The Orange County ENROLLED AGENT

Orange County Chapter OCEA of Enrolled Agents

The Tax Professionals

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

Volume 2009-2010 Issue 7 January 2010

Welcome to New Member

Blake Quelle, EA

CALIFORNIA SOCIETY OF ENROLLED AGENTS

Dinner Menu

Pork Schnitzel
Red Cabbage
Spaetzle
Veggie Lasagna
Fresh Vegetable Medley
Two Assorted Desserts
Two Assorted Salads

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.

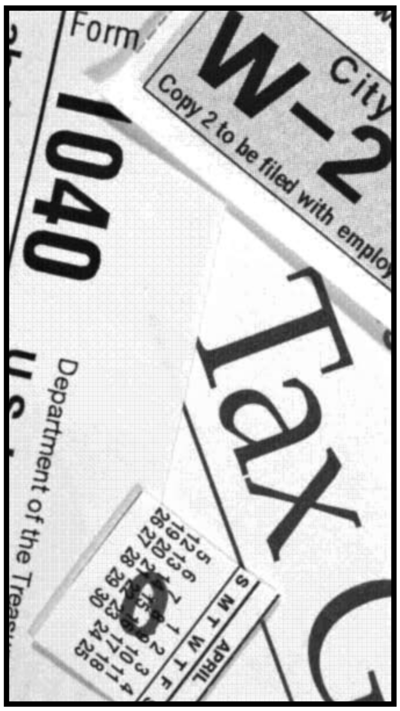
The Mission of OCEA is to encourage professionalism, personal growth, and educational growth, while providing member benefits and enhancing the role of Enrolled Agents among the local governmental agencies, other professionals, and the general public.

OCEA is 399 Members strong and proud to be the largest Chapter of CSEA.

January 19th Program
2 Hr CPE Program

QUICKFINDER & TAXBOOK TUTORIALS

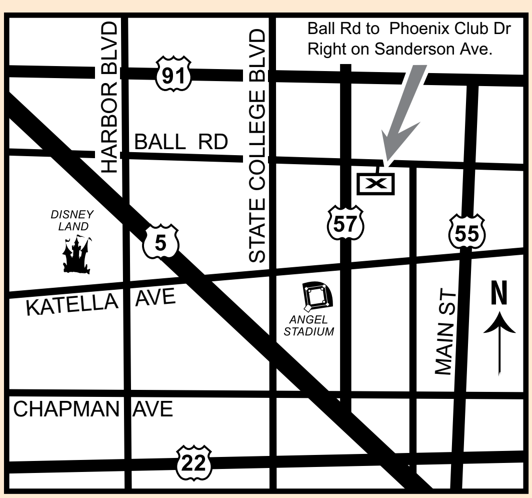
Presented by Vicki Mulak, EA and John Rumbold, EA



Back by popular demand. Vicki Mulak and John Rumbold will be presenting tutorials on the Quickfinder Handbook and the TaxBook for the 2009 tax year. Each tutorial will be presented simultaneously and will last for 2 hours.

Vicki will present the Quickfinder tutorial. It's a walk-through of the 1040 Quickfinder Handbook and the Small Business Handbook, in an effort to discover the wealth of information available in this handy desk reference material. John will lead us through the TaxBook and explore the Individual, Small Business, and Estates & Trust sections.

You will also receive your pre-ordered books at this event. Or, bring your own if you did not order one through the Chapter.



Meetings are held at the Phoenix Club
1340 S Sanderson Ave, Anaheim, CA 92806

Agenda Jauanry 19th
4:30 Board Meeting
5:30 Social Time
6:00 Dinner Hour
7:00 2 Hr CPE Program $45/$50

$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 Patti Kappen EA

Happy New Year - 2010!! I can hardly believe 2009 is over and here we are starting a new year and a new tax season. It all seems to be going too fast. I hope you all had a wonderful holiday and by now you are all set to begin the new season. As always, I am appreciative of all the Members of our organization who are available to help each other with tax questions, help if we get sick and are unable to get some jobs done, and for providing work for many of our newer Members. We have an amazing group of people that meet every third Tuesday of the month and it seems every year it just keeps getting better!

Our Holiday Party was a great success and many thanks to Lori Page and Tish Patterson for all the work they did. The gift baskets and poinsettia plants were all beautiful, and the carolers were a lovely festive addition. I think everyone enjoyed the party and many went away with some very nice prizes. We also made a little money for the Chapter with our two silent auction items.

My main message this month is going to be a call for more people to be involved with the education we want to offer our Members. We would like to increase what we are doing and start adding some tax classes in addition to seminars. We need suggestions, and we need people to help. Before the next dinner meeting we are going to have an education committee meeting to discuss our ideas and make plans. Hopefully we will have our calendar of seminars and classes complete before we start getting busy. Our Chapter needs to continue to offer good education to our Members. We can use your help with ideas for the classes you would like to see offered next year or possibly to help on the committee. Please contact Joni Terens (joni@abt-tax.com) or contact me with your thoughts. Please read more about the meeting in this newsletter.

More work is being done on our website and we encourage you to give Lisa Newton feedback on what you would like to see on the website and/or what is not working for you, if there is anything. Also, please go on line and register for dinner meetings and events: this helps everyone involved to a more efficient job for you.

As I know you are all going to be super busy the next few months, I will try to keep my messages shorter, but still keep you updated on what I see going on in our chapter, and of course acknowledging all the people that make this chapter so great!

Hope to see you January 19th when we will be having our two hour seminar TaxBook and QuickFinder seminars. Also, please do come to the Education Committee even for a little while so you can have an idea what we are up to, you might be surprised!!

Patti

Orange County Chapter of Enrolled Agents
OCEA

The Tax Professionals

President
Patti Kappen, EA
31726 Rancho Viejo Rd #215
San Juan Capistrano, CA 92675
(949) 496-1174, *patrecea@aol.com*

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

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

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

Treasurer
Robin Miller. EA
PO Box 4424
Mission Viejo, CA 92690
(949) 347-8522,

Directors
Dan Carlberg, EA
PO Box 1146
Orange, CA 92856-0146
(714) 774-8129, *djcarlberg@sbcglobal.net*

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

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

John Rumbold, EA
3 Winterhaven
Irvine, CA 92614
(714) 425-7202, *jrumbold@rfta.biz*

Lori Page, EA
2900 Bristol St #B101
Costa Mesa, CA 92626
(714) 966-9850,
lori@westcoastnumbers.com

CaSEA Director
Lisa Newton, EA
1901 E. Lambert Rd., #103
La Habra, CA 90631
(562) 267-0351, *lisa@eanewton.com*

Immediate Past President
Lisa Newton, EA
1901 E. Lambert Rd., #103
La Habra, CA 90631
(562) 267-0351, *lisa@eanewton.com*

CLASSIFIEDS

BI-LINGUAL (SPANISH-ENGLISH) EA WANTED P/T to F/T for tax season. UltraTax experience helpful. San Juan Capistrano office. Contact Patti Kappen at patti@sanjuanfinancial.com. 12/09

IMMEDIATE OPENING for experienced full-charge bookkeeper. Must have 10+ years of accounting/bookkeeping, including heavy multi-client experience. Work directly with clients providing them with clean monthly financials and filling their special requests as needed. Clients on Quickbooks Premier and Peachtree Quantum. Current tax preparer license is a plus. Please fax your resume to Ken Noland, EA at (714) 505-9691. 12/09

NEED EXTRA HELP? Enrolled Agent/CFP looking for per diem tax preparation or bookkeeping work. Knows Quickbooks and Lacerte. Proficient with individual, corporation, partnership, LLC, and estate/trust tax returns. Call Sallie Allen at (562) 987-2151. sallieea@aol.com. 7/09

OFFICE SPACE AVAILABLE. Two large offices in luxurious professional suite available for sub-lease (furniture available for one office). One window office is. 14x18 (250 Sq. Ft.); the other interior office is 14x14 (200 Sq. Ft.). Rent one or both. Ideal location in bank building on Katella Ave. in Orange. Ample free parking. Daily janitorial service and utilities included. Call Mike or Coleman at (714) 939–1113 09/09

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.

OCEA is Looking for Tomorrows Leaders

by Joe Guccione, EA

We are looking for qualified candidates with vision and the desire to keep OCEA a leader in its field for the 2010-2011 fiscal year starting July 01, 2010.

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 planning 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 e-mail gucci-one@msn.com.

NOTICE of Education Committee Meeting

Date: January 19, 2010 Time: 2:00PM Place: Phoenix Club

Topics to be discussed: SEE Review Class, CTEC Basic 60 hour class, all other seminars and classes we would like to offer this year.

Who's Invited: Everyone who has an interest in assisting, teaching or being involved with planning our education for 2010 and Instructors of the 2009 SEE class and the 2009 Basic 60 hour class. The plan is to have three subcommittees meeting simultaneously – SEE Review, CTEC and General Seminars/Classes. We need fresh ideas, people and plans. Please come and help your Education Committee. Bring your own appointment books so we can make dates that work for all. Thank you!

OCEA DOCUMENT SHREDDING DAY

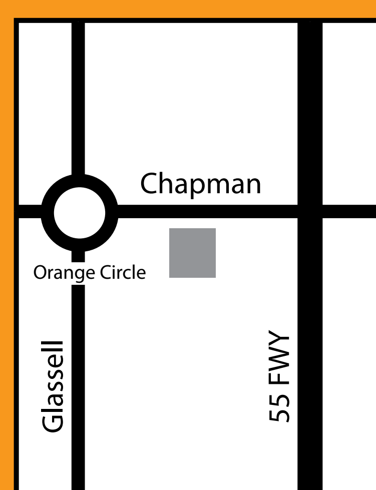
SATURDAY, JANUARY 9, 2010

Services are provided by Shredwise of Orange.

$20 FOR UNLIMITED CERTIFIED SHREDDING OF DOCUMENTS
Available to all OCEA members, staff, clients, and friends of OCEA
For Information Call: 714 774-8129 or 714 966-9850
Held in the parking lot of the tax office of Dan Carlberg, EA

550 E Chapman Ave, Orange, CA 92866

Time: 8:30 am to 1:30 pm



IRS Offers Tips for Year-End Donations

WASHINGTON — Individuals and businesses making contributions to charity should keep in mind several important tax law provisions that have taken effect in recent years.

Some of these changes include the following:

Special Charitable Contributions for Certain IRA Owners

- This provision, currently scheduled to expire at the end of 2009, offers older owners of individual retirement accounts (IRAs) a different way to give to charity. An IRA owner, age 70½ or over, can directly transfer tax-free up to $100,000 per year to an eligible charity. This option, created in 2006, is available for distributions from IRAs, regardless of whether the owners itemize their deductions. Distributions from employer-sponsored retirement plans, including SIMPLE IRAs and simplified employee pension (SEP) plans, are not eligible.
- To qualify, the funds must be contributed directly by the IRA trustee to the eligible charity. Amounts so transferred are not taxable and no deduction is available for the transfer.
- Not all charities are eligible. For example, donor-advised funds and supporting organizations are not eligible recipients.
- Amounts transferred to a charity from an IRA are counted in determining whether the owner has met the IRA's required minimum distribution. Where individuals have made nondeductible contributions to their traditional IRAs, a special rule treats transferred amounts as coming first from taxable funds, instead of proportionately from taxable and nontaxable funds, as would be the case with regular distributions. See Publication 590, Individual Retirement Arrangements (IRAs), for more information on qualified charitable distributions.

Rules for Clothing and Household Items

- To be deductible, clothing and household items donated to charity generally must be in good used condition or better. A clothing or household item for which a taxpayer claims a deduction of over $500 does not have to meet this standard if the taxpayer includes a qualified appraisal of the item with the return. Household items include furniture, furnishings, electronics, appliances and linens.

Guidelines for Monetary Donations

- To deduct any charitable donation of money, regardless of amount, a taxpayer must have a bank record or a written communication from the charity showing the name of the charity and the date and amount of the contribution. Bank records include canceled checks, bank or credit union statements, and credit card statements. Bank or credit union statements should show the name of the charity, the date, and the amount paid. Credit card statements should show the name of the charity, the date, and the transaction posting date.
- Donations of money include those made in cash or by check, electronic funds transfer, credit card and payroll deduction. For payroll deductions, the taxpayer should retain a pay stub, a Form W-2 wage statement or other document furnished by the employer showing the total amount withheld for charity, along with the pledge card showing the name of the charity.
- These requirements for the deduction of monetary donations do not change the long-standing requirement that a taxpayer obtain an acknowledgment from a charity for each deductible donation (either money or property) of $250 or more. However, one statement containing all of the required information may meet both requirements.

Reminders

To help taxpayers plan their holiday-season and year-end giving, the IRS offers the following additional reminders:

- Contributions are deductible in the year made. Thus, donations charged to a credit card before the end of 2009 count for 2009. This is true even if the credit card bill isn't paid until 2010. Also, checks count for 2009 as long as they are mailed in 2009 and clear, shortly thereafter.
- Check that the organization is qualified. Only donations to qualified organizations are tax-deductible. IRS Publication 78, available online and at many public libraries, lists most organizations that are qualified to receive deductible contributions. The searchable online version can be found at IRS.gov under Search for Charities. In addition, churches, synagogues, temples, mosques and government agencies are eligible to receive deductible donations, even if they are not listed in Publication 78.
- For individuals, only taxpayers who itemize their deductions on Form 1040 Schedule A can claim deductions for charitable contributions. This deduction is not available to individuals who choose the standard deduction, including anyone who files a short form (Form 1040A or 1040EZ). A taxpayer will have a tax savings only if the total itemized deductions (mortgage interest, charitable contributions, state and local taxes, etc.) exceed the standard deduction. Use the 2009 Form 1040 Schedule A to determine whether itemizing is better than claiming the standard deduction.
- For all donations of property, including clothing and household items, get from the charity, if possible, a receipt that includes the name of the charity, date of the contribution, and a reasonably-detailed description of the donated property. If a donation is left at a charity's unattended drop site, keep a written record of the donation that includes this information, as well as the fair market value of the property at the time of the donation and the method used to determine that value. Additional rules apply for a contribution of $250 or more.
- The deduction for a motor vehicle, boat or airplane donated to charity is usually limited to the gross proceeds from its sale. This rule applies if the claimed value is more than $500. Form 1098-C, or a similar statement, must be provided to the donor by the organization and attached to the donor's tax return.
- If the amount of a taxpayer's deduction for all noncash contributions is over $500, a properly-completed Form 8283 must be submitted with the tax return.

Quickies From The Quill

- We are still experiencing problems with the online signups and getting a realistic count of members who plan to attend our dinner meetings. It was decided that we would not yet penalize members with additional cost for late signups. We are hopeful that more and more members will adjust to the online signup earlier and that this problem will gradually go away.

- The new 2010 Membership Directories have been put together, thanks to John Kristianson, and they have been mailed. Hopefully all members have gotten them by now.

- The 2010 Board retreat will be June 16-17 at the UCLA Lake Arrowhead Conference Center; putting that on your calendar and participating is a great way to get involved and help our Chapter. Anyone interesting in helping or being on the Board next year should plan to attend.

- The Chapter is looking for help with our Legislative Committee. This would involve keeping up with legislative changes and helping our members keep with them them. It can be done through telephone calls and email and does not necessarily mean traveling to Sacramento. If anyone is interested, they should contact Patti Kappen.

- There will be an Education Committee meeting before our Board meeting January 19 for anyone interested in helping plan our educational events or teaching them. Everyone is invited to attend.

- We're having a Document Shredding Day on Saturday, January 9 from 8:30-1:30 at the parking lot of Dan Carlberg's office. Cost will be $20 for unlimited shredding! Great opportunity to clean the office and get ready for next tax season!

- Hope everyone enjoyed the holiday party at our December meeting! If you missed it, plan on being there next year! Lots of gorgeous baskets with fabulous prizes were given away, thanks to Lori Page and Tish Patterson!

Chapter Secretary, Patricia Yeckel, EA

TAX TEASER

When Joe's financial institution offered a substantial discount of $5,000 for early payment of his home mortgage, he borrowed from a family member to take advantage of this offer. How should Joe treat this discount transaction?

A. No actions or reporting required.
B. Report $5,000 on Line 21, Other Income, on Form 1040.
C. Reduce his home mortgage interest deduction by $5,000
D. Report $5,000 original issue discount as interest income.

Answer B

CSEA
Enrolled Agents – "The" Tax Professionals

IRS

2010 Practitioner Seminars

January 11-16, 7 Hours CPE

Topics Covered: Collection Update, Offers in Compromise, Taxpayer Advocate Service - IRS and FTB, Criminal Investigation, Modernized e-File, California State Appeals, California Underground Economy.

REGISTER ONLINE AT:
media-enterprises.com/csea

COST: **$150 regular registration**, received by 12/31/2009.
$165 registration after 12/31/09 or at the door.

TIME: Registration starts at 7:00 AM,
CPE 8:00 AM to 4:00 PM with a break for lunch.
7 Hours CPE. Lunch is included.

REGISTRATION AFTER 12-31-09:
You may still register after 12/31/09 by contacting the designated person for the location you wish to attend or at the door on the day of the event.

DATES AND LOCATIONS:

Monday January 11, Escondido, CA
California Center for the Arts
340 N. Escondido Blvd., Escondido, CA 92025
Contact: Ron Watts, EA 858-481-5809

Tuesday January 12, Torrance, CA
Holiday Inn, Harbor Gateway
19800 S. Vermont Avenue, Torrance, CA 90502
Contact: Andy Stamatelatos, EA 310-328-8121

Wednesday January 13, San Bernardino, CA
San Bernardino Hilton Hotel
285 E. Hospitality Ln., San Bernardino, CA
Contact: Steve Davis, EA 951-276-2999 ext 7002

Thursday January 14, Irvine, CA
Hilton Irvine/Orange County Airport
18800 MacArthur Blvd., Irvine, CA 92612
Contact: Joni Terens, EA 714-832-4633 ext 4

Friday January 15, Burbank, CA
Pickwick Gardens
1001 Riverside Dr., Burbank, CA 91506
Contact: Clive Edwards, EA 818-489-3387

Saturday January 16, Santa Barbara, CA
Holiday Inn
5650 Calle Real, Goleta, CA 93117
Contact: Cyndy Scalisi, EA 805-968-6288

Presented by: The Channel Islands, Inland Empire, Palomar, Orange County, San Fernando Valley, San Diego & South Bay Chapters of CSEA and the Internal Revenue Service.

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

What does the term "Enrolled Agent" mean?

"Enrolled" means to be licensed to practice by the federal government, and "Agent" means authorized to appear in the place of the taxpayer at the IRS. Only Enrolled Agents, attorneys, and CPAs may represent taxpayers before the IRS. The Enrolled Agent profession dates back to 1884 when, after questionable claims had been presented for Civil War losses, Congress acted to regulate persons who represented citizens in their dealings with the U.S. Treasury Department.

UPCOMING PROGRAMS & EVENTS

DATE	PROGRAM / EVENT	CPE	SUBJECT	LOCATION
Jan 9, 2010	Document Shredding Day		$20. Unlimited Shredding	550 E Chapman Ave, Orange
Jan 14, 2010	Seminar	7	IRS Presentation	Irvine Hilton Hotel
Jan 19, 2010	Dinner Meeting	2	Quickfinder/TaxBook Tutorial	Phoenix Club
February 16, 2010	Dinner Meeting	1	California Update	Phoenix Club
March 16, 2010	Dinner Meeting	1	IRS Update	Phoenix Club