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Volume 2007-2008 Issue 3

September, 2007



Quickies from the Quill

**Fall Update Seminar
November 16, 2007**

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

Sept 18th Program

Tenant-in-Common

Presented by Ron Ringlien, Principal, New Cycle Financial



The Tenant-in-Common (TIC) real estate investment structure, is a rather new (since 2002) ownership structure that provides an efficient way for clients to obtain high quality “replacement property” in an IRS Section 1031 tax deferred exchange.

Ron will detail the 1031/TIC process along with the tax implications of the TIC and discuss the players and issues in this rapidly evolving industry.

Agenda

September 18th

4:30 Board Meeting

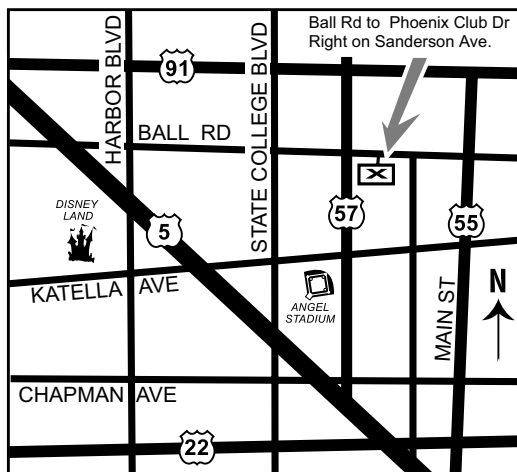
5:30 Social Time

6:00 Dinner Hour

7:00 1 Hr. CPE Program

\$35 for Member pre-registration before 4:00 P.M. on the Friday 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 \$40 and \$45 respectively. Telephone reservations to Dan Carlberg at 714.774.8129 or email reservation@eaoc.org (please include your EA number). If you wish to be added to or deleted from the Permanent List, please contact Dan.

Wear your name badge- be recognized!



**September 18, 2007
dinner meeting**

Beef Fajitas
Cheese Enchiladas
Refried Beans
Spanish Rice
Fried Potatoes with Onions
Three Assorted Salads
Two Assorted Desserts

PRESIDENT'S MESSAGE

by Cathy Patel, EA, MBA



CSEA turns 30!

You've probably received your 30-year pin in the mail from CSEA by now. Here's a little history about our state organization. CSEAs stated Mission: "to foster the professionalism, business development, and personal growth of its Members, to protect their individual interests, and to enhance the awareness and role of the Enrolled Agent among members of the public, other professions, and with governmental agencies."

In the Beginning . . . that is, 1972, David Smollan, EA, was instrumental in establishing the Founding Chapter of an organization dedicated to Enrolled Agents in Los Angeles, which eventually became the National Association of Enrolled Agents.

In 1976 . . . eight California Chapters establish the California Enrolled Agents Organization with key areas to be Legislation, Education, Professional Standards, and Mutual Support of its Members. Ken Drake, EA is elected the first President.

In 1977 . . . CSEA is incorporated and the first CSEA convention is held in Santa Clara with 25 members in attendance. CSEA successfully lobbied against a proposed California legislation that might give special benefits to tax preparers employed by the Tax Corporation of America.

In 1978 . . . the first issue of The California Society of Enrolled Agents Newsletter is published. A bill passed (through the efforts of CSEA) and was signed into law by then Governor Jerry Brown in April 1979, allowing formal recognition of EAs and the use of the initials "EA" as a professional designation.

In 1979 . . . dual membership in CSEA and NAEA is mandated by a change in NAEA Bylaws.

In 1980 . . . The Sacramento Chapter airs the first TV spots promoting Enrolled Agents. CSEA dues are increased to \$20.

In 1981 . . . CSEA enrollment stands at over 1,000 Members.

In 1982 . . . Tom Hess, EA, and Hayden Wisdom, EA, are instrumental in producing "road show" seminars that reach from San Diego to Redding in May — the "Education Month." Member benefit package now includes insurance and discounts on tax research manuals, hotels, and rental cars. The first computer for the Society is installed for then-Executive Director Bill Sprague.

In 1983 . . . In addition to the annual "Education Month," a one-day "Super Seminar" is held at Lake Tahoe and draws more than 200 attendees. CSEA membership tops 1,500. The Director of Practice announces he is considering drafting proposals to

Cont. on page 3



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require Continuing Professional Education of all Enrolled Agents.

In 1984 . . . “Education Month” is expanded as Las Vegas and Reno are selected as sites for Super Seminars that are now a two-day event. The CSEA Scholarship Fund is created.

In 1985 . . . Legislative Action Fund is created and successfully combats the proposed so-called “Model Accountancy Act” sponsored by the California Society of CPAs. New official logo is unveiled. Dues are raised to \$40. Membership exceeds 2,000 for the first time.

In 1986 . . . Super Seminars becomes a three-day event, in addition to 16 one-day seminars held throughout California in May. The Tomas P. Hess Award is established to recognize extraordinary contributions to the educational goals of CSEA and its local Chapters.

In 1987 . . . President Hayden Wisdom, EA, makes the first donation to a Building Fund for purchasing a permanent headquarters for the Society.

In 1988 . . . PBS airs a four-series television program entitled “The Tax Professionals.” Other programs follow. CSEA receives the “Meritorious Public Service Award from IRS,” recognizing CSEAs contribution to greater understanding of Federal tax laws and for CSEAs creation of the PIES program (Problem Identification for Early Solution). Toll free telephone number is set up

for members. “We SpEAk Tax” promotion begins.

In 1989 . . . A third Super Seminar is added. CSEA Members provide tax assistance to victims of the devastating Bay Area earthquake.

In 1990 . . . The CSEA Public Disaster Service Task Force is formed. CSEA Members provide assistance to victims of the Santa Barbara fires that destroy more than 400 homes in June.

In 1991 . . . Members donate hundreds of hours to assist taxpayers involved in Operation Desert Storm.

In 1992 . . . CSEA purchases its building in Sacramento. The 11th Super Seminar is expanded to four locations: Las Vegas, Reno, Anaheim, and Sacramento. It is the largest gathering of tax practitioners in America. CSEA members rushed to the aid of victims of the Yucca Valley and Big Bear earthquakes.

In 1993 . . . CSEA awards the first Distinguished Service Awards to recognize “outstanding contributions to the enhancement of the reputation, recognition, and success of the California Society of Enrolled Agents.” The first honorees are Tom Hess, EA, Nancy Nesbitt, EA, and Jim Stern, EA. The first CSEA Legislative Day is held in Sacramento.

In 1994 . . . Super Seminars expands to five locations, including the first Super held outside the

United States, at Puerto Vallarta, Mexico.

In 1995 . . . A series of three Leadership Workshops are held throughout the state, covering a range of topics that include the history of associations, parliamentary procedures, and how to recruit and motivate volunteers.

In 1996 . . . The first Tax Boat, providing educational programs aboard a Caribbean cruise, is a success!

In 1997 . . . CSEA website premieres.

In 1998 . . . CSEA establishes affiliation with Japanese Tax Accountants and creates a category of “International Associate Membership.” C-STAR (California State Tax Agency Representation) is the newest educational program. The second Tax Boat sails to Alaska. The mortgage for the Society headquarters in Sacramento is paid in full!

In 1999 . . . Bill Sprague retires as Executive Vice President and Catherine A. Apker is introduced as the new EVP. The online referral program is launched on the website. The first day, there is already a request from a taxpayer seeking an EA.

In 2000 . . . CSEAs Legislative Affairs Committee successfully negotiates a safe harbor cover letter for Members to use with financial statements. Super Seminars attract attendees from 44 states and one foreign country.

In 2001 . . . Membership stands at approximately 4,000. The third Tax Boat sails in October to the Panama Canal. The Board of Directors approves a new Vision Statement, including a Core Purpose, Core Values, BHAG, and Vivid Description.

In 2002 . . . Additional educational and professional benefit programs are offered, including Next Step, which offers Members assistance in developing business plans, and the first New EA Workshop. CSEA successfully leads the fight against mandatory e filing. California Enrolled Agent magazine is revamped and redesigned, and now includes monthly articles about Member benefits, PIA efforts, and website expertise.

In 2003 . . . California passes mandatory e filing legislation but CSEAs efforts provide a number of protections for tax professionals, including a client “opt out” clause. The Next Step program is

renamed “Tax Practice Management Workshops” and expanded to include seminars in Hiring, Acquiring, and Training Staff and Office Procedures. A new category for Student Associates is approved. Extensive radio advertising runs throughout tax season on the popular Bob Brinker Money Talk program. The Tax Board sails to New England. The Society provides its Members with a free Client Tax Newsletter.

In 2004 . . . A new Professional Associate category is established to allow tax professionals who are not governed by Circular 230 to join CSEA. 250 tax professionals attend the first Super Seminar in Hawaii. CSEA signs a formal agreement making the Japan Society of Enrolled Agents an Affiliate Chapter.

In 2005 . . . Tax Boat sails to Alaska. First Internet auction nets about \$5,000 for Scholarship Fund. CSEA Technology Advisor is provided as a Member benefit. Jim Stern Legislative Day in

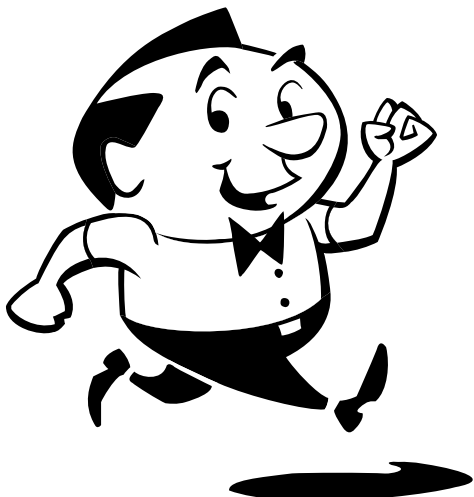
January is a tremendous success, as CSEA Legislative information is distributed to every state legislator. CSEA attends a Federal Conformity meeting held by the staff of the Assembly and Senate Revenue and Taxation Committees. CSEA kicks off new at-home CPE program, “Audio Tax.”

In 2006 . . . CSEAs second Internet Auction raises \$5,800 for the Scholarship Fund. Former Society Executive Vice President William Sprague is recognized as the first Honorary Member of CSEA. The statewide advertising campaign is renewed on the ABC Radio Network and hosts two New EA Workshops, welcoming dozens of new EAs. “We SpEAK Tax” logo is updated; the tagline is changed to recognize that EAs are “The Tax Professionals.”

“You must be the change you wish to see in the world.” — Mahatma Gandhi

Cathy

JUST forFUN!



“The concept is interesting and well-formed, but in order to earn better than a ‘C,’ the idea must be feasible,”

-- A Yale University management professor in response to Fred Smith’s paper proposing reliable overnight delivery service. (Smith went on to found Federal Express Corp.)

CSEA's Legislative Outreach Speak Tax and Have Your Voice Heard!

November 2007 – January 2008

CSEA needs every Member (that means YOU) to get involved in CSEA's Legislative Outreach 07-08. During November, December, and January, CSEA is activating its grassroots program and the goal is to make sure every State Legislator is visited at their local district office by at least one Enrolled Agent. Don't let OUR Chapter be the reason this goal is not achieved.

The CSEA Legislative Affairs Committee is hard at work to make it as easy as possible for each Chapter to do their part. CSEA will provide the Chapter Legislative Chair - Bill Geideman, EA - with all of the tools needed to arrange legislative visits in the Senate and Assembly Districts that fall within our Chapter's boundaries. CSEA will also provide those who volunteer to participate with tips on scheduling and making a visit, talking points, a packet of information to take on the visit, and much more.

Contact Bill Geideman, EA at (714) 669-0453 if you are interested in participating. CSEA needs participation from as many Members as possible to make this successful. Please do your part to help spread the word on Enrolled Agents.

TAX TEASER by Dale Larsen, EA

Kathy rented out her summer home for 80 days plus used it personally for 20 days. She paid \$1,000 for repairs and \$2,000 for utilities. Rental income was \$8,000. What was Kathy's net rental income?

- A. \$0
- B. \$5,000
- C. \$5,600
- D. \$8,000

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- Gain the benefits of electronic filing
- Learn about electronic filing resources and about the IRS Marketing Kit
- Listen to peers report their successes with electronic filing
- Enrolled agents receive one CPE credit for a minimum 50-minute participation
- Other tax professionals may receive credit if they qualify per their organization

A question and answer period will follow the presentation;
however, due to the public nature of the call, we will not be able to answer specific client issues.

Sign up now!

- Select the time that works best for you: Note: Time zones shown are Daylight Savings Time.

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EASTERN 10:00 am. CENTRAL 9:00 am. MOUNTAIN 8:00 am. PACIFIC 7:00 am

Conference Access Code : 765241

EASTERN 1:00 pm, CENTRAL 12:00 pm, MOUNTAIN 11:00 am, PACIFIC 10:00 am

Conference Access Code : 674318

EASTERN 4:00 pm, CENTRAL 3:00 pm, MOUNTAIN 2:00 pm, PACIFIC 1:00 pm

• Register at: www.attevent.com.

- You will be assigned a Personal Identification Number (PIN) that must be used to join the conference.
- If you have never registered with AT&T for a prior phone forum, you will need to click on “create a profile” first. Register by September 14, 2007. We will e-mail materials for the class on September 17, 2007. If you do not receive this e-mail by noon on September 18th, e-mail us at: nationalphoneforum@irs.gov to request the presentation materials. Reservations are limited so register early. Please let us know if you registered and will not be able to attend the forum as there is a fee charged to the IRS for each unused line.

Dial in on September 19th, 2007: Toll free: 1-866-216-6835 Toll: 1-913-227-1220

- Dial in 3-5 minutes early
- Enter your access code, then the pound (#) sign
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Questions? E-mail nationalphoneforum@irs.gov Local Events The IRS sponsors seminars, conferences, phone forums and other practitioner events throughout the year. Many are free and may qualify for CPE credit.

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Orange County Chapter
California Society of Enrolled Agents



UPCOMING PROGRAMS & EVENTS

<u>DATE</u>	<u>PROGRAM / EVENT</u>	<u>CPE</u>	<u>SUBJECT</u>	<u>LOCATION</u>
September 18	Dinner Meeting	1	TIC 1031 Exchange	Phoenix Club
October 16	Dinner Meeting	1	Your First Trust Return	Phoenix Club
November 16	Seminar	8	Fall Update	Irvine Hilton
November 20	Dinner Meeting	1	Tax Resolution	Phoenix Club
December 18	Dinner Meeting	1	OIC Update	Phoenix Club