



# 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 2009-2010 Issue 5 November 2009

## Welcome to New Member

Paul Queeney, EA



### Dinner Menu

Roasted Turkey with  
Dressing and Gravy  
Chef's Choice Fish  
Whipped Potatoes  
Cranberry Sauce  
Three Assorted Salads  
Two Assorted Desserts

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 424 Members strong and proud to be the largest Chapter of CSEA.

November 17th Program

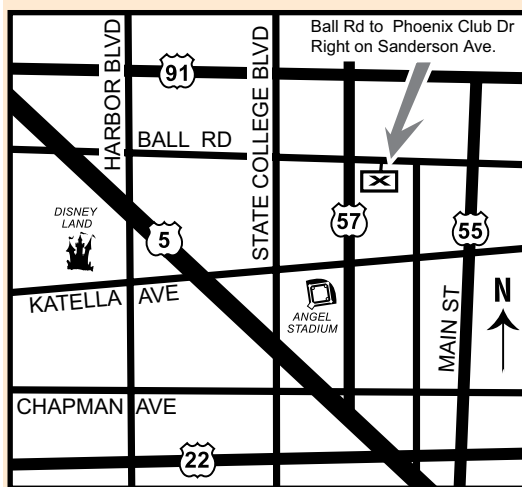
1 Hr CPE Program

# Retirement Plans & Taxes or is that Death & Taxes?

by David Shaw, EA



With the US economy experiencing the worst down turn since the great depression, your clients will be looking for your expert advice on how they can reduce taxes on their retirement plan distributions. We will take a look at strategies on how to reduce taxes on retirement plan distributions including penalty free withdrawals, RMDs, and differences between IRAs and company retirement plans such as the 401(k) or Simple IRA. Do you know what to do when your client inherits an IRA or other retirement plan? We will discuss both spousal and non-spousal rollovers. In addition, we will also look at the current market conditions as your clients will ask you, "Should I contribute to my retirement plan?" Lastly, we will cover the K's, including the Solo 401(k), so you know trouble spots to avoid. Whether you do financial planning or not, this will material will help you further secure yourself as your clients trusted advisor.



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

### Agenda November 17th

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](http://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



November is here, Thanksgiving is upon us and I can hardly believe it!! It is one of my favorite months because it reminds me to stop and think of all I have to be thankful for. During the year, I think we often move at such a fast pace we don't think of anything but getting done. November gives us a reminder to pause and think about all the good things that are happening in our lives. For me it is a time to realize how truly blessed I am and to be grateful to all the people who enrich my life and love and support me.

We all have people like this in our lives and I hope you will take some time this month to thank them for the contribution they have made to your life. What a gift it is to just thank someone for being in your life.

We are still doing our New Member Campaign and our Membership Chair, John Kristianson did a big mailing to EAs who are not involved in our Chapter and might be interested in joining. I am anxious to see what the outcome will be. We all need to do our parts too. This is our organization, the more members we have, the stronger we are, so please, if you know anyone who could benefit by being a member, please invite them to a meeting!

I am very happy to report that our Education Committee has done a really good job with the different courses that our Chapter has offered this year. Our SEE class was always very profitable for our Chapter, but with the change of the exam and the change in the way people now prepare for the exam, our income has fallen off considerably. We will still continue to offer the class but we are also changing with the times, and tailoring our courses to meet the new challenges. The big news however, is the respond to our Basic Class. The combination of these two classes and the individual seminars we offer during the year should bring us back to our former profitability. John Rumbold has done a great job organizing and teaching the Basic Class the class with the help of Dan Carlberg

We had three of our SEE class attendees apply for scholarships with either CSEA or NAEA. The CSEA Scholarship Committee finished grading the applications this week and sent their recommendation to the Education Foundation. I will give you the outcome next month. Remember, you are eligible to apply for Scholarships for any education you pursue other than continuing education. That would include NTPI and CSTAR.

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](mailto:joni@abt-tax.com)) or contact me with your thoughts.

The last thing I will say is please take care of yourself. This is flu season and it is the worst in a long time. CSEA has numerous health tip brochures on their site. Take a minute and look at them, hopefully you can learn some preventative care that will keep you well through the season. Have a very Happy Thanksgiving and remember to give thanks for the extraordinary lives we live. See you November 17th!

*Patti*



### *The Tax Professionals*

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# Tax Tips for Recently Married Taxpayers

If you have recently gotten married or plan to get married in the near future, the IRS has some tips to help you avoid stress at tax time.

1. **Notify the Social Security Administration.** Report any name change to the Social Security Administration, so your name and SSN will match when you file your next tax return. Informing the SSA of a name change is quite simple. File a Form SS-5, Application for a Social Security card at your local SSA office. The form is available on SSA's Web site at [www.socialsecurity.gov](http://www.socialsecurity.gov), by calling 800-772-1213 or at local offices.
2. **Notify the IRS.** If you have a new address you should notify the IRS by sending Form 8822, Change of Address. You may download Form 8822 from the IRS website [IRS.gov](http://IRS.gov) or order it by calling 800-TAX-FORM (800-829-3676).
3. **Notify the U.S. Postal Service.** You should also notify the U.S. Postal Service when you move so it can forward any IRS correspondence.
4. **Notify Your Employer.** Report any name and address changes to your employee.r(s) to ensure receipt of your Form W-2, Wage and Tax Statement after the end of the year.
5. **Check Your Withholding.** If both you and your spouse work, your combined income may place you in a higher tax bracket. You can use the IRS Withholding Calculator available on [IRS.gov](http://IRS.gov) to assist you in determining the correct amount of withholding needed for your new filing status. The IRS Withholding Calculator will even provide you with a new Form W-4, Employee's Withholding Allowance Certificate you can print out and give it to your employer so they can withhold the correct amount from your pay.

# KAREN HAWKINS CALLING

by Lisa Newton EA

During the CSEA Board meeting on September 27th, we had an opportunity to participate in a conference call with Karen Hawkins, the new Director of OPR. She has been attending several public forums in the United States to hear the various concerns and ideas. She shared with us the ideas that are being discussed regarding the registration of all tax preparers. This list contains various components that are being discussed. It is in no particular order and nothing on the list has been accepted or rejected:



- No Grandfathering of any preparers  
(Circular 230 preparers may not be retested)
- Annual CPE requirements that include updates and ethics
- It will probably be implemented over time (a 3-5 year phase in)
- Possible PTIN that is coded differently for each type of preparer
- Ease into testing with possibility of testing levels
- Probably will use outside company for the testing (similar to EA exam)
- Public advertising of the differences between this new class of preparers and current Circular 230 preparers
- Individuals will be licensed or registered not companies (H&R Block)
- Possible disclosure requirements (what their license allows them to do)
- OPR to handle oversight

What was particularly interesting about the call was that we spent some time prior to her call discussing the components we would like the program to have. When Karen began speaking, she started right off addressing all our concerns and already had most of our components detailed in her plan. It looks like this program might actually come to fruition in the near future after so many discussions over the last few years.

## Where is our piano player?



THE ANNUAL OCEA CHRISTMAS PARTY AND DINNER MEETING ON DECEMBER 15th IS JUST AROUND THE CORNER AND WE NEED A VOLUNTEER PIANO PLAYER TO PLAY AT THIS YEAR'S EVENT. DO YOU, OR ANY ONE YOU KNOW, PLAY THE PIANO? IF SO, PLEASE CALL LORI PAGE @ (714) 966-9850. THANK YOU.



## Quickies From The Quill

From your OCEA Board....

- Both Russell Fox and Lisa Newton attended the CSEA State Liaison Meeting and the CSEA Board Meeting at the end of September and learned a lot about what's going on at the state level. Three very important letters were written by the CSEA President: one to NAEA Board regarding a controversy between NAEA Board and EVP Search Committee and the rights of all NAEA/CSEA Members; one to an IRS VITA Territory Manager regarding questionable marketing materials; one to the IRS regarding Standards of Conduct for the Tax Return Preparer Community, as they consider their goals of increasing compliance and standards for all tax practitioners. Lisa Newton has copies of those letters if anyone is interested.
- The current CTEC class the OCEA Chapter is sponsoring now has 30 students and is going very well; the venue has been changed from the Santa Ana Elks Lodge to South Coast College. The Board has learned a lot about what to do differently next year so this can be more profitable for the Chapter.
- A membership vote was taken at the dinner meeting to amend the OCEA Bylaws to conform to the CSEA Bylaws change reducing the number of our CSEA Directors to one. That vote did pass.
- Anyone who has a problem with online registration should try hitting F5 on their computer to clear the "cache", which seems to be causing some people a problem. Donna Miller will be available by phone next month if you still have a problem registering online.
- The Board is considering sponsoring a "shredding day" (see what the Mission Chapter did in the current issue of California Enrolled Agent magazine, page 15) as a member benefit. The Board also talked about opening that up to clients. Watch for more information about that!
- Lori Page is working on our Holiday Party for the December meeting. Contact Lori if you want to help or have musical talent you'd like to share!

*Chapter Secretary, Patricia Yeckel, EA*

## TAX TEASER

Antonio is an ordained minister. As a minister, Antonio is a common-law employee of the church where he works, but his earnings and parsonage allowance are treated as self-employment income on which he pays self-employment tax. If the church had no retirement plan under which Antonio was covered, which of the following would Antonio be permitted to establish for himself?

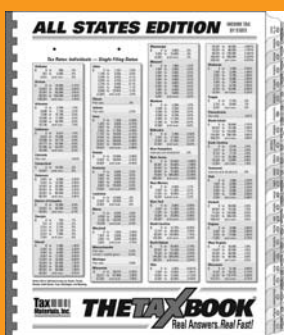
- Traditional IRA.
- Savings Incentive Match Plan for Employees (SIMPLE) IRA.
- Simplified Employee Pension (SEP).
- Both A and B.

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As a benefit to Members and others who purchase these handbooks, there will be no additional shipping and handling charges for those attending the January 19th dinner meeting where these handbooks will be distributed prior to the 2 hour CPE tutorial program on the effective use of these handbooks in our tax practices.

## 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](mailto:4quelle@msn.com)  
or fax to (714) 899-2224.

The editor reserves the right to edit letters for publication.

## Shutterbugs wanted for our newsletter!

Are you the one always snapping group and candid shots at every gathering? Do you enjoy catching those special or unusual moments for posterity? If you answered "yes" to these questions, the OCEA newsletter NEEDS YOU! We welcome your fresh perspective in photos taken at any OCEA events, such as meetings, parties and seminars.

Send your digital photos to editor Dale Quelle, EA at: [4quelle@msn.com](mailto:4quelle@msn.com). Be sure to include information about the photos (names, event, date, etc).

The editor has sole discretion in choosing photos for publication.

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## UPCOMING PROGRAMS & EVENTS

<u>DATE</u>	<u>PROGRAM / EVENT</u>	<u>CPE</u>	<u>SUBJECT</u>	<u>LOCATION</u>
Nov 17, 2009	Dinner Meeting	1	Visit from CSEA President David Shaw, EA	Phoenix Club
Dec 15, 2009	Dinner Meeting	1	Report on IRSAC	Phoenix Club
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	Taxes and Online Gambling	Phoenix Club