

The Orange County ENROLLED AGENT

The Tax Professionals

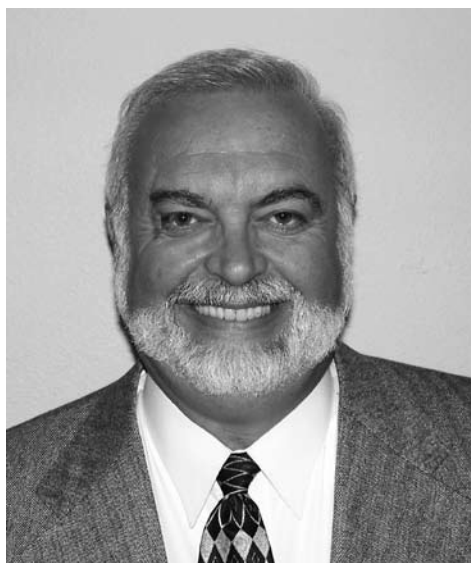
Editor: Dale Quelle, EA • • 714-899-2221 • 14340 Bolsa Chica Rd. #A • Westminster, CA 92683-4868

Volume 2010 - 2011 Issue 9 March 2011

March 15th Program 1 Hr CPE

IRS Collection A Tax Delinquency Guide for Tax Professionals

by Jim Demetriou, EA



From time to time tax professionals are confronted by clients who come forward to confess to serious tax problems, such as, I haven't filed since 1999, or I owe the tax collector \$150,000 and the IRS just levied my bank account.

What are you going to do when your clients present these problems to you? Enrolled Agents can represent clients before tax collectors - if you have substantial time and the resources for what can be EXTREMELY adversarial confrontations with both clients and tax authorities.

This month's CPE topic is a practical guide that will provide advice and techniques for you to use in resolving delinquencies, or in preparation

for referring your clients to collection defense specialists. Discussion will be on non-filers, non-payers, tax liability resolutions, installment agreements, financial disclosure, offers in compromise, and bankruptcy.

Welcome New Members

William Bagley EA
Shannon Jessie
Annie Garrels EA

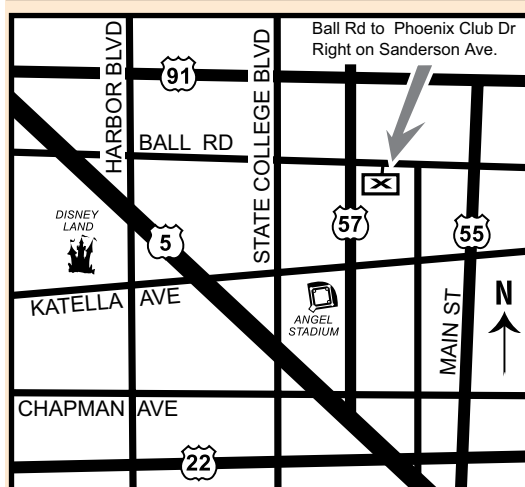
Dinner Menu

Corned Beef
and Cabbage
Chef's Choice Fish
Red Parsley Potatoes
Garden Green Salad
Assorted Garden Relish with
Dip
Three Color Pasta
Cheesecake
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 410 Members strong and proud to be the largest Chapter of CSEA.



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

Agenda March 15th

5:00 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 562-424-3 088 or Lisa Newton EA at 562-267-0351

PRESIDENT'S MESSAGE

by Russell Fox, EA



At this month's meeting the nominating committee will announce the slate of candidates for officers and directors of OCEA. If you are interested in any office or are interested in serving as a Director, email Joe Guccione at gucci-one@msn.com. We are always looking for new ideas and new people to serve. Every officer and director is a volunteer trying to make OCEA the best possible organization we can. If you can't make the commitment to serve on the Board, consider volunteering for one of our committees. Together, we can strengthen The Orange County Chapter of Enrolled Agents and promote the designation that we all have worked so hard to achieve and maintain – Enrolled Agent, The Tax Professional! Please join us as we move forward; many can achieve what a few would not dare.

OCEA is not only the largest chapter of CSEA, we are the largest chapter of Enrolled Agents in the country. I think we provide some of the best, most topical continuing education available today. This month, Jim Demetriou, who last spoke to our group in 2004, will be talking about collections. I know it's tax season, and we're all swamped with work, but take out a couple of hours of your week to get a great meal and some excellent education.

I want to thank Lynn Freer, President of Spidell, for letting us know the latest with California taxation at the February meeting. As you prepare tax returns, don't forget to remind your clients of the need to file Use Tax Returns (if applicable). That deadline is also April 18th.

The last Special Enrollment Examination (SEE) class was a huge success. We're already planning the next one. Classes will be on Saturdays from 9:00 to 4:00, beginning on June 18th and ending on August 27th. Pricing will be structured and there will be an early registration discount. Additional information should be on our website (<http://www.eaoc.org>).

In just three months my term as President will be over. That also means its nearly time for our annual retreat. This year, we're again heading to Lake Arrowhead and the UCLA Conference Center on June 16th and 17th. If you're interested in helping to plan the 2011-2012 year, contact Dan Carlberg at djcarlberg@sbcglobal.net. We're always looking for volunteers to help OCEA be the best possible organization it can be.

I'd also like to remind everyone about the CSEA Annual Meeting. It will be held at the Pasadena Hilton from June 20th to June 24th.

I look forward to seeing everyone on the 15th.



The Tax Professionals

President

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

First Vice President

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

Second Vice President

Donna Miller, EA
2698 Junipero Avenue, Suite 101B
Signal Hill, CA 90755
(562) 424-3088, dmillere@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, taxesbyrobin@cox.net

Directors

Dan Carlberg, EA
550 E Chapman Ave, Suite C
Orange, CA 92866-1641
(714) 774-8129, djcarlberg@sbcglobal.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

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

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

CaSEA Director

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

Immediate Past President

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



Save the Date!

CSEA 35th Annual Meeting June 20 –June 24, 2011 Pasadena California



This year Southern California (San Gabriel Chapter) has the honor of sponsoring CSEA's 35th Annual Meeting and I am hoping you will all find some time to attend. Among the things that will be happening, in addition to the continuing education that will be offered, will be a Bowling and Golf Tournament which is a great

time for fun and meeting other Enrolled Agents from all over the State.

The most important thing, however, will be to vote for any of the new issues that will be presented to the members this year. The most important of these will be online voting. The Board of Directors voted to make an amendment to the Bylaws to allow all members to be able to vote on issues that are presented to the members on line. Currently there is very little participation in the voting process because we could only vote at the Annual Meeting. This is a huge opportunity for all of us to become more involved and have some input with what is going on in our organization.

I am particularly passionate about all our members becoming more involved with CSEA and learning about all they are doing for us as Enrolled Agents and for our clients as well. They are constant advocates for our profession and I think that many of us are unaware of this.

The Annual Meeting is a great opportunity to see first-hand what is going on, meet some great members and have a good time. The Annual Meeting is followed by the quarterly Board Meeting which you are all welcome to attend also.

I hope to see you there and this year, I particularly would like to see you there, not just because it is convenient for us to get there, and a great time, but because I have been nominated for 2nd Vice President for CSEA 2011-2012 and I would love my chapter to be there to support me.

Hope to see you in Pasadena!!

Patti Kappen EA
CSEA Director

**Advertise in the OCEA Newsletter
Call Jack Lifshin
(562) 596-4150**

Please support our advertisers by using their services or products. Clip their ad from this newsletter and use for reference.



Online version
now part of Spidell's
California Online
Research Package

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



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

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

**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.



*Tax Professionals,
get involved.*

This space is reserved
for you to send the editor
some bits of information,
some trivia, ask for some
advice from your peers,
or just share something
that's funny.



Interest Rates Increase for the Second Quarter of 2011

An excerpt from IRS' e-News for Tax Professionals

WASHINGTON — The Internal Revenue Service today announced that interest rates for the calendar quarter beginning April 1, 2011, will increase by one percentage point. The rates will be:

- four (4) percent for overpayments (three (3) percent in the case of a corporation);
- four (4) percent for underpayments;
- six (6) percent for large corporate underpayments; and one and one-half (1.5) percent for the portion of a corporate overpayment exceeding \$10,000.

Under the Internal Revenue Code, the rate of interest is determined on a quarterly basis. For taxpayers other than corporations, the overpayment and underpayment rate is the federal short-term rate plus 3 percentage points.

Generally, in the case of a corporation, the underpayment rate is the federal short-term rate plus 3 percentage points and the overpayment rate is the federal short-term rate plus 2 percentage points. The rate for large corporate underpayments is the federal short-term rate plus 5 percentage points.

The rate on the portion of a corporate overpayment of tax exceeding \$10,000 for a taxable period is the federal short-term rate plus one-half (0.5) of a percentage point. Additionally, the rate for determining the addition to tax for failure to pay estimated tax for the first 15 days in April 2011 is the 4 percent rate that applied to underpayments of tax during the first calendar quarter in 2011.

The interest rates announced today are computed from the federal short-term rate during January 2011 to take effect February 1, 2011, based on daily compounding.

TAX TEASER

The initial action required in the collection process is

- A. The filing of a Notice of Levy.
- B. An Assessment.
- C. The receipt of the fourth notice by certified mail.
- D. A notification of a pending examination audit.



ANSWER B

From The Quill

• Jamie Gibson from the San Gabriel Chapter visited our Board meeting and our dinner meeting to help promote the CSEA Annual Meeting in Pasadena June 20-24. His Chapter is the Host Chapter and there will be a prize of \$500 for the Chapter which has the most attendees at the June 23 meeting. The election will be held that day and our own Patti Kappen is on the ballot. We are really hoping many of our Chapter members attend and that we can win the prize for our Chapter!

• Every Board meeting we have our 11 officers and directors, plus about 5-10 guests. All members are welcome to attend and we meet at 4:30 before the meeting (5:00 for the March meeting only). If you have any interest in knowing more about what's going on, please consider coming as a guest.

• The new microphone system didn't arrive in time for the February meeting but we expect to be able to enjoy it at our March meeting.

• We're still having a problem with too many people registering for our dinner meetings after the Thursday night deadline and it makes it really hard to let the Phoenix Club know how many we will have for setup and food. For the February meeting it was 25 people. PLEASE calendar it to register no later than Thursday before the meeting so you can help us solve this problem! We are trying to avoid charging an extra charge for late sign-ups.

• Our Shredding Day in January was quite a success thanks to Dan Carlberg, and we made a profit for the Chapter of about \$250. The main benefit was getting rid of 8 tons of material, as well as providing a great service for members and clients.

Edwin Young is the Examination Committee Chair for our Chapter and has completed the audit of the Chapter's books for the period of July, 2010 through December, 2010.

OCEA is Looking for Future Leaders

The current administration is running like a fine tuned engine, firing on all 8 cylinders. Now is the time for future OCEA leaders to join us to see how a well run organization operates. Director positions for the next term are available. We are always looking for new people with new ideas to get involved. Those interested in being on a winning team, please contact: Joe Guccione at gucci-one@msn.com

Would you like a new name badge?

CSEA has a new logo and NAEA changed their logo, so we are updating name badges with the new logos for new members. For those of you that want to get a new one, they can be purchased online at eaoc.org. The price is \$13 which covers our cost and sales tax. Donna Miller will put in one order per month in the week following our dinner meeting. That should make them available to pick up at the next dinner meeting.

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

SESSIONS BEGINNING JUNE 18, 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 1: Individual Taxation
JUNE 18, 25 JULY 9
- 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

Course Fee: Early Bird Registration: April 30, 2011 \$995 for the three parts.
First Registration Deadline: May 31, 2011 \$1,195 for the three parts.
Final Registration Deadline: June 1, 2011 and after \$1,295 for the three parts.
Textbook and online access for test taking is included in the registration fee.

Last date to register on line, June 10th, after, please call Patti Kappen at 949.496.1174 to register.
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

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

ARE YOU SELLING A TAX PRACTICE? Enrolled agent with 36 year's experience is seeking to purchase a tax practice of 100-250 clients in the North Orange County area (Fullerton, Anaheim, Buena Park, La Mirada). Please contact Kenneth Clark, EA at (562) 902-9169 or kennethwclark@hotmail.com 12/10

EA SEEKING EMPLOYMENT on a year-round position. Experienced in audit representation, return preparation, tax office management. Accounting and computer degrees. Client base builder. Knowledgeable and personable. For resume or any questions call Hugh Cunningham (714) 803-0300 or email HughTax@GMail.com 11/10

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

PART OR FULL-TIME Enrolled Agent needed for dynamic law firm specializing in tax and estate planning. Health and retirement plans available. Quickbooks and Lacerte experience preferred but not necessary. Please call Steven Schroeder at 714-480-0529 and e-mail a copy of your resume to Steve@Schroederesq.com. 10/10

FOR LEASE: Executive office in suite shared with other tax professionals. Professionally decorated, private deck, reception area, kitchenette. San Juan Capistrano, 216 square feet, wired for cable, computer, phone, fax. \$725.00 per month. Call Patti Kappen 949/496-1174 or email patti@sanjuanfinancial.com 08/10

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

24 YEARS EXPERIENCE PRACTICING LAW IN ORANGE COUNTY



Richard L. Barnett
Attorney At Law

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



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



Privilege and the Enrolled Agent

The IRS Restructuring and Reform Act of 1998 allow federally authorized practitioners (those bound by the Department of Treasury's Circular 230 regulations) a limited client privilege. This privilege allows confidentiality between the taxpayer and the Enrolled Agent under certain conditions. The privilege applies to situations in which the taxpayer is being represented in cases involving audits and collection matters. It is not applicable to the preparation and filing of a tax return. This privilege does not apply to state tax matters, although a number of states have an accountant-client privilege.

UPCOMING PROGRAMS & EVENTS

<u>DATE</u>	<u>PROGRAM / EVENT</u>	<u>CPE</u>	<u>SUBJECT</u>	<u>LOCATION</u>
Mar 15, 2011	Dinner Meeting	1	Tax Delinquency Guide	Phoenix Club
June 18, 2011	Review Class		IRS SEE Course Pt. 1	South Coast College
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