



The Orange County ENROLLED AGENT

The Tax Professionals

Editor: Dale Quelle, EA • • 714-899-2221 • 14340 Bolsa Chica Rd. #A • Westminster, CA 92683-4868

Volume 2011 - 2012 Issue 1 July 2011



Welcome New Members

S. Lockwood, EA

Peter Globe, EA

Dinner Menu

BBQ Pork Ribs
Chef's Choice Fish
Garlic Mashed Potatoes
Corn Cobbett's
Caesar Salad
Assorted Garden Relish
with Dip
Sliced Seasonal Fruit
Bee Sting Cake
Black Forest Cake

The Vision of OCEA is to serve, to represent the best interests of Enrolled Agents in Orange County, and to emphasize and enlighten the general public that an Enrolled Agent is the premier tax professional.

The Mission of OCEA is to encourage professionalism, personal growth, and educational growth, while providing member benefits and enhancing the role of Enrolled Agents among the local governmental agencies, other professionals, and the general public.

OCEA is 431 Members strong and proud to be the largest Chapter of CSEA.

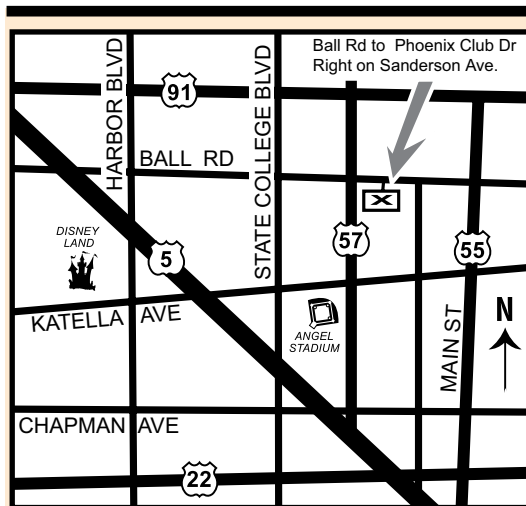
July 19, 2011 1 Hr CPE Program

S-Corp vs. LLC A Basis Comparison

by Vicki Mulak, EA, CFP



For those of us who prepare S-Corporation and/or LLC tax returns, the issue of determining "Basis" can be difficult and somewhat mysterious. Vicki will teach us how to calculate S Corp Basis and how to limit the losses to that Basis; as well as how to calculate LLC member interest Basis and how to limit those losses as well. We will learn how to recognize a taxable distribution from an LLC or an S Corporation. Vicki will present a practical analysis comparing and contrasting the critical Basis issues between the two entities. With a thorough understanding of Basis, we can better assist our clients in initial entity selection, as well as ongoing management of K-1 flow-through items.



Meetings are held at the Phoenix Club

1340 S Sanderson Ave, Anaheim, CA 92806

Agenda July 19th

4:30 Board Meeting

5:30 Social Time

6:00 Dinner Hour

7:00 1 Hr CPE Program \$35/\$40

\$35 for Member pre-registration before midnight on the Thursday prior to the dinner meeting; \$40 for on-site registration and for non-members for meetings with 1 hour of CPE credit. Meetings with 2 hours of CPE credit are \$45 and \$50 respectively. To make a reservation go online to our web site www.eaoc.org and select the sign up button next to the event you would like to attend and follow the prompts. If you incur any difficulties signing up contact Donna Miller EA at 562-424-3088 or Lisa Newton EA at 562-267-0351

PRESIDENT'S MESSAGE

by John Kristianson, EA

First, I wanted to thank you for your vote to elect me as President of OCEA. It is a great honor to serve this organization. And what an organization it is. We are the largest chapter of Enrolled Agents in California and in the US. Besides being the largest chapter, we also have some Members who have attained state wide and national visibility. Names like Vicki Mulak who is a nationally recognized lecturer; Sherrill Trovano who is the new president of NAEA; Lynn Freer who is the head the Spidell Publishing Corporation; and OCEA's past-president from two years ago, Patricia Kappen, who is currently 2nd Vice President Elect of California Society of Enrolled Agents for the 2011/2012 term.



And we have people who have worked tirelessly to further the EA profession and build our chapter. Some of those people would include Dale Quelle, who has been editor of The Orange County Enrolled Agent newsletter for the past 12 years and Lisa Newton who received a special commendation from CSEA president, Kim Kastl, that was awarded at the June dinner meeting. And most importantly, each of you, our members who conduct themselves with high levels of integrity on a daily basis, to advance not only your own businesses, but the EA Brand. In short, we have a lot to be proud of as a chapter. But we are who we are because ordinary people took extraordinary risks and contributed extraordinary amounts of their time to build their vision of their respective practices and their vision of OCEA. This year, we have inducted four new board members, Hugh Cunningham, Joseph Dimino, Patricia Patterson, and Victor Silver. This is amazing to have 80 % of the Directors who are brand new. They have committed themselves to the betterment of the chapter.

At the Chapter Retreat held at Lake Arrowhead last week, I challenged the long serving members of the leadership team of CSEA to find replacements for their functions. Not for any reason than, new people bring new perspectives to the position. Notice that I did not say "better"; just "new". And with new perspectives, we are able as a chapter to move in new directions or to see things differently. And just like I challenged the Leadership team, I am challenging you, what are you going to do this year to make OCEA an even better chapter? We cannot rest on our laurels just because we are the biggest. If each member contributes to the chapter, we are able to achieve great things.

And this year promises to be a great year. Our new education committee Chairperson, Joe Dimino, is lining up excellent seminars to coincide with our meetings. In July we have the Cancellation of Debt workshop taught by Lisa Ihm. If you were at the June dinner meeting, you heard Lisa talk. She is an excellent instructor. Additionally, we have tentatively lined up Beanna Whitlock to teach an LLC seminar in December. Beanna is a nationally recognized expert in LLC's and a highly acclaimed tax professional.

I look forward to this 2011 – 2012 year. It will be a great year for our chapter and for each of you. What will you do to help make it great?

John



The Tax Professionals

President

John Kristianson, EA
236 Mira Mar Ave
Long Beach, CA 90803-6126
(562) 438-6059, taxmann@earthlink.net

First Vice President

Patricia Yeckel, EA
22342 Avenida Empresa #280
Rancho Santa Margarita, CA 92688
(949) 888-2829, pyeckel@canyontax.com

Second Vice President

Donna Miller, EA
2698 Junipero Avenue, Suite 101B
Signal Hill, CA 90755
(562) 424-3088, dmillerea@aol.com

Secretary

Marilyn Ratliff, EA
17821 17th St #270
Tustin, CA 92780-2161
(714) 505-6700, marilyn@btprofessional.com

Treasurer

Robin Miller, EA
PO Box 4424
Mission Viejo, CA 92690
(949) 347-8522, taxesbyrobin@cox.net

Directors

Hugh Cunningham, EA
1577 S Harbor Blvd
Fullerton, CA 92832
(714) 803-0300,
hugh@prudentialcaliforniarealty.com

Joseph Dimino, EA
1901 Newport Blvd, #350
Costa Mesa, CA 92627
(949) 999-2036
DiminoBraunsen@sbcglobal.net

Patricia Patterson, EA
3338 Punta Alta, #1A
Laguna Hills, CA 92637
(714) 514-4811, tishp1126@gmail.com

David Shashoua, EA
3773 McCray St
Riverside, CA 92507
(951) 328-0800, david@legalrc.net

Victor Silver, EA
285 E Imperial Hwy, #201
Fullerton, CA 92835
(714) 879-1522, vsilver1@aol.com

CaSEA Director;

Devang Mehta, EA
22632 Golden Springs Dr, #110
Diamond Bar, CA 91765
(909) 861-8100, dmehta@pmadvisors.com

Immediate Past President;

Russell Fox, EA
13 Leda
Irvine, CA 92604
(714) 225-7877, rcfox@claytonservices.com

From The Quill

Notes from your Secretary

* The June Board meeting was very special because it was held at our Retreat in Lake Arrowhead. The past year's Board was there as well as the new Board members, the new committee chairs, and a few other interested members who will help on committees in the coming fiscal year. There were 19 of us in attendance.

* We are sad to learn that our newly installed Past President Russell Fox will be moving to Las Vegas, but we are happy to learn that his move date will be postponed until the Fall and we will see him for 2-3 more months.

* If you are one of our members who have not previously been actively involved, we invite you to volunteer to help one of our committees! We have a lot of plans for the coming year and we would welcome your help! Contact our new President, John Kristianson, to ask how you can help!

* The Super Seminars being sponsored by CSEA have been held in Reno and Las Vegas. There is discussion currently about having a Super Seminar in California, possibly Anaheim. About $\frac{3}{4}$ of the usual 700 attendees are from California. Our group took a vote and it was unanimously in favor of having this in Orange County if that's what CSEA decides. At this point they are asking for our opinion.

* We have 25 people signed up for our SEE class, which started June 18.

* The new Board of Directors was installed at the Retreat and again at the June dinner meeting so our members would know who they are.

* Beautiful awards and plaques were given out at the June dinner meeting to last year's Board members, with a special award going to Lisa Newton for her many years of service to our Chapter.

When your circumstance requires more than a mover... Let us help bring you home...Caring Transitions of OC




- Senior Move Management
- LifeStyle RightSizing & Estate Sales
- Senior Real Estate Services
- Age in Place - Universal Design

Sandy Rasque, MHA, CSA 714.221.2115 Office
SRasque@CaringTransitions.net www.CaringTransitionsOC.com

Caring Transitions of Orange County
Senior Moving • Downsizing • Estate Sales

Analysis & Explanation



Spidell's Analysis & Explanation of California Taxes™
2011 edition (for preparing 2010 tax returns) \$99 plus sales tax

- All meat, no filler — we concentrate on California law, not federal. Other so-called "California handbooks" are almost half federal!
- Examples, flowcharts, worksheets, and contact information that the other handbooks don't give you! And the A&E is easy to understand and extensively cited!
- Written by California tax professionals for California tax professionals.
- Includes searchable PDF on CD

Get **The Big Blue Answer Book™** FREE with a one-year subscription to Spidell's California Online Research Package.
Order online: www.caltax.com • Order by phone: 714-776-7850



We find solutions to IRS and State Tax Problems.
FREE Initial Consultation
LaDonna T. Kienitz Esq.
949-300-6951
www.taxsolutionsite.com
LadonnaKienitz@taxsolutionsite.com

Appeals, Release of Levies, Offers in Compromise, Representation in US Tax Court


Big Fish PAYROLL SERVICES

Justin Dignam, Owner
714.343.2399
justin@bigfishpayroll.com

- The local & attentive alternative for your clients
- 80% of our clients come to us from ADP and Paychex
- 5-500 employees our specialty

www.bigfishpayroll.com
Referrals appreciated and rewarded

A PLUS APPRAISALS



Real Estate Appraisals
• Homes and 2-4 units for divorces, estates, refi's and sales

Forensic Real Estate Appraisals
• 1987 to current period for SFR's and 2-4 units LA and OC

- Fast turnaround
- \$350 and up.
- State certified
- Expert witness for court

John Rydell (562) 425-0564
jrydell@aol.com

MORTGAGE COUNSELING CAN SAVE YOU TIME & MONEY

- ✓ Solve financial problems
- ✓ Avoid excessive costs
- ✓ Compare loan alternatives

Over 18 Years Experience
PAM DUNN
Office: 714.289.0047
Fax: 714.289.9715
Cell: 714.501.0639
pdmortg@msn.com
1745 W. KATELLA, STE. F, ORANGE



Mulberry Street mortgage co.

COD in the Real World

Foreclosure - Bankruptcy Forms 982 - 1099-A -1099-C
Cancellation of Debt Income

**Friday & Saturday
July 22 & 23, 2011**

TO REGISTER GO TO <http://eaoc.org>



Feeling a little panicked at the prospect of preparing returns with COD? Afraid you're missing pieces of the puzzle? Worry that you don't know the questions to ask? This seminar is for you!

- Know what to ask in your client interview
- Understand why the info on the 1099s is not the info that goes on the return
- Choose the sale price you want to use
- Use the internet to determine sale date & price
- Learn how to determine whether a loan has been discharged
- Know when and how to reduce basis in assets
- Recapture basis reduction upon sale
- Understand CA's new short sale laws
- Explore how laws in different states affect how debt discharges must be reported
- Review NOLs and learn why your software may not be calculating them correctly
- Understand bankruptcy and how to prepare the debtor's tax return: before, during, and after the bankruptcy
- Know what tax attributes emerge from a bankruptcy
- Have a checklist to verify return is complete
- Learn how to answer the question, "Should I do a short sale, declare bankruptcy, or let it be foreclosed?"
- Gain password access to a website with valuable time-saving worksheets.
- Leave knowing you can contact the instructor to get your specific client questions answered and get those returns off your desk!



Presented by: Lisa Ihm, EA

Lisa has taught her Cancellation of Debt (COD) seminar to thousands of preparers. It is widely acclaimed as "exceptional". She began teaching seminars about debt forgiveness back in the 1990s. Rather than simply reciting the rules, she digs below the surface to determine how they will affect real-life taxpayers, each of whom has a unique and often interesting situation. She'll make you think about how tax laws affect your clients and how you can use those laws to your clients' benefit. Her step-by-step approach and practical worksheets help both beginners and experienced preparers get the answers they need to tackle these complex problems and earn more billable \$\$\$.

Being held at Phoenix Club in Anaheim

Address: 1340 S Sanderson Ave, Anaheim, CA 92806

Dates: Friday & Saturday, July 22 & 23, 2011

Time: Seminar starts 8:00 AM

Total Hours: 16 hours of Federal CPE

Lunch is provided. Seminar is complete at 5:00 PM

www.thephoenixclub.com

Attendees are required to bring their own laptops

Early-Bird Registration - By 6/15/11

Member **\$215** Non-Member **\$225**

Regular Registration - After 6/15/11

Member **\$229** Non-Member **\$239**

Registration on July 22nd

Member **\$269** Non-Member **\$289**

Register at eaoc.org. For additional info contact:

Ms. Patti Kappen: patti@sanjuanfinancial.com

Mr. Devang Mehta: dmehta@pmaadvisors.com

It is OCEA's policy not to issue refunds once a registrant has registered for an event or class. However, a written refund request can be submitted to OCEA's treasurer by the next board meeting for consideration by the board in the following three cases: (1) Cancellation at least 72 hours before the event, or (2) a medical emergency preventing the registrant from attending the event, or (3) a death in the family.

OCEA IS WELL REPRESENTED AT CaSEA

by Devang Mehta, CaSEA Director



Dear Fellow OCEA Members,
Pasadena is supposed to be the Land of the Roses, but it rained Oranges all weekend long!

Our chapter was very well represented at the 35th Annual California Society of Enrolled Agents (CSEA) meeting in Pasadena. Important business was discussed and completed during the committee meetings which will be presented to the board in our July meeting. However, the Orange County Chapter (OCEA) was very well represented and very much involved during the entire weekend. The following is a list of accolades and successes for our chapter:

Vicki Mulak, EA - Winner of the prestigious Distinguished Service Award. This award is presented to the Member who best represents the following: Providing special recognition for Members who, through lengthy volunteer involvement, have made significant contributions to the enhancement of the reputation, recognition or success of the California Society of Enrolled Agents. It is important to note here that Vicki was nominated by two chapters from up North - this is one of the highest awards bestowed on a Member of the California Society of Enrolled Agents. If you have a chance, shoot her a congratulatory email.

Sherrill Trovato, EA - President of the National Association of Enrolled Agents (NAEA) - and esteemed Member of OCEA - had the honor of installing CaSEA's new officers and directors at the banquet on Thursday night. NAEA represents over 46,000 Enrolled Agents and one of our own is entrusted to lead the organization.

Patti Kappen, EA - Elected to serve as the 2nd Vice President of CSEA for the 2011-2012 term - please shoot Patti a congratulatory email! This is big for us.

Devang Mehta, EA - CaSEA Director for OCEA was elected, by the Board, to serve on the Executive Committee. With the election, OCEA now has 25% of the vote and, more importantly, the VOICE of the CSEA Executive Committee.

OCEA Award - Last and the most important - OCEA wins the award for HIGHEST MEMBERSHIP ATTENDANCE for the General Session. The chapter was recognized at Sunday's Board Meeting for bringing 18 members to the general session meeting on Thursday. At that meeting, we formally elected Patti Kappen to the Executive Committee to serve as the 2nd Vice President. The chapter received a Certificate of Recognition and the coveted \$500 award!!!

Congratulations to OCEA for REPRESENTING and BRINGING IT! We shined as well as we could in front of our peers - OCEA should be PROUD!!!



TAX TEASER

Which of the following would not increase the basis of a shareholder's stock in an S corporation?



- A. All separately stated income items of the S corporation, including tax-exempt income.
- B. Any non-separately stated income of the S corporation.
- C. Capital gains tax paid by the shareholder.
- D. The amount of deductions for depletion that is more than the basis of the property being depleted.

ANSWER: C

Have Something To Say

Readers are encouraged to submit letters to the editor on topics involving our tax profession. Readers can also voice their opinion on matters concerning our chapter. Please include your full name and phone number. Email your letters to:

Dale Quelle, EA at 4quelle@msn.com

The editor reserves the right to edit letters for publication.



IRS SPECIAL ENROLLMENT EXAM COURSE

2nd SESSION BEGINS JULY 23rd, 2011

The Orange County Chapter of the California Society of Enrolled Agents is offering a review class to prepare YOU for the IRS Special Enrollment Exam. The three parts follow the SEE Exam structure.

- Part 2: Partnerships, C Corporations, S Corporations, Fiduciaries and other topics
JULY 23, 30 AUGUST 6, 13, 20
- Part 3: Practice before the IRS, Power of Attorney, Ethics and other topics
AUGUST 27

Registration for taking Parts 1 ,2 or 3 separately available – Call 949-496-1174 for price

Location: South Coast College, 2011 W. Chapman Ave., Orange, CA 92868

Time: 8:30 AM to 3:30 PM

Instructors: Lisa Ihm, EA, Vicki Mulak, EA and Norm Schmidt, EA

Register online at www.eaoc.org or use the form below

Enclose your check made payable to: Orange County Chapter, CSEA. OR charge to your credit card.

_____ Visa _____ MasterCard _____ Amer. Express _____ 3-digit security code _____
 Credit card number _____ Exp. Date _____
 Your name _____ Signature _____
 Address _____ Phone/days _____
 City _____ State _____ Zip _____
 Email _____

Mail to: Patricia Kappen, 31726 Rancho Viejo Rd. # 215, San Juan Capistrano, CA 92675

Fax to: 949-496-8084 Email: patti@sanjuanfinancial.com or patrecea@aol.com

It is OCEA's policy not to issue refunds once a registrant has registered for an event or class. However, a written refund request can be submitted to OCEA's treasurer by the next board meeting for consideration by the board in the following three cases: (1) Cancellation at least 72 hours before the event, or (2) a medical emergency preventing the registrant from attending the event, or (3) a death in the family.

CLASSIFIEDS

IMMEDIATE CAREER OPPORTUNITY FOR EA or CPA, Full time, year round Tustin office needs a Tax and Accounting Manager. S-Corp and Small Business Emphasis, QuickBooks Certified Preferred. Multi-Tasking Environment with friendly staff. Mentor provided for smooth transition. Email resume' to Cdeibert@americanfinancialtax.com or call (714) 669-1172. Ad placed by Vicki Mulak, EA. 07/11

TIRED OF PAYING RENT WHEN YOU CAN OWN YOUR OWN OFFICE? An elegant EA office conveniently located near Tustin downtown. Walking distance to the post office, most banks, bus stations, and retails establishments. A spacious 1,000 sq/ft with 2 private offices, a general office area, lobby, and conference room. Upgraded cabinetry and whole office stereo system with separate controls are other pluses. Serious buyers only, please contact Langdon at 714-734-9988 or email ljlai@pacbell.net. 07/11

TWO EA POSITIONS AVAILABLE. The Tax Help Line, an Irvine based tax resolution firm is looking to employ 2 EA's to help bring delinquent taxpayers into compliance. IRS Negotiation experience desired. \$20/hr. Respond with resume to Suzanne@TheTaxHelp-Line.com or call Hugh Cunningham (714) 803-0300. 06/11

TAX SEASON HAS COME TO AN END, and many of us are heaving a sigh of relief. That being said, some of us would now like to retire or quit. Arlington Business Services, Inc., is interested in talking to any practitioners thinking of selling their practice. If that is the case, please contact our office so we can talk to you directly, or e-mail us at david@legalrc.net. Please ask for Joseph Sheinin, or Mr. David Samuel Shashoua, JD, LLM, EA, if you are interested. 05/11

TAX PRACTICE WANTED: Looking to purchase a small to medium tax book of business. Currently practice in Irvine serving individual, corporate, partnership and trust clients. Please contact John Rumbold, EA, CFP® at 714-452-7202 or jrumbold@rfta.biz. 01/11

ISN'T IT ABOUT TIME YOU GOT YOUR OWN OFFICE? The Coronado Building in Tustin, is offering a few single-office monthly rentals to help people move into a commercial office building with ease. Conveniently located on Irvine Blvd. and the CA 55 freeway, the building is very nice, and well maintained. There is no long-term lease to worry about. Rents run from \$165 to \$275 per month - with free Wi-Fi included! For an additional \$10 per month it comes furnished, and parking is always free. Contact Ken Noland or Rita Downs at (714) 505-0015 for a showing. 11/10

Classifieds available for OCEA Members & associates to advertise items for sale or rent, want ads & employment opportunities. Ads run for 2 consecutive months free of charge (longer based on space available. Let us know when your ad is no longer needed). Email to 4quelle@msn.com or FAX to 714-899-2224. Include your name & phone number or email.

Barnett & Rubin

A Professional Corporation
Jeffery Corporate Center
5450 Trabuco Canyon Rd
Irvine, CA 92620

Phone: (949) 261-9700
Facsimile: (949) 261-9799
email: rick@barnettrubin.com

DISCHARGE TAXES • State Bar Certified
Personal & Small Business Bankruptcy Specialist
Business Formations • Business Litigations • AV Rated



Richard L. Barnett
Attorney At Law

24 YEARS EXPERIENCE PRACTICING LAW IN ORANGE COUNTY

Slack Tax, Inc.

QuickBooks Pro Advisors

We Solve QuickBooks Problems!

714-755-1040

Enter 100+ transactions in seconds!

ScanWriter® for QuickBooks®
Save 90% of QB data entry time!

Process bank and credit card statements, invoices, receipts and more. Patent pending technology. Satisfaction guaranteed.

Michelle
(800) 688-4281
info@personable.com



ADDRESS SERVICE REQUESTED

www.eaoc.org

Visit our Web site

The Tax Professionals

OCEA Newsletter Editor
Dale Quelle, EA
14340 Bolsa Chica Rd. #A
Westminster, CA 92683-4868



You don't want to miss this!

Lisa Ihm's 2-day Cancellation of Debt Workshop

Friday and Saturday - July 22-23
Phoenix Club, Anaheim

See page 4 for more details



UPCOMING PROGRAMS & EVENTS

<u>DATE</u>	<u>PROGRAM / EVENT</u>	<u>CPE</u>	<u>SUBJECT</u>	<u>LOCATION</u>
July 19, 2011	Dinner Meeting	1	S-Corp vs. LLC: A Basis for Comparison	Phoenix Club
July 23, 2011	Review Class		IRS SEE Course Pt. 2	South Coast College
Aug 27, 2011	Review Class		IRS SEE Course Pt. 3	South Coast College
Dec 20, 2011	Seminar	4	LLC Workshop	Phoenix Club