



Michigan



MICHIGAN CHAPTER - NATP

National Association of Tax Professionals

MI-1040 REPORT

www.MI-NATP.ORG

NOVEMBER 2009

PRESIDENT & VICE PRESIDENT'S REPORT

It's official! **Only 7 weeks left before tax season!** I don't know about you but it feels like tax season already to me! With all the changes in the government and all the new laws that are in the works, I just can't stress enough how important education is for the tax preparation industry.

With legislation on the table for preapproved tax forms and a licensing requirement for paid preparers, all I can say is we need to be ready for it! Are you demonstrating your value to your clients? With the Michigan NATP chapter's help, you will be prepared to answer your client's questions. We have the Michigan Piggyback Encore seminar in December and then the "Last Chance" Seminar in January. It's your last chance for education before tax season and I guarantee you won't want to miss it.

Who knows what lies ahead of us for this tax season with:

- **The Making Work Pay Credit**
- **The First Time Home Buyer's Credit (extension & expansion)**
- **The new American Opportunity Education Credit**
- **The REVISED Energy Credits**

That just names a few of the **NEW** credits we have to understand for 2009 tax returns! There is so much legislation and many **NEW** credits for 2009! We still have 7 weeks left of 2009 for even **MORE** changes. There are approximately **18 laws** on the books that are set to expire in 2010 and there's always our good friend AMT.

With Michigan NATP's help, we can assist you with embracing those changes this tax season. The "Last Chance Seminar" will feature:

- **The latest updates from the IRS**
- **The State of Michigan and the cities**
- **Important information about disclosures and privacy issues**
- **Property taxes**

This is one seminar that you won't want to miss. It's the perfect opportunity for you to get your questions answered **BEFORE** your client arrives on your doorstep.

Also featured at the "Last Chance" Seminar is the Basic Tax and Office Procedures Seminar for your staff. This seminar will train your staff on the importance of privacy issues, compliance as well as many other hot topics! Bring your staff along for this outstanding training.

DON'T FORGET to purchase your MI-NATP attaché bag and limited edition 20th Anniversary deluxe pen combination set for only **\$10.00** when you attend the seminars. There is a very limited supply of these combination sets. You don't want to let this limited edition bargain pass you up!

I hope to see you at the "Last Chance" seminar in January and our **Annual Convention in Traverse City in May 2010!** Make sure to register early so you don't miss these very important education events! Registration is limited, so early registration is critical! I want to wish you a very successful tax season! All the Best!

Val Anderson, President

Education has been our chapter priority with our membership showing their support. Our September "2 for 1" seminar had a **RECORD** turnout! We barely squeezed the **over 260 attendees** into the ballroom at the East Lansing Marriott. With that overwhelming response, there comes a new problem. We now have to limit enrollment to be sure that we can safely and comfortably fit into future meeting rooms. Be sure to register early for the MI chapter seminars to make sure there will be space for you! **The reason for our excellent turnout is due to the speakers!** Reviewing the evaluations from the "2 for 1" seminar shows that all our speakers were rated well above 3, with 4 being the highest rating.

At our next education meeting, we will be making some vital decisions for future seminars. Some of those decisions are space considerations and when to stop enrollment for the seminars. Another hot topic is the **"Enrolled Agent Study Group"**. This year we offered 3 study groups to support those in their endeavor as an Enrolled Agent. Although the timing was not prioritized, those in the study groups found them to be extremely worthwhile. With the potential of federal licensing requirements for income tax professionals, the Enrolled Agent designation is receiving a lot of attention.

During our seminars, we always ask the attendees if there are other topics of interest that they would prefer more information on. Some of the hot topics up for discussion are:

- **Canadian Tax Returns**
- **Ethics**
- **Beyond The Basics of Basis**
- **Tax Issues Of Home Ownership**

These are in addition to all of the Michigan topics. One key thing to remember is that, to the tax professional industry, **education is not a luxury. It is a necessity!**

There are a few education opportunities coming up that we don't want you to miss!

- **Thursday December 3, 2009 "MI PIGGYBACK ENCORE" 1:00PM TO 4:00PM** Lansing Days Inn (formerly Best Western) 7711 W Saginaw Hwy.
- Register online at www.mi-natp.org
- **Registration form was enclosed in August newsletter.**
- If you have not attended a Michigan Piggyback seminar yet, **THIS IS YOUR LAST CHANCE!**
- Please use the enclosed seminar listing to set your educational calendar this year! Remember to register early because **SPACE IS LIMITED!**

Your final education opportunity for 2009 tax returns is:

- **"Last Chance" Seminar held on January 8, 2010.** This is the last time you will have the opportunity to educate yourself before the tax moment. Take advantage of it!
- Register your support staff for the **"Basic Tax and Office Procedures"** seminar held on January 8, 2010. This "Last Chance" seminar is not only for you but also for your support tax staff.

Celebrate your tax season in style with an excellent education opportunity in Traverse City May 2010! It's our Annual Convention!

- **May 20 -21, 2010**
- Grand Traverse Resort and Spa (MAKE YOUR RESERVATIONS EARLY!)
- **16 CPEs available**

I look forward to a great year and a great tax season! Let's kick off the 2010 tax season by taking advantage of these awesome educational opportunities!

Glen Mitchell, Vice President

HAPPY 20TH ANNIVERSARY MICHIGAN NATP!

The first convention of the MI NATP was held in Lansing on May 6, 1989. In August, of the same year, the first Chapter President, Larry Semrau attended the National NATP Convention in Washington, D.C. where the delegates accepted Michigan's charter. Serving with Larry on the first board was Joanne Kinney as Vice President, Barbara Bujaki as Secretary and Milton Price as Treasurer.

From its inception, the focus of the MI NATP has been the education of tax professionals. Marilyn Meredith, along with two State of Michigan Treasury personnel (long since retired) were the first instructors. The first two seminars were held in Lansing. Piggyback seminars began in 1996 in conjunction with the tax seminars taught in various locations throughout the state by National. In 1998, the January "All Day Michigan" and the "Basic Tax and Office Procedures" seminars were started. As a chapter we have celebrated milestone anniversaries in various ways. For the 10th anniversary all previous board members were invited to attend the Annual Convention followed by a dinner with the current Board.

As the Board contemplated the chapter's 15th anniversary milestone, the annual September "2 for 1" seminar was born. This was the brain child of Joe Halfmann. The "2 for 1" has become one of the chapter's best attended seminars with a sell-out crowd. In September 2009, we had our largest attendance ever! 260 attendees in East Lansing! In addition, there are now other state chapters following suit with the same concept of the "2 for 1". All attendees at the 15th anniversary "2 for 1 Seminar" received a blue mug inscribed "15th Anniversary with the chapter name and logo.

This year, in recognition of the chapter's 20th anniversary, attendees at the May Annual Convention were given an attaché bag and a pen inscribed with the MI NATP logo and "20th Anniversary." Many of our members are actively involved with chapter operations, local government, community projects and various volunteer organizations. Several have been honored by National as Chapter Person of the Month and one member was chosen as Chapter Person of the Year. Also, a number of our board members have been presenters at the Leadership Training sessions held at National Conference.

The chapter prides itself on keeping up with current trends, technology and topics chosen for the good of its membership. We were one of the first chapters to have our own website and to take online registrations. In 2009, we pioneered the first state chapter study group for tax practitioners studying to become Enrolled Agents.



MI CHAPTER-NATP VOLUNTEER OF THE YEAR

The Michigan Chapter of NATP is proud of the fact that we have a 20 year history of members volunteering their time and efforts to make us one of the most successful chapters in the country. It's proper that we recognize members who make us a delightful organization to be a member of. Each September at our "2 for 1" Seminar, we recognize a member who exemplifies the spirit of volunteerism. This year **Gayle Compton of Grand Rapids** was honored. Gayle served on the Board of Directors for many years and currently serves on the newsletter and education committees. She regularly volunteers to help with registration and attends education events with the State of Michigan and the city tax administrations. **Congratulations Gayle!** This is an award you have earned and we are proud to recognize your efforts!

We want to get to know you better...

We would like to share this information with our members by posting it on our website at, <http://www.mi-natp.org>. We are looking for Michigan authors with published works! If you, as a member of MI NATP, have written works that have been published in a journal, magazine, newsletter or even a book we would love to know about it. If you are involved in any special or community activities, please tell us about it. We would love copies of news releases, clippings, web postings, pictures, etc., describing the event or activity. Please send all submissions to secy.minatp@gmail.com. We reserve the right to edit entries and may not post every submission received.

Board Positions Open in 2010

During the May 2010 Convention in Traverse City you will have the opportunity to join your Michigan Chapter NATP board of directors. There are 4 positions open.

The regions are:

- Region 1** Upper and Lower Northern (currently held by Roger Voss)
- Region 2** West Central Lower (currently held by Jerry Coon)
- Region 4** Thumb Area (currently held by Marilyn Meredith)
- At-Large** All areas needed (currently held by Glen Mitchell)

Please consider yourself or someone else you feel would be another strong member within your Michigan chapter.

MICHIGAN CHAPTER-NATP WELCOMES OUR NEW MEMBERS!

Phyllis Bailey-Sprivey	Denise Bennett	Peggy Burns	Kenneth Heckman	Gerald Henry
Jenifer Hodge	Lorie Holden	Marciana Janeczko	Don Jones	Mohamad Khankan
Brian Maltman	Shirley Musser	Michael Rae	Lois Schafer Lisowski	Shanyn Stewart
Colleen Strader	Susan Swanson	Nancy Swoffer	Beverly Taylor	Kelly Thomas
Daniel Tirado	Yvonne Waller-Jordan			

MI NATP ATTENDS IRS COMPLIANCE FORUM

The IRS Compliance Forum held on October 29, 2009 was well received. In attendance were 11 Tax Professionals from various organizations. Representing MI-NATP was Glen Mitchell, Marilyn Meredith and Kathy Bozman. The IRS panel consisted of their management personnel from different compliance areas ranging from the initial collection departments through two attorneys representing the court procedures. The IRS is interested in working with tax professionals. One of the reasons stated is the complexity of the tax code. The economic downslide has increased substantially the inability for taxpayers to pay their tax liabilities.

Here are a few key points:

- IRS does **NOT** email taxpayers **ANYTHING**. IRS has major concerns about security and there are no immediate plans to use email, although we as a group encouraged and gave some suggestions to implement a system for corresponding with the representative in the near future. Email scams using the IRS name are much more prevalent in Michigan than other adjacent states.
- IRS mentioned several specific areas they are targeting for audits. These include self-rentals, dairy farmers, Sch C (without SE tax), Domestic Production Deduction and those that should have the 10% early withdrawal penalty.
- E-filing offices are on the list to be audited by the IRS in the next three months. Two items on the inspection list are signatures on 8879s and checking to see that W-2's were present before e-filing the tax returns.
- When a "lien determination" letter is sent, the taxpayer has 10 days to respond. This notice is only sent after numerous other attempts have been made without response from the taxpayer or payment.
- "Closure statements" from the IRS are being sent out in many cases that are marked uncollectible or where full payment has been received.
- IRS will not converse with anyone using a cell phone for security purposes.
- Comerica Bank was named as one of a few banks stating that they can no longer accept the federal tax deposit coupons for payments through their banks and have faulted the IRS as insisting the use of EFTPS. **THIS IS FALSE**. The IRS encourages the use of EFTPS. It is the bank policy to accept it or not.

Many other issues were discussed during the 4 hour session. It certainly did enlighten the attendees as to the "other side's situation" when it comes to our tax practice and the applicable IRS procedures.

How I passed the Enrolled Agent Exam

Have you ever thought about becoming an Enrolled Agent? I took the EA exam in 2004 and unfortunately I did not pass. My first thought was I would retake the exam next year and before I knew it, it was 2009! I decided that 2009 was going to be the year that I would retake the exam! I signed up and completed the national course in Detroit. The course was overwhelming! During the second day of the course, Glen Mitchell came to speak about the Enrolled Agent Study Group held by MI-NATP. I signed up for the group and it was the BEST thing I could have done!

The instructors helped me to look at the questions from a practical tax viewpoint. I realized, with the instructors help, that you could come up with the same answer by using different methods. The instructors encouraged us to take the exams as soon as possible. I took the first exam and passed 4 days later! The second part of the exam contains the business portion of taxation. The group was originally scheduled to meet for 3 hours but the instructors were dedicated. We studied for seven and half hours. They stayed until we all understood the questions. I passed the second part of the exam 5 days after the group! It was through their dedication that I passed that second part!

With the hardest exams over, I passed the third exam with no problems. I am very proud to say that with the help of the MI-NATP I am now an EA! The instructors were completely dedicated to our group and us passing the EA exam. Thank you MI-NATP! I am completely and forever grateful! I never could have done it without you!

Colleen Reynolds, EA Richland, Michigan

Newsletter Committee

Jim Barry
Kathy Bozman
Gayle Compton
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Jon Garlick
Kristina Hornaday-Alberts
Esther Liebetreu
Brian Meredith
Erlinda Meredith
Marilyn Meredith
Candy Mitchell
Glen Mitchell
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CHARITY REPORT

Please know that you have answered the call of many by providing resources to feed those who did not have the means to feed themselves. Our chapter charity "Food Bank Council of Michigan" has reached across our state to help all in need. If any of you have questions or would like donate time, food or money they can be reached at (517)-485-1202 or visit them on line at www.fbcmich.org.

Thank you again for your generous out pouring for this very worthwhile organization.
Your charity chair, Sharon E. Barry E.A.

And the Winners are.....

Congratulations goes out to all of our winners at the "2 for 1" and the Piggybacks. The winners received a variety of goodies such as: Tax Guide Books, gift baskets, and free seminars! The winners were: Marty Hansen, Bob Loverich, Joe Halfmann, David Katz, Norma Lawson, Deanne Nelson, Tom Sullivan, Phyllis Bailey-Sprivey, Patrick Bruen, Ruth Fles, Jenifer Hodge, Joe Bartley, and Victoria Zannetti. Congratulations once again from your Michigan NATP!

MICHIGAN - NATP EDUCATIONAL OPPORTUNITIES

*November 18, 2009	Quickfinder/TaxBook (Orders Due)	
December 3, 2009	MI Piggyback Encore	Lansing
*January 8, 2010	"Last Chance" Seminar	Lansing
*January 8, 2010	Basic Tax & Office Procedures	Lansing
May 20-21, 2010	MI-NATP 21st Annual Convention	Traverse City
July 19-22, 2010	National Conference	Austin, TX
August 2-4, 2010	EA Exam Review Class	Lansing
September 17, 2010	"2 for 1" Seminar	Lansing

*See attached flyers for more information

Go to www.MI-NATP.ORG to register online

MICHIGAN INCOME TAX UPDATE

Important information for 2009 Michigan income tax returns:

- 38 colleges qualify for the tuition credit
- 6 new voluntary contribution funds have been added
- Form 4764 is the new form for the refundable energy credits
- 20% is the new MI EITC for 2009 returns
- \$50 is the additional voucher amount that those filing a MI-1040 CR-7 received

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