

**California Society of Tax Consultants
San Diego Chapter Newsletter • October 2008**

Dinner Meeting

Date Thursday, October 16th, 2008

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

Times 5:00 p.m. Registration & Social
5:30 p.m. Speaker
6:30 p.m. Social/Dinner
7:00 p.m. Dinner
7:30 p.m. Speaker continues

Cost \$20 - Members with Reservations
\$28 - All Others

Menu

- Roast Prime Rib
- Salad, Chef's choice
- Duchess Potatoes
- Dessert, Chef's choice
- Choice of Coffee, Tea, Iced Tea
- **Vegetarian Meal Is Available**

Requests must be made with reservation



RESERVATIONS

Deadline is **Noon Wednesday October 15th, 2008**

On line at www.cstcsandiego.org/is-res.htm,
or call (619) 698-0508, or

Email Rose Carter at racarter@sbcglobal.net.

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

If you require a Vegetarian Meal, your request must
be made when you make your reservation.

Confirmation of your on-line dinner reservation will
be emailed to you within 72 hours. Reservations made
on Thursday & Friday are scheduled to be confirmed the
following Monday. If you do not receive a confirmation
please call (619) 698-0508.

See the "No-Show" dinner reservations policy on
page 2.

EDUCATIONAL PRESENTATION

San Diego Chapter's 33rd Anniversary

California Update

**Joint meeting with
San Diego Chapter of CSEA**



Speaker

Lynn Freer, EA

Spidell Publishing Inc.

**CTEC 1000-CE-2545
(2 CALIFORNIA CREDIT HOURS)**

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.

CSTC MISSION STATEMENT

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

PRESIDENT'S MESSAGE

Dear Friends & Colleagues,

We want to thank Sylvia Lang for the excellent presentation on Ethics, even though it's not one of the most exciting topics ever to listen to for 2 hours.

Lynn Freer will be our guest speaker for our Anniversary October Dinner Meeting. She will update us on all the latest California laws that we will be using for our upcoming 2008 tax year.

Our Education Committee put on an outstanding program with topics that we will surely need to complete many of our client's tax returns, as the Foreclosure topic will be one of the biggest issues that will confront our clients. The 2 day seminar had a great turnout. Many thanks to Greta Ward, Terry Smith and Linda Farmer for putting on such a great program.

As we are ending 2008, we are beginning our nominations for the upcoming 2009 Officers and Board of Directors. We will need volunteers to step up and fill some of the positions that will become available. There are several of us that need a break and it's always good to get new members involved with new ideas to step up and get involved with our networking and what this organization really stands for. Please contact any of us on the board of directors if you are interested in a position.

I would like to thank our **News Editor, Terry Smith**, for the special touches he has incorporated into the newsletter which has made it more attractive to read. I know it consumes a lot of time and effort in putting this together. Our San Diego Chapter should be very proud of the professionalism that our Newsletter portrays. Thank you Terry for all your hard work.

Rose Carter, Chapter President

"1040 Running Start Update" Seminar

January 8 & 9, 2009

Early Bird Prices for Members Only at the October Dinner Meeting.

See Page 6

IRS AUDITS MORTGAGE INTEREST DEDUCTIONS CORRECTION

The San Diego Enrolled Agents chapter of CSEA will have an IRS Auditor at their Tuesday, November 11, 2008 dinner meeting speaking on IRS Audits of Qualified Mortgage Interest Deductions.

The announcement at the chapter's August dinner meeting incorrectly stated the topic would be at the September meeting.

Reservations: Call San Diego Chapter of CSEA at 800-642-1040 or e-mail paulatax@san.rr.com by 5:00 pm Thursday, November 6th. Cost: \$27 for members of CSEA; \$33 for nonmembers (i.e. CSTC members) with timely reservation; \$37 for late reservations.

QUICKFINDER & THE TAX BOOK NOTICE

The 2008 Chapter Member Benefits, which have been published monthly, were adopted on April 24, 2008. See page 7 for complete member benefits.

The benefits do **NOT** include a free QuickFinder or The Tax Book.

Order forms are available at the chapter's website or by contacting Tom Groel at tomtaxman@gmail.com or 619 698-9191.



BOARD OF DIRECTORS MEETING

The next meeting of the Board of Directors is **Thursday October 16th, 2008, 4:00 P.M.** at the Handlery Hotel in Mission Valley.

All members are welcome to attend. If you would like to attend, please contact Rose Carter at (619) 698-0508 or e-mail: racarter@sbcglobal.net.

TAX-DATA INPUT EMPLOYEES MUST REGISTER WITH CTEC

IMPORTANT UPDATE

A “tax preparer” is defined to be a person “who prepares the return” or “assists with” preparing the return.

The new 2008 law defines “tax preparation” to include data entry. CTEC and FTB have announced “Individuals who input tax-related data into a computer must now register with CTEC”.

(Senate Bill No. 797, Section 22258 California Business and Professions Code, Effective July 1, 2008.)

To register with CTEC a “Tax Preparer” must have the basic 60 hours of tax education, 20 hours of continuing education and a surety bond.

IMPORTANT UPDATE – FTB has the duty to enforce the CTEC laws. David Hill, FTB Tax Preparer Enforcement, stated the new law regarding requiring “individuals who input tax related data into a computer” applies to persons who *interface* with taxpayers to obtain the tax data directly from the taxpayer and then enters the data received into a computer. This individual is considered a “tax preparer” and must register with CTEC.

Conclusion – A tax data input employee of a CTEC registered preparer who does not obtain the tax data from the taxpayer is not required to register with CTEC.

Examples: Cathy is registered with CTEC. Cathy hires Dan to input tax data into a computer.

1. Dan meets with Cathy’s clients (taxpayers).
Dan interviews the clients to obtain their tax data.
Dan inputs the client’s tax data into a computer.

Conclusion: Dan is *perceived* to be a “tax preparer” and must register with CTEC.
2. Cathy meets with her clients (taxpayers).
Cathy interviews the clients to obtain their tax data.
Cathy enters the client’s tax data on to data input sheets. Cathy gives the completed data input sheets to Dan. Dan inputs the data on the input sheets into a computer. Cathy signs the completed tax return as a paid preparer.

Conclusion: Dan is not a “tax preparer” and is not required to register with CTEC.

FTB & CTEC are planning to post more information regarding this subject to their websites at www.ftb.ca.gov and www.ctec.org

Submitted by Larry L. McClellan



OCTOBER ANNIVERSARIES

ELLA BARRETT	10 YEARS
SANDRA BEACH	18 YEARS
TOM BOLING	23 YEARS
JAY BORR	22 YEARS
SHANNON BROWN	4 YEARS
TISH CALIGER	24 YEARS
TOM CARTER	16 YEARS
JEFFREY DEAN	1 YEAR
SUSAN DONALD	7 YEARS
ED DUNN	33 YEARS
LAURA EMERY	16 YEARS
BRENT FAIRCHILD	16 YEARS
FREDERICK FRANCE	18 YEARS
THOMAS GROEL	12 YEARS
MICHAEL GROSSMAN	15 YEARS
WAYNE HATCH	9 YEARS
YOLANDA HERNANDEZ	1 YEAR
STEVEN HOEFER	2 YEARS
ERIK HUDSON	2 YEARS
ROBERT HUMMER	23 YEARS
JOHN JENKINS	20 YEARS
SHERMAN JOHNSON JR	22 YEARS
SALVADOR MACIAS	24 YEARS
GERHART MEHNER	8 YEARS
AGNES MICHETTI	31 YEARS
D MANUEL OLIVER	7 YEARS
MONIQUE PETERSEN	3 YEARS
JACK ROBERTSON	17 YEARS
RICHARD SMITH	1 YEAR
DONNA STANTON	22 YEARS
JEAN STANZICK	20 YEARS
MARY TEWALT	20 YEARS
STACEY THAYER	7 YEARS
PAULA TRABER	16 YEARS
LARRY URBAN	24 YEARS
RICK WAGNER	2 YEARS

A TOTAL OF 516 YEARS

We thank you for your loyalty to the
San Diego Chapter making us 208 strong.

EIN – FORM SS-4

The IRS on-line application for a EIN has been improved. Completing the form SS-4 is now in a question and answer format.

Select the “Electric IRS File, Pay .. and More” on the lower left of the page at www.irs.gov.

Then under “For Small Business Taxpayers” select “Obtain an Employer Identification Number (EIN) online”. Then read instruction and answer the questions.

Advertising at San Diego Chapter Events

Requests to distribute flyers, brochures or promote a business at any San Diego chapter event must be approved by the Board of Directors prior to the day of the event.

DID YOU KNOW

For every five miles per hour over 60 costs an extra 10 cents per gallon.

When ever possible use cruise control, it increases efficiency up to 14%.

Proper inflation of tires means more than 3% greater efficiency.

An unused roof rack drags gas efficiency down 5 %.

Open windows ads drag burning more gas, use the AC.

Highway rest stops are notoriously expensive; check your GPS for stations close to the highway.

Ladies Home Journal September 2008

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.

NOMINATIONS

The Chapter is accepting nominations for all positions. Please contact Tony Applebaum at tony@appletaxgroup.com to submit your nomination.

2008 MEETING DATES

November 20

Topic & Speaker To Be Announced

December 11 (Thursday)

Holiday Party

NEW AREA CODE FOR

NORTH SAN DIEGO COUNTY

AREA CODE 760 - **UPDATE**



A planned split of the 760 area code will be canceled, according to a Proposed Decision by a state administrative law judge issued September 16, 2008. Existing numbers in the area code region will keep their existing number and new numbers will be assigned to 442 under the proposed decision.

The California Public Utility Commission is scheduled to make its final decision in San Francisco on October 16.

CHAPTER WEBSITE

Visit the San Diego Chapter's website at www.cstcsandiego.org for breaking tax news, educational events, Internet resources for use in your tax practice and other tax related information.

Let us know if you have any suggestions for the website. Email your ideas to Larry McClellan at cstcsd@san.rr.com.

The chapter's website contains the forms for Running Start, RIA Federal Master Tax Guide, Mini Symposium, Quick Finder, and The Tax Book.

STATES GET FEDERAL TAX REFUNDS

Congress will OK legislation later this year allowing states to seize refunds of TP's who fraudulently received unemployment benefits and then failed to repay them. States also will be able to tap refunds of firms that evaded state unemployment tax.

ATTENDANCE

May Dinner Meeting	87	(2007-102)
Pre-Paid Dinners	44	(2007-52)
June Dinner Meeting	95	(2007-84)
July Dinner Meeting	83	(2007-92)
August Dinner Meeting	109	(2007-96)
September Dinner Meeting	87	(2007-97)

“Neither a wise nor a brave man lies down on the tracks of history to wait for the train of the future to run over him”

Dwight D. Eisenhower

CLASSIFIEDS



HELP WANTED: Experienced tax preparer (Enrolled Agent preferred) for full time during the tax season and 2-4- days per month during the remainder of the year. Linda Ladd (619) 461-0300 fax (619) 461-0508 BBCLLADD@YAHOO.COM

CORPORATE HEADQUARTERS WITHOUT THE COST! Help clients or keep your office expenses to a minimum! We have several options to choose from: Professional address & mail forwarding \$ 45/mo
The above plus phone answering and voice mail \$125/mo
All the above plus Part Time Office as needed \$175/mo
For details go to www.EastCountyBizCenter.com

FOR SALE: Corner desk with returns on each side. Contact Maryann @ (619) 464-1260.

WANTED TO BUY AND OFFICE SPACE: Small tax and/or bookkeeping practice in East County. 200sq ft private office, share lobby and conference room. Covered parking. Ted Gronich (619) 966-9996 or TAXGURU@GBTS.SDCOXMAIL.COM.

OFFICE SPACE: – San Diego/Balboa Park Area. 2 professional offices are available to sublease. Immediate availability Anthony Applebaum (619) 237-7290 or tony@appletaxgroup.com

EMPLOYMENT: Looking for a payroll setting as part of a payroll team. Julianne @ (858) 774-0577.

IMMEDIATELY AVAILABLE: Share space with three EA's in the Clairemont area. Reasonable cost per sq. ft. plus share in utilities and common areas. Kitchen and storage available and remodeled lobby area for clients. Close to 805 Fwy and Balboa. For details and a tour (858) 277-8780 or Elaine@horizonplanning.com.

OFFICE SPACE FOR RENT: Experienced preparer to share space and Lacerte. 8x10 office with window. Available now. 4858 Mercury, Kearny Mesa. Terry Davis (858) 277-1040 or terrydavistax@sbcglobal.net.

EA SEEKING TAX PRACTICE: EA/CFP expanding business. Year-round office, full time staff, tax and financial planning firm. Flexible terms. John Sutherland (619) 464-8474.

SPACE FOR RENT: - Fletcher Hills: For an Independent Tax Office, join the tax offices of: Sylvia Lang, Diane Reyes, Phyllis Roth, and Maryann Shefveland (each an independent) but share information, reception/waiting room. Immediate availability. (619) 670-1186 or (619) 464-1260.

FOR SALE: 4 - 4 Drawer, black, vertical filing cabinets - excel condition; 1 - black, fire safe, one drawer, file cabinet; 5 shelf, cherry & black wrought iron book shelf; small reception desk, blond, solid wood; 4050 Laser Printer and 3 cartridges. Apara at (760) 436-1296 or e-mail apara@sbcglobal.net.

TAX PRACTICE WANTED TO BUY: EA seeking tax and/or bookkeeping practice. Call Tony Applebaum at (619) 237-7290.

PADRES PERSONAL SEAT LICENSE Two seats in the Premium, Founders Club directly behind home plate. Offer is for the seat license only--annual full season ticket purchase for two is separate from the seat license Val@westtax.com

SAN DIEGO CHAPTER NEWSLETTER

Newsletter via Email

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 cstcsd@san.rr.com. Let us know if you change you email address.

Newsletter Articles & Advertising

Submit your articles and ads to Terry Smith (619) 283-8055 or email to Realtaxes@aol.com. Include in emails the Subject "CSTC – AD" or it won't be opened.

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

The deadline for articles and ads for the November 2008 issue is October 25, 2008.

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. Limited to six lines. Subject to available space and the discretion of the editors.

TAX EDUCATIONAL EVENTS

Registration Forms and additional information at www.cstcsandiego.org.
Also check out other educational events in San Diego County

December 3 & 4 - CSTC "TAX BRIDGE TO 2008"

Location: Anaheim Plaza Hotel

Presented by the California Society of Tax Consultants
Select [this link](#) for more information and registration form.

"1040 Running Start Update" Seminar

8 hours CE

The Best Federal & California Income Tax Update in San Diego County

January 8 & 9, 2009 (Thursday & Friday) - in San Diego

January 10, 2009 (Saturday) - in Escondido

January 6, 2009 (Tuesday) - in El Cajon

Registration Forms and Early Bird Information - available at Chapter Website.

Early Bird Prices for Members Only

Early Bird Registration Form available only at the October Dinner Meeting.

East County Chapter: www.cstceastcounty.org

Dinner meeting 1st Tuesday 6 PM at El Cajon Community Center.

10/7/08 - Paperless Office by Jerry Dixon & Jack Miller & HSA's with Dave Gorsich & Mike Karll

Fall Workshops 10/3 Life Cycle of a Sole Proprietor to another Entity

10/17 Life Cycle of a Personal Tax Return to a Trust/Estate

North County Chapter: www.cstcsociety.org/NORTHCTY

Dinner meeting 2nd Thursday at Olympic Resort Hotel.

San Diego Chapter: www.cstcsandiego.org

Dinner meeting 3rd Thursday 5:30 PM at Handlery Hotel, Mission Valley.

1/08/09 - *Running Start Seminar*. Dave Gorsich and Mike Karll. 8 hours CE.

1/09/09 - *Running Start Seminar*. Dave Gorsich and Mark Karll. 8 hours CE.

South Bay Chapter: www.cstcsociety.org/SOUTHBAY

Dinner meeting 4th Tuesday 6 PM at Anthony's Chula Vista.

Temecula Chapter: www.cstcsociety.org/TEMECULA

Dinner meeting 1st Wednesday 5:30 PM at Boston Billies.

South Orange County: Dinner meeting 4th Tuesday 5:30 PM at Marie Callender's

San Juan Capistrano. POC Haydee Robinson (949) 361-9373

Fiduciary Tax Group:

10/9 – California Income for Non California Resident Beneficiaries. Helen Welbourn

11/13 – Issues of GST. Val Daigle

12/11 – New Inherited IRA Distribution Rules. Larry Lloyd

Society Classroom series: sessions and topics throughout California at www.CSTCsociety.org Classroom series

FREE Federal and State E-Service Workshop at www.ftb.ca.gov/emailapp/efile_services.asp



— 2008 CHAPTER MEMBER BENEFITS —

1. At both the May and June Chapter Dinner meetings, of members attending, a drawing for a free Running Start registration OR two (2) sessions of the Chapter Mini symposium Special Interest Classes OR the Chapter's two-day Mini Symposium Case Study Classes registration (members choice). Member must be in attendance to be eligible.
2. Attend at least four (4) Chapter Dinner Meetings between May and September and receive a 50% discount off the San Diego Chapter Running Start registration **on full fee**.
3. The Monthly Chapter Dinner Meeting will cost \$20.00 for Members with reservations and \$28.00 for Members without reservations and Guests. Pre-Paid Dinner Meetings cost shall be **\$125.00**. (Chapter cost is \$27.50 per person).
4. Two Name Badge Drawings will be held during each monthly meeting May – October 2008 (except July) for Education Certificates worth \$25.00 good toward any education event presented by the San Diego Chapter only. Eligible events include Monthly Dinner meetings (non Pre-paid Annual dinner fee), Fall Workshop (General or Special classes), or Running Start (not Early Bird Special Discount). Coupons will be valid May 2008 through December 31, 2009 only. No exceptions. (Coupons have no cash value and are not convertible to cash or refunds for previously paid event fees.)

NOTE: NO FREE QUICKFINDER or THE TAX BOOK FOR 2008.

SAN DIEGO CHAPTER COMMITTEES

Our Chapter is the largest in California (currently 207) because of you, our fellow members. However, we all need a little bit of help now and then. The following committees make this Chapter function. Please call any of these Committee Chairs to offer your help:

Anniversary Party	Stephanie Matticks	Member of the Year	Duane Lewis
Arrangements	Stephanie Matticks	Membership	Mari Jo Hughes
Audit	Rick Wagner	Mini Symposium	Greta Ward
Awards			Linda Farmer
Dinner Speakers	Greta Ward	Newsletter	Terry Smith
	Stephanie Matticks	Nominations	Tony Applebaum
Elections	Christy Almond	Operation Manuel	Shirley-Henry Bizantz
	Andrea Davis	Quickfinders/Tax Book	Tom Groel
Finance/Budget	Duane Lewis	RIA Books	Marianne Lindsay
Government Affairs	Val Daigle	Running Start	Marc Lord
Hall of Fame	Shirley Henry-Bizantz	Sunshine	Nadine Allevato
Holiday Party	Mari Jo Hughes	Website	Larry McClellan

FTB TAX NEWS – October 2008

Power of Attorney Required by FTB. To discuss your clients' accounts with you FTB must have evidence of your authorization to act on behalf of your clients. This evidence can be established by FTB having a Power of Attorney Form 3520 on file for you. Previously, FTB would discuss taxpayer matters with tax professionals without a POA.

Package X Discontinued. *Package X*, the FTB tax forms catalogue, is going out of production. The individual forms and instructions are available on-line at www.ftb.ca.gov.

SAN DIEGO CHAPTER

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E-mail: racarter@sbcglobal.net

1ST V.P. – Education & Speakers

Terry Smith

(619) 283-8055

E-mail: realtaxes@aol.com

2ND V. P. – Dinner Meetings and Arrangements

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(619) 697-2950

E-mail: stephanie007@sbcglobal.net

Secretary –

Linda Farmer

(619) 264-6070

E-mail: laftaxes@pacbell.net

Treasurer – Finance/Budget

Duane Lewis

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E-mail: duanetaxman@gmail.com

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Tony Applebaum

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BREAKFAST MEETINGS



Join CSTC members for breakfast to discuss tax issues.
Members buy their own breakfast.

San Diego Chapter —The 2nd and Last Friday of each month at 7:30 a.m. at Coco's Restaurant, 5955 Balboa Ave, in the Clairemont area. Contact Val Daigle, email val@westax.com or call him at 619-435-3131.

South Bay Chapter— Tuesdays at 8:00 a.m., at Estelle's Restaurant in Chula Vista.
Contact Donita Chacon at (619) 470-9293.

North County Chapter— Tuesday at 7:30 a.m. at I HOP at Hwy 78 and Shadowridge Dr. in Vista.
Contact Michele Meharis.

Fiduciary Tax Group — 2nd & 4th Thursday of each month at 7:30 am, at Coco's Restaurant, 5550 Lake Murray Blvd, La Mesa. Contact Janice Brown at (619) 464-1041

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.

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