



# The Bulletin

## East Bay Association of Enrolled Agents

*A Chapter of the California Society of Enrolled Agents  
Affiliated with the National Association of Enrolled Agents*

November 2015

### NEXT MEETING **Wed, November 18, 2015**

Place: **Dublin Holiday Inn**

6680 Regional St., Dublin, CA 94568

(go to <http://www.holidayinn.com/hotels/us/en/dublin/dubrm/hoteldetail#Directions>) **or take BART!**

5:00 Board Meeting

6:15 Networking

6:30 Dinner Buffet

7:30 Program: **“Real Estate Closings”**

Cost: \$40.00 with reservation by Friday, November 13  
\$50.00 with reservation after deadline

Course numbers and credit:

IRS: WZA09-T-01562-15-I

CTEC: 1001-CE-7987

CSEA/NAEA: 1 Hour of Federal Tax Topic

Sign up online at:

<https://www.123signup.com/calendar?Org=ebaea>

(Please print out your confirmation to ensure that you clicked all the right buttons to register) Questions: email [ebaean@ebaean.org](mailto:ebaean@ebaean.org) (preferred) or call 800-617-1040.

### November Session:

#### **“Real Estate Closing Transactions and the New TRID Form”**

**Speakers: Michael D. Power, EA, and Pam Stair**  
*by Peggy Hall, EA*

Almost all of us have had clients buy or sell real property, using mortgages, and many of our clients forget that they received a HUD-1 statement. Determining the items to be reported on a tax return can be difficult.

This session will explore personal and business (rental real estate) closing costs, from the perspectives of both the buyer and the seller.

Some costs can be deducted and some amortized; some are selling expenses, some affect basis, and some are none of these! The speakers will review where these costs appear (or not) on the tax return.

The CFPB recently implemented one of the components of the Dodd-Frank Act, related to the disclosures and closing documents provided to a borrower in a real estate transaction.

Known as TRID, one form now combines the Good Faith Estimate, Truth-in-Lending Statement, and HUD-1 forms, from October 3, 2015. Rather than a HUD-1, borrowers will receive a Closing Disclosure form at the conclusion of a transaction.

Our speakers will review the Closing Disclosure form, familiarizing attendees with the key areas that disclose the final terms and costs of the loan which may affect tax return preparation. Sample documents for several types of transactions will be presented and reviewed.

After attending this session, you should know:

- How to evaluate real estate closing statements for tax items;
- The different tax items for personal residences versus rental real estate;
- The nature of the tax items as shown on the new TRID statement.

With 1 hour of CE on Federal Tax Topics, the target audience is: Enrolled Agents, CPAs, CTEC Registered tax preparers, and unenrolled preparers.

Our speakers bring a combination of tax, financial and real estate expertise essential to understanding the topic area fully. Michael D. Power, EA, is also a Certified Financial Planner, with 20 years' experience. (He has contributed to many of the EBAEA CE presentations and networking group discussions.) He founded Power Investing, which has both individual and small business clients. Pam Stair holds a real estate license in California, and is licensed to originate mortgages; she has 20 years' experience in the real estate loan brokerage industry.

## **PRESIDENT'S MESSAGE**

*by Patty Pringle, EA, President, EBAAEA*

I just returned from Sacramento where I attended the State Tax Agency Liaison Meeting (STALM), held at the Franchise Tax Board Campus. Before the meeting began we took a tour of the facility. We were led through the mail room, and it was very impressive to see the amount of mail they receive and the method they use to sort the various sized envelopes. I always wondered why they have so many zip codes. They are all in the same facility -- just different departments. Payments are received and immediately processed. Then, all mailed in returns (including amendments) are scanned into their system. We are talking in the millions. The tour only lasted an hour but that was long enough for us to get the general idea of the process. Very impressive! The remainder of the day was spent hearing presentations from representatives from Franchise Tax Board, State Board of Equalization, Employment Development Department and the Secretary of State Office. CSEA did a wonderful job putting on the program along with Vicki Mulak, EA who is the CSEA Chair of Legislative Affairs. I highly recommend that you attend the STALM Meeting next year. It is usually held in either September or October.

The CSEA Public Information Awareness (PIA) Committee has some exciting news: Super Bowl 2016 will take place on February 7, 2016 at Levi's Stadium in Santa Clara. It's called the "Golden Super Bowl" because it will be held in the Golden State of California, in the home stadium of the San Francisco 49ers, a team named after the miners of the California Gold Rush, and because it's the 50th anniversary of the Super Bowl, traditionally the "golden anniversary". This is a golden opportunity to promote Enrolled Agents to the world. CSEA plans to have both an aerial banner and signs on the outside of the back of buses with Enrolled Agent advertising campaigns. For several days before, during and after the Super Bowl, the aerial advertising will fly the banner over and around the area of the Super Bowl. There will also be bus advertising "Need Expert Tax Help? Find a local Enrolled Agent." There will be a website and an 800 number for people to call. If you are a member of CSEA, your name will be included on the list. This is a wonderful advertising campaign and it will be seen by millions. Be sure to keep your information updated in the CSEA data base so you can be contacted.

Don't forget! The 2015 East Bay Tax Talk Seminar that will be on November 4th, 5th and 6th at the Holiday Inn in Dublin, CA. Please visit [www.ebaea.org](http://www.ebaea.org) and go to the events page for details on the event. (See page 8 of this Bulletin.)

I would also like to remind everyone that you no longer need to wait for the monthly Bulletin to get the latest information on our educational offerings. Peggy Hall, EA and Program Chair for EBAAEA, arranges for speakers and topics of interest for our monthly dinner

meetings. You will be able to see in advance the speaker and topics, and registering is just a click away.

## **WE MISS YOUR FACE !**

*by Sharon Hinchman, Membership Chair*

At last month's dinner meeting, we met three new people and reintroduced some old friends to the group. Not only were we there to hear about 1031 exchanges, but also to interact with other tax minded professionals.

For those of you who work from home or are a one or two person office, talking with someone who experiences many of the same challenges is often a way to solve your own problem. It may not be a tax question; it may be as simple as the name of a vendor that offers a service, or meeting a fellow member whose expertise is different from yours. Building a referral network of different skill sets can be invaluable.

One of the dilemmas that all chapters are facing is falling attendance. Most of us spend way too much time in front of a computer, and far too little time interacting with people. We can get all of our continuing education hours by remote control in front of that computer. When going to a dinner meeting or a seminar, the speaker does not necessarily give all the education that we receive. Tidbits can be picked up in a variety of ways. It will only happen if you make the effort and show your face!

We will be glad to see you at Tax Talk or the dinner meeting on November 18.

## **EAs AVAILABLE TO SPEAK**

There are a number of chapter members who welcome the opportunity to speak on a variety of tax topics. If you know of a group that would like a guest speaker, please contact Andy Rogers, EA, or Mark Bole, EA for suggestions.

## **NEAR FUTURE DINNER MEETINGS**

*by Peggy Hall, EA*

On December 16<sup>th</sup> at the Dublin Holiday Inn, Cynthia Leachmore, EA, a national speaker, will be making sure we remember exactly how to enter Same Sex Marriages into our software, including filling out the form 8958 (which she helped develop). She will highlight the difference in treating RDPs and Same Sex Couples on the tax return, and will discuss estate planning issues in light of the Federal change allowing marriages of same sex couples. This is a holiday gift to our members as it will add dollars to your billings, since you now will be able to accept same sex couple clients with confidence!

In January, we welcome Scott Haislett, CPA, another experienced speaker. He will talk with us in depth about Trust Administration, with memorable "war stories". Send questions you have, or topics you would like covered, to Peggy Hall [halloftaxes@gmail.com](mailto:halloftaxes@gmail.com).

## **EBAEA MEMBERSHIP REPORT**

*by Sharon Hinchman, Membership Chair*

### **Need a lift from the BART station?**

There are many ways to get to our dinner meeting. Some of us carpool and some take BART. While our newest venue in Walnut Creek is just across the street from the Pleasant Hill station, the Dublin/Pleasanton station is quite a walk. Trains run 15 minutes apart.

Getting to meetings only takes a willing driver in the Dublin area who can meet a train and pick up a BART rider. It requires a little planning. If anyone is interested as either a BART rider or a driver, please make note of my email address (below). Please contact me on Monday before the dinner meeting and I will forward your request to the other party. Don't let our transit gridlock keep you from attending! [Sharon@abacus-tax.com](mailto:Sharon@abacus-tax.com).

## **EBAEA EMAIL LISTS**

EBAEA sends news to Members via two one-way (send-only) email distribution lists. Subscription is free and completely voluntary, and you can subscribe or unsubscribe to either list any time you wish. For more information and to subscribe, visit:

<https://secure.clientwhys.com/?cid=4942east&subscribe=1>

### **EA Meeting Sept 16, 2015:**

#### **EBAEA Tax Panel**

*by Linda Fox, EA and Peggy Hall, EA*

Our September dinner meeting featured an expert panel including Sal Romo, EA, Lonnie Gary, EA, USTCP, and Phil Fiegler, EA, who agreed to take questions. This is a recap of the questions and answers:

1. Allowed or Allowable Depreciation? Does the tax basis of a rental property that is sold need to be adjusted by the depreciation allowed or allowable? Seems like I remember some discussion that basis adjustment only needed to take into account depreciation actually allowed and taken on previous years' tax returns. Does everybody on the panel think the basis needs to be adjusted by allowed or allowable depreciation, or does anybody think the only adjustment needed is for allowed depreciation? If the latter, any sources to cite?

Panel: Are we talking about too much or too little depreciation? If the taxpayer did not take enough, file a 3115 for accounting method change. If you took too much--you need to make a positive 481(a) adjustment. If you need to make a positive adjustment of more than \$25,000, you need to take it over 4 years unless you elect to take it over one year. If you made an error, like the wrong amount depreciated over wrong year, this is not a method of accounting change. This is different and you must file an amended tax return. There's an exception for home office--look this up to see if there is a different way of treating it.

2. Client closed out his S-corp at the end of 2014 but did not actually distribute cash in redemption of his

stock until well into 2015. He had some expenses closing out the corp in 2015 (tax preparation and FTB tax for 2015). Does he a) show the sale of the stock in 2014 (breakeven) and show the expenses as capital loss in 2015 (additional basis or costs of the disposition of assets), b) add the costs to the basis when reported in 2014 or c) since he wasn't cashed out until 2015, report it all in 2015? You are no longer in business so you can put this in articles of incorporation, to say you need to leave some money in the bank account to pay expenses that arise.

Panel: It depends on when the corp is dissolved. At this time, accrue all expenses, i.e. tax prep. Do the final return. The answer is choice "b" -- as company is no longer doing business, add it to basis. This assumes they have filed the proper articles and certificate of dissolution.

3. Taxpayer is selling some domain names he owns. They can be sold for \$50,000 to \$100,000. If he donates these to charity can he take a deduction for the fmv?

Panel: Treat as any other charitable deduction. Get an independent appraisal. But wait -- is this Intellectual property or intangible property? Depending on the answer -- deduction could be limited to basis. (If sold, treat as capital gain. Follow suit for donation or treat differently). Consult an attorney. Look for court cases on this.

*Author comment -- stated another way, the question is whether a domain name falls under the definition of capital asset or not.*

4. Taxpayer owned a rental property in CA which was foreclosed in 2009. As far as we know, the loan on the property was a recourse loan. To the taxpayer's knowledge, no attempt was made to collect on the loan. In 2014, the taxpayer received a 1099-C for the cancellation of debt on the property foreclosed in 2009.

First question: Is there any statute of limitations on cancellation of debt after a foreclosure?

Panel: Yes, 7 years.

Second question: Does a rental property qualify for the Qualified Real Property Business Debt exclusion from recognizing COD income?

Panel: It depends on whether you consider the rental a trade or business. It depends on the facts and circumstances of the rental. QRPB applies to property used in a trade or business. (General answer -- may be different answer if limited partnership)

Third question: Is there an issue if the rental property is not included on the tax return (as it was disposed via foreclosure) in a prior year?

Panel: no problem.

*Author comment--When you take the QRPB you are supposed to reduce the basis of the disposed of property in the year it was sold...*

Fourth question: If the taxpayer has not tax attributes or assets to reduce tax attributes of basis, is the exclusion of income subject to no economic effect?

Panel: When you run out of basis in assets, you can't reduce any more. Effectively, free money.

5. TP & Spouse were divorced at the end of July 2014. They own their house and both still live in it. TP is self-employed and spouse has wages full year. How would the income and deductions be reported on their individual 2014 returns?

Panel: Community property for first 7 months; next 5 months, allocate shared expenses. There was a recent court case. Co-habiting shouldn't change the outcome. But because living together changes the way this is calculated, you need to look up the court case.

6. Taxpayer rented residence for few years prior to 2008, and had suspended losses due to high income level. Converted the property back to personal residence in 2008. Can TP use any of those suspended losses in future years?

Panel: Answer depends on whether home was disposed of in a fully taxable transaction or not. If it is a fully taxable transaction, then you can use passive losses. If not, then passive losses get carried over for use against other passive income.

Lonnie said it depends on whether it was a personal residence or a rental when it was sold. If it was a personal residence when sold they do not get to use the passive activity loss. If it is a rental when sold – the section 121 is considered an exclusion so the transaction is fully taxable and the passive losses can be used.

There were several attendees that disagreed with this answer so it is advisable to look this one up for yourself. Greg said the passive loss could be taken if there was gain over the 121 exclusion amount. Sharon said that in an audit she was involved in the loss was allowed in the year of sale of the residence.

*Author comment – Taxpayer could be advised to purchase passive income generator. Possibly a PTP to use up the passive losses.*

7. Taxpayers have distributions from various K-1's that have a negative tax basis. Should those distributions be treated as a capital gain? Also how is a line 13 deduction with a code W which is a Section 754 Depr item treated on the Form 1040?

Panel: Part I: You need outside basis to answer this question. You should get info from taxpayer and calculate this for them each year. You can't just use figures from K-1. K-1 is actually showing you capital account. You cannot use the capital account on the K-1 to decide what is basis. The inside basis is what is on the K-1; outside basis differs due to several factors including share of liabilities. If there is actually a negative basis, yes the distribution will be a long or short term capital gain, depending on the how long the entity was held.

Part II: Phil puts it in passive other screen in software – in Lacerte as a negative. It will affect income from partnership and inside/outside basis. Look carefully at K-1 to make sure it is not double counted; i.e., was it already taken into account on line 2? Another way to take it would be on E2. However it is taken, it has to be linked to the K-1.

8. Since 2007, taxpayer owned house with his brother. Both were on mortgage and made equal payments; both names were on Form 1098 but only the brother's SSN was on it. The IRS disallowed his deduction for 2007 thru 2010 and assessed taxes for those years. What can be done at this time to recoup some of the taxes?

Panel: Fight it because it is wrong. Report on line as interest paid to others – not as paid to bank, i.e. as nominee interest. Title matters most- more than form 1098. If they are on title and make the payment, the deduction should be allowed.

*Author comment – I am surprised taxpayer lost on this. My client, not on form 1098, had interest disallowed by IRS. I sent them Form 1098 saying how interest was split and it was accepted.*

9. Taxpayer received a notice that some stock sales were not reported on their tax return. It turns out the stocks were sold at a loss. How would you handle this? Write a letter with all of the details in response to the IRS notice? Send along an amended return with for demonstration purposes only across the top? File an amended tax return?

Panel: (Lonnie) writes letter. CP2000 instructions say not to do amended return, and then later say you can do an amended return if you want – but write CP2000 across the top. Attach schedules that have changed. In this case, Schedule D etc. and send to IRS. 1040X can lead to processing errors. Some people put “info only – do not file” on 1040X.

Jill said she talked with the CP2000 people. They do not want to see the 1040X. They want to see the 1040 reflecting the changes with a note across the top. Practice Pointer – do 540X also, as there is information sharing with State of CA.

*Author comment – I have done many of these with CP2000 on amended return and haven't had the processing problems the others have described.*

10. Re: HH employee/medical deduction issue: I recently read NAEA article about HH employee/medical deduction. Author stressed that it was an error to give HH employee a 1099, and that the worker must be given wages and paid according to DOL overtime etc. When it comes to tax time and the taxpayer hasn't done payroll -- what to do? Take the medical deduction anyway?

Panel: Report on Sch H; give W-2 (late with penalty). No shortcuts. File back payroll reports. (Perhaps all wages were paid in December). Get EIN. Go to payroll company. Use agency.

11. Everyone is having a terrible time getting through to competent people at the IRS or even getting a phone answered. Does anyone have an easy or direct way in? Is anything being done to help taxpayers and preparers resolve issues on the phone? Phil has addressed this a little in our email group.

Panel: No. Nothing to be done. Write Congressman. There is a political game going on here between the IRS Commissioner and the Congress. Koskinen (IRS commissioner) is upset because the IRS budget is cut so he wants to make it hurt so Congress sees the problem with the budget cut.

12. I have also been receiving notice of deficiency notices for 2013 returns, basically bypassing the CP2000 process, or not typing in the receipt of check (which was cashed) even on an agreed on CP2000. Do we ignore the CP3219A and just assume all just crossed in the mail? Is it too late to mail in an amended return when the IRS calculated the adjustment incorrectly? Are these millions of CP notices all going to court without any humans ever looking at them?

Panel: CP3219A = notice of deficiency. It sounds like a systemic issue. Phil can bring it to the shareholder Liaison. Case will continue to be worked. Don't let 90 days expire. File petition within 90 days.

*Author comment – I had this happen a few years ago. It was scary. I did not do formal petition, (that would take hours/days), but instead wrote letter saying that I was petitioning and re-sent with prior documentation to court address. And somehow it got cleared up by IRS without going to court. I think the important thing is to keep responding. Keep responding to every correspondence received from IRS.*

13. I still have clients getting those nasty calls saying they are from the IRS and you are going to jail tomorrow if you don't pay \$10,000. Can the IRS trace the cell phones or do anything to stop this or do we just keep on notifying TIGTA. I can't imagine how many people are being scammed. The Danville police told me they were getting 50 complaints a week about this scam earlier this year.

Panel: IRS can't trace phone calls. They are not the NSA. TIGTA – not a law enforcement agency. TIGTA will build case for US Attorney.

14. Large payroll processor is engaged to process payroll for household employees. Tax preparer files 1040 with Sch H. Flash forward a year or so when a notice arrives from the SSA asking why 2x wages are reported as compared to W-2s that were filed. After some investigation, it turns out the payroll processor filed 940/941 so along with Sch H 2x wages were reported. Payroll processor files amended 941s with \$0 wages, but IRS rejects them. Question: How best to resolve?

Panel: Lonnie has had this situation. ADP went to IRS and resolved it for client. It is not easy to resolve and will be very time consuming.

15. Are S Corp health care plans allowed?

Panel: Regarding S Corps medical insurance, continue as before (in 2008-1)--Notice 2015-17. No penalties will be issued, but lookout for further guidance.

Additional issue – Do Cobra & Medicare qualify as S corp health insurance?

Panel: Presumably yes, as LT care premiums do too.

There were also some questions from attendees, and the following is a brief summary of the questions and answers:

Ownership of inherited property – if unclear, this is a legal question.

Distinguishing active and passive items in a PTP, the PTP is required to inform the taxpayer, but anything in a limited partnership should be passive.

Regarding TRP, and whether an October 15 deadline to “clean up” prior depreciation errors can be extended, the answer is that a private letter ruling would be needed after October 15.

Asked how one calculates depreciation with a new client and incomplete information, the panel indicated you simply have to do your best to figure it out, and by telling the client what it may cost for you to do so, they may be more diligent about furnishing missing info.

If you have comments about the questions and answers, send them to Peggy Hall at [halloftaxes@gmail.com](mailto:halloftaxes@gmail.com). We will publish these comments in a future Bulletin in order to keep the discussion going.

## **MEMBERS SPEAK**

Upcoming presentations by EBAAE Members include:

November 10: Basic Payroll, 455 Market Street, San Francisco 9 am - 3 pm. Michele Zimmerman [michele.zimmerman@comcast.net](mailto:michele.zimmerman@comcast.net) for more information.

November 17: Basic Payroll-Short Course, 7677 Oakport Street, Suite 400, Oakland CA, 9 am - 12:30 pm, Andy Rogers [Andy@TaxBuddha.com](mailto:Andy@TaxBuddha.com) for more information.

November 17: Schedule C, 455 Market Street, 6th Floor, San Francisco 6-8:30 pm. Andy Rogers [Andy@TaxBuddha.com](mailto:Andy@TaxBuddha.com) for more information.

December 2: Basic Payroll, 1515 Clay Street Room 9, Oakland 9 am - 3:30 pm. Andy Rogers [Andy@TaxBuddha.com](mailto:Andy@TaxBuddha.com) for more information.

December 8: Basic Payroll, 455 Market Street, San Francisco 9 am - 3 pm. Andy Rogers [Andy@TaxBuddha.com](mailto:Andy@TaxBuddha.com) for more information.

For EBAAE members to list speaking engagements next month, please email [Andy@TaxBuddha.com](mailto:Andy@TaxBuddha.com) with details.

## Small Group Tax Meetings

**Antioch /Brentwood** Fridays 8:00am  
Brentwood Café, 8500 Brentwood Blvd, Brentwood  
**Ken Seamann EA** (925) 634-8297

**Danville Area** 4<sup>th</sup> Tue 9:30am  
Pascals French Oven, 155 Railroad Ave, Danville  
**Michael Power EA** (510) 366-8836

**Oakland Area (Near BART)** 4<sup>th</sup> Tue 9:00am  
Buttercup Café, 229 Broadway, Oakland  
**Andy Rogers EA** (510) 332-0401

**Livermore Area** Fridays 8:45am  
Shari's Restaurant, 1116 East Stanley Blvd, Livermore  
**Jerrilynn Krebs EA** (925) 606-8181

**Castro Valley** 2nd Tue 8:30am  
Dino's Restaurant, 20390 Lake Chabot Rd, Castro Vly  
**Dagmar Bedard EA** (510) 537-3883

**Email-only Group** as needed  
Send an email to [halloftaxes@gmail.com](mailto:halloftaxes@gmail.com)  
**Peggy Hall EA** (925) 388-1040

## IN CASE YOU MISSED IT – TAS REPORT

*by Robert Seymour, EA*

Mid-July, the National Taxpayer Advocate, Nina E. Olson, released the required mid-year report to Congress, identifying priority areas and challenges. This report focuses on the priority issues for the coming fiscal year, including the IRS' strategic planning, tax-related ID theft and administration of the Affordable Care Act (ACA). Her report concludes that the IRS ran a generally successful filing season under difficult circumstances. However, for those requiring IRS assistance, “. . . the filing season was by far the worst in memory.”

These observations may confirm what you saw:

The IRS answered only 37% of calls to customer service reps, with an average 23-minute hold time, substantially worse than the previous filing season.

Taxpayers notified that their returns had been blocked by the Taxpayer Protection Program (TPP) on suspicion of ID theft, had only 17% of calls answered, with 28-minute average hold times.

Practitioners who called the Practitioner Priority Service line had their calls answered 45% of the time, with an average 45-minute hold time.

“Courtesy disconnects” – when the IRS essentially hangs up on the caller because the switchboard is overloaded – skyrocketed from 544,000 in 2014 to 8.8 million in 2015.

The report notes that with real funding decreased 17% since 2010, the enforcement budget is more than double the Taxpayer Services budget, even though 98%

of all revenue collected is paid voluntarily and timely, with less than 2% collected through enforcement action.

Ms. Olson noted, with regard to the IRS strategic planning, that it continues to view itself as an enforcement agency, focused on the relatively small portion of the population that is unwilling to comply with the tax laws. She fears that “increasing enforced collection would be a hollow victory if voluntary compliance declines because of decreasing taxpayer service and the attendant loss of good will.” She emphasized the need for taxpayers and their representatives to be able to talk with the IRS.

The Taxpayer Advocate Service is an independent organization within the IRS, and in addition to assisting taxpayers directly, offers seminars that qualify for CPE to tax professionals.

## BULLETIN ADVERTISING POLICY

*by Robert L Seymour, Bulletin Editor*

To encourage more Members to use the Bulletin to fill their needs, we present the Bulletin advertising policy:

- 1) All Bulletin notices are run for a maximum of three months. If you wish to run a notice for a longer period, you must resubmit the notice.
  - 2) Maximum notice size is 1.5 column inches. This equals a space one and one-half inches high by one column (3.5 inches) wide. The standard Bulletin font is Times New Roman 11 point.
  - 3) The Bulletin Editor reserves the right to edit any notice for style, content and length.
  - 4) All notices must be submitted (and payment received) by the 25<sup>th</sup> of the month prior to initial publication. Send desired text to: [EBAEA.Editor@gmail.com](mailto:EBAEA.Editor@gmail.com).
  - 5) Member notices seeking or offering employment, clients or EA-practice-related matters are run at no charge as a Member benefit. This includes an ad run by a firm which employs a Member. Member notices offering other services or products, and all non-Member notices are run at the standard fee of \$150 for the three-month insertion.
- The Bulletin Editor reserves the right to modify or reject any notice which, in the sole opinion of the Editor, violates any of the principles of EBAEA.

## CALENDAR OF EVENTS

### November 2015

- 4 - 6 EBAEA Tax Talk Seminar  
In Dublin
- 4 - 6 NAEA Orlando Conference & NTPI  
In Orlando, Florida
- 18 EBAEA Dinner Meeting  
In Dublin

### December 2015

- 16 EBAEA Dinner “Same Sex Marriages”

### January 2016

- 20 EBAEA Dinner “Trust Administration”

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## 2015 - 2016 Board of Directors and Committee Chairs

President: Patty Pringle, EA 510-912-1682  
1st VP: Aida Torres, EA 510-724-6409  
2nd VP: Sharon Hinchman, EA 925-743-1108  
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Gail Stan, EA 925-336-0589  
Joanne Anderson, EA 925-938-9086  
Director 2015 – 2016 (1 year):  
Katherine Judd, EA 925-283-0130  
Tim Hintzoglou, EA 925-930-7737  
Peggy Hall, EA 510-388-1040  
CSEA Director: Aida Torres, EA 510-724-6409

**Communication Committee (2<sup>nd</sup> VP)**  
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Legislative: vacant  
Membership: Sharon Hinchman, EA 925-743-1108  
Membership Ambassador:  
Joanne Anderson, EA 925-938-9086

Practice Preservation: Linda Fox, EA 925-846-5913  
PIA: Patty Pringle, EA 510-912-1682  
Quickfinders: Clare Flores, EA 510-785-8356  
Website: Patty Pringle, EA 510-912-1682  
IRS Practitioner Panel: Phil Fiegler, EA 510-530-1174

**Education Committee (1<sup>st</sup> VP)**  
**Chair:** Aida Torres, EA 510-724-6409  
Continuing Ed: Katherine Judd, EA 925-283-0130  
Educ. Coord.: M. Williams-Jones, EA 510-482-6204  
Mini Seminar Team: Patty Pringle, EA 510-912-1682  
Program: Peggy Hall, EA 925-388-1040  
SEE Class: vacant  
Tax Talk: Patty Pringle, EA 510-912-1682  
Town Hall: Patty Pringle, EA 510-912-1682

**Administration Committee (IPP)**  
**Chair:** P Gail Nanbu, EA 925-943-3993  
Bylaws/SOP: Gail Stan, EA 925-336-0589  
Chapter Office: Dagmar Bedard, EA 510-537-3883  
Financial Review: vacant  
Nominating: Patty Pringle, EA 510-912-1682  
Volunteer Coord.: Sharon Hinchman, EA 925-743-1108

### EAST BAY ASSOCIATION OF ENROLLED AGENTS

6400 Village Parkway, Suite 201, Dublin CA 94568-3006

(800) 617-1040 or (925) 320-7802 fax (925) 553-3515 email: [ebaea@ebaea.org](mailto:ebaea@ebaea.org)

Bulletin editor: [EBAEA.Editor@gmail.com](mailto:EBAEA.Editor@gmail.com). (Robert L Seymour, EA)

Web Page <http://www.ebaea.org>

**24 Federal CPE**

**Including 2 Hours of Ethics and 3 Hours of Federal Tax Law Updates.**

**Or attend 1 Day and Receive 8 Hours of Fed CE**

## **2015 TAX TALK**

**Holiday Inn - 6680 Regional Street, Dublin, CA 94568**

**Nov. 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup> - 8:00 AM – 5:00 PM**

Presented By

**EAST BAY ASSOCIATION OF ENROLLED AGENTS**

<https://www.123signup.com/calendar?Org=ebaea> (Copy and paste into your browser)

or visit our website [ebaea.org](http://ebaea.org) and click on the events tab

All Registration Includes: Continental Breakfast, Hot Lunch Selection, Afternoon Snacks and all Materials

**Wednesday, November 4<sup>th</sup>**

**Gary McKinsey, EA – “Recent Tax Court Decisions” 2 Hours CE  
and “Tax Issues of the Home Based Business” 2 Hours CE**

**Lisa Ihm, EA –**

**“Bankruptcy” 2 Hours CE**

**“After Insolvency” 2 Hours CE**

**“Tax Talk after Hours” 5:30 PM to 7:00 PM**

**Enjoy Wine, Cheese and Crackers during a Q & A Session**

Featuring

**A well-known presenter from the CA Franchise Tax Board**

**With paid Wednesday Seminar Registration Only**

**Thursday, November 5<sup>th</sup>**

**Lisa Ihm, EA – “Alternative Minimum Tax” 2 Hours CE**

**“Cancellation of Debt” 2 Hours CE**

**Beanna Whitlock, EA -**

**“Federal Tax Law Update” 3 Hours CE**

**“Highlights of the Tangible Property Regulations” 1 Hour CE**

**Friday, November 6<sup>th</sup>**

**Jennifer MacMillan, EA**

**“Ethics” 2 Hours CE (Required)**

**“Schedule C Audit Issues” 2 Hours CE**

**IRS Stakeholder Liaisons, Vivienne Antal and Terri Malone**

**“Identity Theft” 1 Hour CE**

**“How to Navigate the IRS Website” 1 Hour CE**

**Peggy Hall, EA – “Affordable Care Act (ACA)” 2 Hours CE**

**Special pricing available at the Holiday Inn available. Please visit the [ebaea.org](http://ebaea.org) website and click on the events tab for additional information. Call Patty Pringle, EA 510-912-1682**



# CSEA Education Offerings

CSEA has a variety of education offerings throughout the year. Here is a list of what is available for the rest of 2015 and the beginning of 2016. All of these classes can be found on the CSEA website and you can get more information and/or register by using the following link.

<http://www.csea.org/education/calendar-of-events/>

## **Church and Minister Taxation**

**November 3, 2015 8:30 am – 4:30 pm**

**CSEA/Cal CPA Presentation**

8 Hours

Churches may be tax exempt, but they aren't outside the reach of the IRS. Churches are responsible for correctly reporting payroll, understanding the rules for charitable contributions, recognizing unrelated business income and filing the appropriate returns. Further, the tax rules for ministers—including who the IRS considers a minister—are complex and an understanding of these rules is necessary, including parsonages and housing allowances, minister expenses, Social Security for ministers and more.

## **Federal Representation Workshop - Laguna Niguel**

**November 4, 2015 8:00 am – 5:00 pm**

**CSEA Education/ Laguna Niguel, CA**

9 Hours

This workshop gives you access to IRS managers and practicing Enrolled Agents - a great opportunity to learn from both perspectives. Attend this workshop and you will increase your federal representation expertise. You will also:

- Learn strategies to represent your clients efficiently, successfully and confidently.
- Learn to provide representation as a premium service which can lead to more income.
- Understand IRS compliance processes and procedures regarding examinations, collections, appeals, and offers in compromise.
- Become your clients' best advocate.

## **Form 1041 Workshop**

**November 4, 2015 8:30 am – 4:30 pm**

**CSEA CalCPA**

8 Hours

Successfully navigating Form 1041 can be a challenge for even the most seasoned practitioners. This course reviews more advanced issues that arise in fiduciary accounting and taxation, targets special situations involving fiduciary accounting for flow-through entities and reviews issues that arise upon the death of the grantor or first spouse. We'll also explore how new legislation impacts Form 1041, California Form 541 issues and discuss favorable planning opportunities to minimize taxes and special elections

## **Pen to Paper Tax Intensive**

**November 12, 2015 – November 13, 2015**

**CSEA Education Atrium Hotel Irvine, CA**

2 Days

This year's Pen to Paper Tax Intensive will continue CSEA's tradition of excellence in CE and will cover the complexities of the U.S. taxation of individuals and businesses that work or invest overseas, providing pen to paper guidance related returns and schedules.

## **Advanced Tax Planning Techniques**

**November 17, 2015 8:30 am – 4:30 pm**

**CSEA/CalCPA Webcasts**

8 Hours

Learn creative and cutting-edge tax planning techniques, as well as survey various sophisticated and contemporary planning strategies involving partnership, real estate, corporate, international, individual and estate tax rules. Course materials will provide a comprehensive reference for many transaction types and will outline and diagram the discussed planning techniques and structures.

## **Preparing Complex 1040s**

**November 17, 2015 8:30 am – 4:30 pm**

**CSEA/CalCPA Webcasts**

8 Hours

For many practitioners and clients, tax simplification is only a dream for many. This program is designed for the tax practitioner who is ready to handle the most complex individual income tax preparation problems, including tax-deferred exchanges, passive losses, AMT and carryback benefits.

### **Partnership Preparation, Basis Calculations and Distributions: Form 1065 Schedule K & K1 Analysis**

**November 19, 2015 8:30 am – 4:00 pm**

**CSEA Education**

7 Hours 30 Minutes

This comprehensive course will get you up to speed with partnership and LLC formation and preparation issues, as well as provide a thorough understanding of calculating a partner and LLC member's basis. We'll take a line-by-line analysis of Form 1065 Schedule K and K-1—and how these items affect the partner/member's individual income tax return.

### **Building Blocks Schedule A: From Top to bottom Inside Out & Between the Cracks (2 day webinar)**

**December 2, 2015 8:00 am – 10:00 am**

**CSEA Education**

2 Hours (Repeats Every Day Until December 3, 2015)

Schedule A appears on more returns than any other form with the exception of the various e-filing forms used. Because of our varied familiarities with Schedule A, it is easy to take for granted our knowledge of the form and not give it enough review prior to tax season. This webinar will review the familiar and explore the not so common and no so familiar deductions that may pop up during tax season, including every form that flows into Schedule A. This webinar will work the form line-by-line, step-by-step and top-to-bottom.

### **Building Blocks Schedule A: From Top to bottom Inside Out & Between the Cracks (2 day webinar)**

**December 3, 2015 8:00 am – 10:00 am**

**CSEA Education**

2 Hours (See above; Repeats Every Day Until December 3, 2015)

### **Building Blocks Schedule C: Under Construction - Hard Hats Only!**

**December 9, 2015 8:30 am – 12:00 pm**

**CSEA Education**

3 Hours 30 Minutes

Laying a solid foundation before building anything only makes good sense, and Schedule C is no different! It looks simple enough but is it? We will start at the very beginning, examining which taxpayers are expected to use Schedule C, how it is designed to function and what organizational work should precede its completion. After the groundwork is laid, this webinar will work the form line-by-line, step-by-step, and top-to-bottom in a "hands-on" manner that is sure to benefit all preparers, whether apprentice, journeyman or a master craftsman in a best practice approach to Schedule C construction.

### **Settled and Approved: Fiduciary Accounting from Start to Finish**

**December 9, 2015 8:30 am – 4:30 pm**

**CSEA /CaICPA Webcasts**

8 Hours

Trustees and executors typically must account annually, while conservators and guardians must account every two years. Yet very few tax practitioners who represent fiduciaries understand how to prepare and present fiduciary accountings. This course will explore the differences between fiduciary accounting and tax and financial accounting; use real-world examples to move from basic concepts of fiduciary accounting to more complicated aspects of the Uniform Principal and Income Act; and discuss techniques for highlighting the fiduciary's good deeds, while mitigating the bad. You'll also explore fiduciary fees and the challenges tax practitioners face when they serve as trustees.

### **Tax Considerations for Buying and Selling a Business**

**December 11, 2015 8:30 am – 4:30 pm**

**CSEA/CaICPA Webcasts**

8 Hours

We'll review the options for structuring a sale from both the buyer's and seller's perspectives with the purpose of minimizing tax cost and consider the sale of C corps, S corps and partnerships to aid you in planning the sales transaction and determining the value of using a partnership or S corp to conduct the business. Also, we'll cover topics that are not routinely considered in a tax compliance practice, but are important to the sale of a business.

## **Basis Calculations & Distributions for Pass-Through Entity Owners: Schedule K-1 Analysis**

**January 6, 2016 8:30 am – 4:00 pm**

CSEA/CalCPA Webcasts

7 Hours 30 Minutes

This comprehensive course is designed to bring you up to speed quickly in the area of basis calculations and distribution planning for the owners of pass-thru entities (i.e., S corporations, partnerships and limited liability companies). The cornerstone of this course is the line-by-line analysis of the Schedule K-1s for S corporations and partnerships.

## **Affordable Care Act – Review and Update**

**January 20, 2016 8:30 am – 4:30 pm**

CSEA/CalCPA Webcasts

8 Hours

Every American taxpayer will be affected by President Obama's signature health care law, the Affordable Care Act (ACA). The already complex and confusing income tax provisions enacted by the ACA are constantly being updated and modified by new IRS guidance. This course will concentrate on the Federal income tax issues of the health care law affecting both individuals and businesses.

## **Tangible Property Regulations Update**

**January 27, 2016 9:00 am – 10:40 am**

CSEA digiTAX Webinar

1 Hour 40 Minutes

The tangible property regulations created quite an uproar in the last filing season, which was further aggravated by IRS release of three last minute Revenue procedures and a small business simplified method in early 2015. In addition to updating the practitioner on this final guidance from IRS, this webinar should clarify the definitions, elections, safe harbors and accounting method changes integral to these regulations as well. In spite of perceived complication, there is a welcome simplification inherent in both the safe harbors and the required Forms 3115, since many of the accounting method changes utilize the "cutoff method" rather than the complex Section 481(a) adjustment rules. Sample completed Forms 3115 and more will be included, resulting in a functional road map for any practitioner for the upcoming filing season.

**Super Seminars 2016 – Information will be coming out soon!**

**Las Vegas, NV – Rio Hotel May 17-19 2016**

**Reno, NV – Grand Sierra, June 1 -3 2016**