

Simple to get ... so don't be left out!

FALL WORKSHOPS

GENERAL INTEREST CLASSES

Each class is 3 hours

- SCHEDULE "C" REVIEW AND UPDATE
- FIDUCIARY TAX –BASIC/ INTERMEDIATE
 - MORTGAGE INTEREST IS IT DEDUCTIBLE?
 - ALTERNATIVE MINIMUM TAX
- COLLECTIONS - HELP YOUR CLIENTS
 - MANAGING YOUR PRACTICE

SPECIAL INTEREST CLASSES

Each class is 6 Hours

TAX TOOLS MAKING THE MOST OF IT

CA. TAXES WHAT'S GOING ON?

SALE OF A BUSINESS - 4797

Classes start September 22 and continue through October.

Registration forms are available at the San Diego Chapter's website at www.cstcsandiego.org/is-ed04fw.htm, the September Dinner Meeting and the Chapter Office

CLASS

FEES

CLASS	FEES
General Interest (All 6 Classes)	\$240
General Interest (Individual Classes)	\$ 45 Each
Special Interest (All 3 Classes)	\$375
Special Interest (Individual Classes)	\$150 Each

CALIF CONFORMS TO 2003 FEDERAL MILITARY TAX LAW

The California bill to conform to the Federal U.S. Soldier and Sailor Act changes of last Nov & Dec has passed both houses of the state Legislature and was sent on Aug. 23rd to the Governor (i.e. it is enrolled).

Once it is signed, then we need wait for our software vendors to make the necessary programming changes. Then we can file those 2003 returns we have on extension.

Available on-line at:

SB 615 http://www.leginfo.ca.gov/cgi-bin/postquery?bill_number=sb_615&sess=CUR&house=B&search_type=email

ENROLLED

http://www.leginfo.ca.gov/pub/bill/sen/sb_0601-0650/sb_615_bill_20040817_enrolled.html

ALL CALIFORNIA SEMINAR

California Part Year Resident and Non Resident Tax Returns

Presented by the California Society of Enrolled Agents

Thursday, October 21, 2004

12:30 PM. – 4:30 PM

4 California CTEC hours

Handlery Hotel, 950 Hotel Circle No
San Diego, CA

Cost: \$75.00 by 5 PM October 15, 2003
\$80.00 after October 15, 2003
\$85.00 at the door.

All cancellations subject to a \$25.00 charge prior to October 15, 2003. No refunds after October 10, 2003

Charlotte Carroll and Joyce Davis of the Franchise Tax Board will speak about the tax gap and current resident/non resident tax issues.

For more information contact Elaine Smith
(619) 562-7671 email: eztaxes@sbcglobal.net

Registration forms available from Elaine Smith, at the CSTC's website and from CSTC San Diego Chapter office.

CSTC RUNNING START SEMINAR

Early Bird Price for the January 2005 Running Start Seminar is available *only* at the September & October CSTC Chapter Dinner Meetings.

CORPORATIONS SEMINAR

Tuesday, September 28, 2004

6 Hours of CPE

Al Bahr Temple, 5440 Kearny Mesa Rd.,
San Diego, CA 92111 (858) 292-0092

8:00 AM - Registration – Continental breakfast included

9:00 AM - Corporations: Vicki Mulak, EA, CFP, will present a workshop on corporations, including liquidations, S-corps & Pass Through Entities (S-Corps, LLCs, & LLPs). Basis, distributions, at-risk and passive loss limitation will be discussed.

11:45 AM - Luncheon – Box lunch included

12:30 PM - Corporations continued Afternoon topics include converting from a C-corporation to an S-corporation, self-employment issues, family-employee issues, and unreimbursed expenses. Also she will provide an update on the IRS & S-corporation audits

2:50 PM - Wrap up

30TH ANNUAL PRACTICAL TAX SEMINAR

Thursday, November 4, 2004

8 Hours of CPE

Al Bahr Temple, 5440 Kearny Mesa Rd.,
San Diego, CA 92111 (858) 292-0092

8:00 AM - Federal Tax Update, Bonnie DeSimone, EA

11:40AM - Luncheon – Catered lunch included

12:40PM - California Update, Vicki L. Mulak, EA, CFP

3:50 PM - Wrap up

Both Seminars Presented by the San Diego Chapter California Society of Enrolled Agents

For more information contact:

Lynne Fletcher, EA, (619) 297-6167 thefletchers@cox.net

Susan Donald, EA, (858) 565-6792 sadonald@sbcglobal.net

Paula Armstrong, EA, (858) 467-0547 paulatax@san.rr.com

Registration forms are also available at the CSTC's website and from CSTC San Diego Chapter office.

ANNUAL IRS/FTB E-FILE WORKSHOP

The IRS/FTB e-file Workshop, held in the Los Angeles area, has had an “add-on” Workshop scheduled for San Diego. Registrations on-line at www.ftb.ca.gov/emailapps/efile_wkshop.asp.

Date: Thursday, October 21, 2004

Time: 9:00am – 3:00pm

Location: Scottish Rite Masonic Center

Address: 1895 Camino Del Rio South, San Diego (in Mission Valley)

Parking: FREE

CALIFORNIA TAX AMNESTY

Gov. Schwarzenegger has signed a bill (SB 1100) authorizing the Franchise Tax Board and the Board of Equalization to administer a Tax Amnesty Program from Feb. 1, 2005 through March 31, 2005.

To obtain more information, there is a ‘Tax Amnesty Quick Reference’ that you can read at www.ftb.ca.gov/amnesty/faq.html.

IRS AUDIT NUMBERS ARE RISING FAST

During the late 1990’s IRS audits were at all-time lows but now, under new Commissioner Mark Everson, the number of IRS audit and enforcement actions are increasing rapidly. Audits have increased 14% from 2002 to 2003 and for returns with income over \$100,000 they are up 24% from 2002 and 52% from 2001.

Commissioner Everson says the increase in audits and other enforcement actions is just “ramping up” now and more increases are coming.

S CORPORATION SHAREHOLDER-EMPLOYEE

It is not uncommon for an owner-employee of an S corporation not to take a salary in order to save payroll taxes since the net profits of an S corp. are not subject to payroll taxes. Several years ago, the IRS began to target S corporations that do not pay their sole shareholder a reasonable salary and several of those cases are being decided by the Court of Appeals FOR the IRS. Most recent decision: Superior Proside, Inc. (Third Circuit, Jan. 28, 2004).

CHANGE OF ADDRESS

If you move, please advise both the San Diego Chapter and the Society office of your new address, phone and e-mail address.

- San Diego Chapter:
7827 Convoy Ct #403, San Diego, CA 92111
Tel (858) 278-7954 • Fax (858) 278-9327
Website: www.cstcsandiego.org.
- CSTC Society Office:
2050 W Chapman Ave #114 Orange, CA 92868
Tel (714) 634-0484 • Fax (714) 634-4975
Website: www.cstcsociety.org.

SAN DIEGO CHAPTER NEWSLETTER

Newsletter via Email

Supply your e-mail address to save the chapter the cost of printing and postage. You will receive an e-mail notice when the newsletter is posted to our web site and other important updated tax information. Send your e-mail address to larry@taxnewsandtips.com.

Advertising

Members: There is no charge to members who wish to advertise for positions available in their practice, equipment for sale, or similar subjects.

Non-Members: There is a \$15 charge for each advertisement in the newsletter. Ads are limited to six lines and are subject to available space and the discretion of the editors.

The San Diego chapter newsletter is published monthly in January, and May through December.

Advertising at San Diego Chapter Events:

Requests to distribute flyers, brochures and/or to promote a business at any San Diego chapter event must be approved by the Board of Directors prior to the day of the event. (*You may also fax the information to me at 619-698-9735.*)

Deadlines

The deadline for articles and ads is the 25th of the preceding month. If an ad is to be run more than one month, please advise the editor via email at badgern@sbcglobal.net or phone 619-698-0508.

CLASSIFIEDS

Editor's Note: Please use "CSTC Ad" as the subject when you e-mail your ads to me. This will alert me that it is legitimate e-mail (not SPAM). Thank You!

Ads are also posted on the Chapter's website as they are received.

WANTED: EA seeking tax and/or bookkeeping practice to purchase. Contact Tony Applebaum or Christy Almond at 619-237-7290.

WANTED: EA wants to increase client base and expand practice geographically – offices in Coronado and UTC area. If you are thinking of selling or retiring, please contact Val Daigle at 619-435-3131 or at val@westax.com

WANTED: SD Chapter member looking to increase client base at Mission Valley office. If you are thinking of retiring or selling some/all of your clients, please call Terry Smith at 619-283-8055.

FOR SALE: Lanier 6540 Analog Copier (40 copies per minute) with Automatic Document Feeder, High Capacity Paper Bin (750 pages), Two Additional Paper Drawers, 20-bin Sorter. Well maintained and Lanier inspection and refurbishment of parts was completed recently. Reasonable offers accepted. Call Val Daigle at 619-435-3131.

NEED WORK OUT OF TAX SEASON: 23 years tax experience (S/E dba Unique Tax Service), 20 years bookkeeping and extensive payroll experience. Resume available upon request. Call San Diego Chapter member Janette Meader at 619-688-6510 or 858-571-7062.

WANTED: EA looking to increase payroll client base. Bookkeeping & tax clients can be added to the deal, but mainly interested in payroll. If you are thinking of retiring or just tired of the demands of payroll, call Edward Lindgren 858-560-4146, ext. 4.

LOOKING FOR WORK: I have 5+ years experience as an EA and I worked more than 20 yrs in IRS Collections. If I can help, please call John Yeats at 619-449-0318 or at jyeats3@cox.net.

OFFICE SPACE TO RENT: Great location in Santee! Includes year round receptionist, security, phone w/T-1 line, utilities, plenty of parking and some supplies. Call Lauren King at 619-449-9975.

CLASSIFIEDS (CONT.)

POSITION WANTED: Available to help in bookkeeping, Incorporating Business, Payroll & Income/Sales Tax Returns – Lacerte, Turbo-Tax & Quickbooks. Please contact Milan Talsania, CRTP (new Chapter member) at 858-688-1000 or e-mail at bz_bkkpr@yahoo.com.

WANTED TO BUY: Registered tax preparer with established practice for 20+ years and 2003 recipient of the IRS Exemplary ERO award desires to expand tax clientele. If you are thinking of retiring or selling, please contact Mary Lou Cassell at 858-525-8252 or e-mail to Mary_Lou_Cassell@intuit.com.

WANTED: Accountants to prepare Mandate Reimbursement Claims. Must be proficient in EXCEL and WORD. Good communication skills are a must. Full-time (40 hrs/wk), temporary positions (through January 2005) are available. Please call Diane at 858-514-8605.

NOTE: ALL ADS WILL BE REMOVED FROM THE OCTOBER NEWSLETTER UNLESS I AM NOTIFIED IN WRITING BY OCTOBER 1, 2004 ... THE EDITOR.

VISA AND MASTERCARDS ACCEPTED

The San Diego Chapter is now accepting Visa and MasterCard credit cards in payment for San Diego Chapter services and events. For more information, contact Duane Lewis, San Diego Chapter Treasurer, at 619-698-9191.

This is a new service for our members, as many prefer to use credit cards as their preferred method of payment.

DO YOU KNOW.....?

Do you know there is a new renewal period for Enrolled Agents? Effective July 26, 2002, Enrolled Agents now renew on a staggered cycle which depends on the ending number of your Social Security Number. Information as to when you need to renew can be found at www.irs.gov/taxpros/agents/index.html.

Don't let your Enrolled Agent status lapse. Log on today to find your correct renewal period.

CSTC - San Diego Chapter

OFFICERS

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e-mail: val@westax.com

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CHAPTER OFFICE

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BREAKFAST MEETINGS

Join CSTC members for breakfast
to discuss tax issues.

Members buy their own breakfasts.

San Diego – Second and Last Fridays each month at 7:30 a.m., at Coco's Restaurant, El Cajon Blvd. at Oregon St. Contact Val Daigle at 619-435-131 or email val@westax.com.

El Cajon — Wednesdays, 7:30 a.m., Denny's Restaurant, Fletcher Pkwy at Navajo Rd. Contact Larry Mahaffy at (619) 669-1630

South Bay — Tuesdays, 8:00 a.m., Love's Restaurant, I-805 at E Street in Chula Vista. Contact Shirley Horst at (619) 422-1403.

Fiduciary Tax Group — Second Thursday of each month, 7:30 am, Coco's at Lake Murray & Baltimore, La Mesa. Contact Jan Brown at (619) 464-1041.

Business Entities Group — First Thursday of each month, 7:30 am, Coco's at Lake Murray & Baltimore, La Mesa. Contact Jan Brown at (619) 464-1041.

BOARD OF DIRECTORS MEETING

The next meeting of the Board of Directors is Thursday, September 16, 2004, **3:30** p.m. at the Handlery Hotel in Mission Valley.

2004 DINNER MEETING SCHEDULE

October 21 – Chapter's Birthday, California Update
Lynn Freer, Spidell Publishing Co.

November 18 – Wayne Ochiss

December 10 - (Friday) **Holiday Party**

NEW CHAPTER WEBSITE

The San Diego Chapter's website is now at located at www.cstcsandiego.org.

NEW CSTC LOGO

Did you notice the new California Society of Tax Consultants Logo on page 1?