

# 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 2007-2008 Issue 10 April 2008

## Welcome New Members

Gene Plessala, EA  
Quan Vuong, EA  
Matthew Croad, EA  
David Hess, EA



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 413 members strong and proud to be the largest Chapter of CSEA.

# TGIO Party

## 15 APR 08 5-10pm



Hosted Beer, Wine & Soda

Hors d' Oeuvres

from 5 -6:30

Buffet Dinner 6:30 -8:00

All you can eat

Chicken Kabobs & Braised

Bratwurst & Spatzle,

with salads & desserts

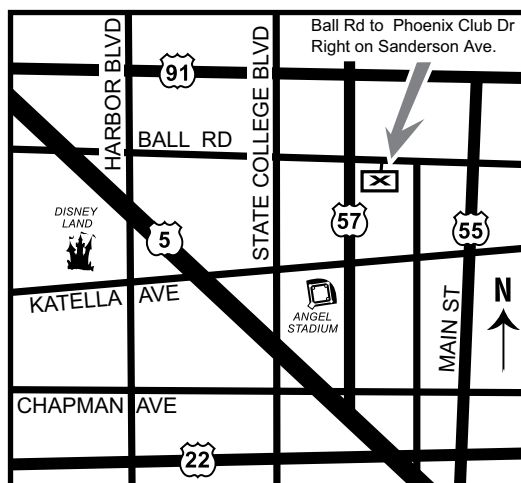
\$35.

D.J., Dancing til 10pm

## All tax professionals welcome

Celebrate the end of tax season

bring your staff to the party.



Meetings are held at the  
**Phoenix Club**

1340 S Sanderson Ave,  
Anaheim, CA 92806

**Agenda April 15th**  
**No Board Meeting for April**



## Practitioners Electronic Roundtable

# Thursday May 15, 2008

Here's **YOUR** chance to weigh in on the filing season with representatives from the Internal Revenue Service and the Franchise Tax Board!

- Review the filing season with IRS and FTB
- Get answers to your filing season questions
- Criminal Investigation Division, and much more!

### Phoenix Club

**1340 Sanderson Avenue, Anaheim**

(Off the 57 Freeway, exit Ball Rd., east to Phoenix Club Drive)

### SCHEDULE

Registration 8:30 a.m. to 9:00 a.m.

Roundtable 9:00 a.m. to 3:00 p.m.

**This seminar qualifies for 5 hours of Continuing Education Credit**



## Participate in the Roundtable Register NOW to Reserve Your Place



Registration and payment must be **RECEIVED** by May 2, 2008.

Registration fee includes the full-day seminar and elaborate luncheon buffet.

### ALL THIS FOR ONLY \$75!

1. Complete one registration form for each attendee (you may copy this form)
2. Make check for \$75.00 payable to "California Society of Enrolled Agents".
3. Registration received after May 2nd and walk-in registration (if available will be \$85.00)
4. Mail to: CSEA, c/o Y. Kirkendall, EA • 12792 Valley View St., Ste. G • Garden Grove, CA 92845

Name \_\_\_\_\_

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**For additional information, call (714) 895-9559 • Fax (714) 895-7814**

## TAX TEASER by Dale Larsen, EA

Michael has a partnership interest with a zero basis. The partnership has inventory valued at \$250,000. Michael's share of the ordinary income to be received from the sale of the inventory would be \$10,000. In 2006, Michael sells his partnership interest for \$30,000. Michael will report the following gain in 2006:

- A. \$30,000 capital gain
- B. \$20,000 ordinary gain and \$10,000 capital gain
- C \$10,000 ordinary gain and \$20,000 capital gain
- D. No gain or loss



*The Tax Professionals*

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## CLASSIFIEDS

**SENIOR TAX SPECIALIST.** Prominent CPA firm in Santa Ana seeks full-time Enrolled Agent or CPA heavily experienced in individual and business tax preparation and tax planning. Great benefits. Email resume to [taxresume@ellscpas.com](mailto:taxresume@ellscpas.com) or fax to 714-542-1040, ATTN: Tax Dept.

Want to enjoy flexible hours and earn great pay? TaxResources, Inc. is hiring tax professionals for the 2008 tax season. Positions are available in our Orange County and Sacramento locations. To find out more about our company and job opportunities, and to apply online, please visit our website at <http://jobs.taxaudit.com>.

**EA TAX-ACCOUNTANT** in Long Beach has an immediate opening for an office assistant with strong organizational skills. Call Jim Clark, EA at (562) 248-0500 or email your resume or brief letter of qualifications to [jimclark5@verizon.net](mailto:jimclark5@verizon.net).

Enrolled Agent, having active CA real estate brokers' license & notary public credentials, is available for employment or possible partnership. Call Mike Ashrafi EA at (949) 510-1936.

Seal Beach CPA firm seeks an experienced tax preparer for part-time work during tax season and as needed the rest of the year. Must be proficient in individual tax. Some experience with business tax is a plus. Lacerte experience req. Email resume: [debbie@cpaadvisor.com](mailto:debbie@cpaadvisor.com); fax to (562) 431-5755.

Senior EA wanted in Brea for seasonal full time & flex time remainder of year. Proficient with Lacerte, QuickBooks, IRS audits & correspondence, & tax research. Fax resume to Patrick Hurley, EA at (714) 996-1582, email to [taxinfo@equinetax.com](mailto:taxinfo@equinetax.com).

**OFFICE SUITES** available in desirable office building in Tustin. Two sizes are open. On Irvine Blvd. near 55 Fwy and I-5. Call Ken Noland, EA at (714) 505-1925.

**OFFICE SPACE AVAILABLE** in Laguna Hills Hillside Plaza Building. 165 Sq. ft. private office. Includes high speed internet access and bottled water. Share reception and kitchen area with 3 EA's. \$635/month. 23161 Mill Creek Drive, Suite 350. Call Terry @ (949) 454-4646.

**TWO OFFICES** available for rent with different square footage at 17821 E. 17th Street, Suite 270, Tustin. Can be used as an executive suite or on your own. Office has availability of a conference room, copier, kitchen facilities and a receptionist. Price depends on requirements. Contact Marilyn Ratliff, EA at 714 505-6700 or [Marilyn@BTIPProfessional.com](mailto:Marilyn@BTIPProfessional.com).

*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](mailto:4quelle@msn.com) or FAX to 714-899-2224. Include your name & phone number or email.*

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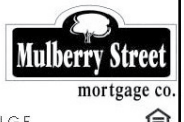
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**Richard L. Barnett**  
Attorney At Law



# TIPS ON PUMPING GAS

## By an anonymous source

I don't know what you guys are paying for gasoline.... But here in California We are also paying higher, up to \$3.50 per gallon. But my line of work is in petroleum for about 31 years now, so here are some tricks to get more of your money's worth for every gallon.

Here at the Kinder Morgan Pipeline where I work in San Jose, CA we deliver about 4 million gallons in a 24-hour period through the pipeline. One day is diesel the next day is jet fuel, and gasoline, regular and premium grades. We have 34-storage tanks here with a total capacity of 16,800,000 gallons.

Only buy or fill up your car or truck in the early morning when the ground temperature is still cold. Remember that all service stations have their storage tanks buried below ground. The colder the ground the more dense the gasoline, when it gets warmer gasoline expands, so buying in the afternoon or in the evening....your gallon is not exactly a gallon. In the petroleum business, the specific gravity and the temperature of the gasoline, diesel and jet fuel, ethanol and other petroleum products plays an important role.

A 1-degree rise in temperature is a big deal for this business. But the service stations do not have temperature compensation at the pumps.

When you're filling up do not squeeze the trigger of the nozzle to a fast mode. If you look you will see that the trigger has three (3) stages: low, middle, and high. You should be pumping on low speed, thereby minimizing the vapors that are created while you are pumping. All hoses at the pump have a vapor return. If you are pumping on the fast rate, some other liquid that goes to your tank becomes vapor. Those vapors are being sucked up and back into the underground storage tank so you're getting less worth for your money.

One of the most important tips is to fill up when your gas tank is HALF FULL or HALF EMPTY. The reason for this is, the more gas you have in your tank the less air occupying its empty space. Gasoline evaporates faster than you can imagine. Gasoline storage tanks have an internal floating roof. This roof serves as zero clearance between the gas and the atmosphere, so it minimizes the evaporation. Unlike service stations, here where I work, every truck that we load is temperature compensated so that every gallon is actually the exact amount.

Another reminder, if there is a gasoline truck pumping into the storage tanks when you stop to buy gas, DO NOT fill up--most likely the gasoline is being stirred up as the gas is being delivered, and you might pick up some of the dirt that normally settles on the bottom. Hope this willhelp you get the most value for your money.

# OCEA is looking for tomorrows leaders.

By Joe Guccione

Your nominating committee is looking for qualified candidates with vision and the desire to keep OCEA a leader in its field for the 2008-09 fiscal year starting July 1, 2008. As newly elected Officers and Directors it will be your task to guide the chapter through another successful year.

Any regular member in good standing is eligible to serve. Board members are expected to attend all monthly board meetings held on the third Tuesday of each month just before our dinner meetings. Board members must also attend the annual retreat held in June to plan the coming years operating budget.

Please fax your recommendations for Officers and Directors to Joe Guccione at (714) 842-8787 or email [gucci-one@msn.com](mailto:gucci-one@msn.com).

## Nominees for OCEA Board of Directors

The following names and their positions have been selected by the nominating committee to be placed on the next ballot for the 2008/2009 fiscal year. The general election will be held at the May 20th dinner meeting. Any member whose name is not on this list may be nominated from the floor by any other member at the election.

President	Cathy Patel, EA
1st Vice President	Patti Kappen, EA
2nd Vice President	Dan Carlberg, EA
Secretary	Patricia Yeckel, EA
Treasurer	Donna Miller, EA
CSEA Director	Lisa Newton, EA
Chapter Directors	Russell Fox, EA
	Sharon Kay Gordon, EA
	Robin Miller, EA
	John Rumbold, EA
	David Shashoua, EA
	David Tomas, EA



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

FS-2008-15, February 2008

Starting in May, the Treasury will begin sending economic stimulus payments to more than 130 million individuals. The stimulus payments will go out through the late spring and summer.

The vast majority of Americans who qualify for an economic stimulus payment will not have to do anything other than file their 2007 individual income tax return to receive their payment this year. They will not have to complete applications, file any extra forms or call the Internal Revenue Service to request the payment, which is automatic. The IRS will determine eligibility, figure the amount and issue the payment.

Even those who have little or no tax liability may qualify for a minimum payment of \$300 (\$600 if filing a joint return) if their tax return reflects \$3,000 or more in qualifying income. For the purpose of the stimulus payments, qualifying income consists of earned income such as wages and net self-employment income as well as Social Security or certain Railroad Retirement benefits and veterans' disability compensation, pension or survivors' benefits received from the Department of Veterans Affairs in 2007. However, Supplemental Security Income (SSI) does not count as qualifying income for the stimulus payment.

Low-income workers who have earned income above \$3,000 but do not have a regular filing requirement must file a 2007 tax return to receive the minimum stimulus

# **FACTS ABOUT THE 2008 STIMULUS PAYMENTS AN EXCERPT FROM IRS' E-NEWS FOR TAX PROFESSIONALS**

Stimulus payments will be direct deposited for taxpayers selecting that option when filing their 2007 tax returns. Taxpayers who have already filed with direct deposit won't need to do anything else to receive the stimulus payment. For taxpayers who haven't filed their 2007 returns yet, the IRS reminds them that direct deposit is the fastest way to get both regular refunds and stimulus payments.

## **Basic Eligibility**

The IRS will use the 2007 tax return to determine eligibility and calculate the basic amount of the payment. In most cases, the payment will equal the amount of tax liability on the return with a maximum amount of \$600 for individuals (\$1,200 for taxpayers who file a joint return) and a minimum of \$300 for individuals (\$600 for taxpayers who file a joint return).

payment. Similarly, Social Security recipients, certain Railroad retirees, and those who receive the veterans' benefits mentioned above must file a 2007 return in order to notify the IRS of their qualifying income.

The IRS emphasized that people with no filing requirement who turn in a tax return to qualify for the economic stimulus payment will not get a tax bill. People in this category will not owe money because of the stimulus payment.

## **Additional Payments for Parents and Others with Qualifying Children**

Parents and anyone else eligible for a stimulus payment will also receive an additional \$300 for each qualifying child. To qualify, a child must be eligible under the Child Tax Credit and have a valid Social Security number.

**Limitation**

To be eligible for a stimulus payment, taxpayers must have valid Social Security numbers. Anyone who does not have a valid Social Security number, including those who file using an Individual Taxpayer Identification Number (ITIN), an Adoption Taxpayer Identification Number (ATIN) or any other identification number issued by the IRS is not eligible for this payment.

Both individuals listed on a married filing jointly return must have valid Social Security numbers to qualify for a stimulus payment.

Eligibility for the stimulus payment is subject to maximum income limits. The payment, including the basic amount and the amount for qualifying children, will be reduced by 5 percent of the amount of income in excess of \$75,000 for individuals and \$150,000 for those with a Married Filing Jointly filing status.

Individuals who pay no tax and who have less than \$3,000 of qualifying income will not be eligible for the stimulus payment.

**Special Circumstances for Recipients of Social Security, Railroad Retirement and Certain Veterans Benefits**

Individuals who receive Social Security benefits, Railroad Retirement benefits and certain veterans' benefits may have to follow special filing requirements in order to receive the basic amount:

Those who have already filed a 2007 return reflecting qualifying income of \$3,000 or more do not have any additional filing requirements and do not need to do anything more to receive their payment.

Those who have already filed a 2007 return showing less than \$3,000 in qualifying income and did not list their Social Security, Railroad Retirement or certain veterans benefits should file a Form 1040X to list those non-taxable benefits and qualify for a payment.

Those who are not required to file a 2007 return but whose total qualifying income including Social Security, certain Railroad Retirement and certain Veterans benefits would equal or exceed \$3,000 should file a return reporting these benefits on Line 14a of Form 1040A or Line 20a of Form 1040 to establish their eligibility. Please note

the form lines just mention Social Security, but use these lines even if your only benefits were Railroad Retirement or veterans' benefits.

**Notices**

Most taxpayers will receive two notices from the IRS. The first general notice from the IRS will explain the stimulus payment program. The second notice will confirm the recipients' eligibility, the payment amount and the approximate time table for the payment. Taxpayers will need to save this notice to assist them when they prepare their 2008 tax return next year.

Anyone who moves after they have filed their 2007 tax return should notify the IRS by filing Form 8822, Change of Address, and also notify the Post Office.

**Exclusions**

Individuals who file Form 1040NR, 1040PR or 1040SS are not eligible for the stimulus payments. These returns are normally filed by Nonresident Aliens, residents of Puerto Rico and residents of the U.S. Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands (CNMI). Residents of U.S. possessions will be receiving their rebates directly from the possessions.

Also ineligible are individuals who can be claimed as dependents on someone else's return.

Dividends, interest and capital gains income is not included when determining qualifying income. Supplemental Security Income (SSI) does not count as qualifying income for the stimulus payment. Also not included in qualifying income are non-veterans or non-Social Security pension income (such as those from Individual Retirement Accounts).

Stimulus payments will be subject to offset against outstanding tax and non-tax liabilities in the same fashion as regular tax refunds.

In addition, the IRS emphasizes the stimulus payments will not count toward or negatively impact any other income-based government benefits, such as Social Security benefits, food stamps and other programs.





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*The Tax Professionals*

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## UPCOMING PROGRAMS & EVENTS

<u>DATE</u>	<u>PROGRAM / EVENT</u>	<u>CPE</u>	<u>SUBJECT</u>	<u>LOCATION</u>
Apr 15, 2008	TGIO Party	0	Celebrate the end of tax season	Phoenix Club
May 20, 2008	Dinner Meeting	2	Ethics	Phoenix Club
June 17, 2008	Dinner Meeting	1	Representation Update	Phoenix Club
July 15, 2008	Dinner Meeting	1	Social Security	Phoenix Club
Jul 18, 2008	Seminar	4	IRS Collection Techniques	Phoenix Club