

MICHIGAN CHAPTER - NATP

National Association of Tax Professionals

MI-1040 REPORT

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November 2006

PRESIDENT'S REPORT

"Holidays Are Near"

I always like this time of the year. Like many of you, I am immersed in the bustle of the holiday season that is approaching. I look forward to seeing family and friends plus the special times they hold for all of us. I think back to my time as Treasurer for the Michigan Vietnam Veterans and the special memories they hold for our veterans and their families.

I want to update you on a change that occurred to our Board of Directors. It was unfortunate that Fred Kling could not continue as a Board Member because of the need to be in Arizona for business reasons. We recognize the importance of this decision for Fred and his family. The good part about this is I know we will see Fred in the future and receive the benefit of his leadership and experience.

I would like to officially welcome our new Board Member Ray Wojciechowski who has agreed to serve in Fred's place on the Board of Directors. Many of you already know Ray. He has entertained us many times at a MI NATP event as Ray the Clown, his other professional endeavor. He has been a member of NATP for many years.

I want to thank you for your tremendous support of our "2 for 1" seminar in September. It was so gratifying to see over 190 people in attendance. I had a chance to meet many of you for the first time; and from the comments I read on the evaluations, I could see you enjoyed the seminar. In addition, I know that more than 140 people have attended our MI Piggyback seminars with another one scheduled for 11/13/06 in Bay City. I wish to extend a thank you to Glen Mitchell our "MI Piggyback Instructor" and to the Education Committee for its efforts to organize these events and provide a wonderful opportunity to enhance our professional skills and meet fellow members throughout Michigan. Furthermore, I know that many of you have attended the 1040 and 1040 Extra seminars sponsored by NATP in the various locations throughout Michigan.

Remember to order your QUICKFINDER OR TAXBOOK by 11/20/06 on the order form in this newsletter. By placing your order through MI NATP you can save money on your order and MI NATP will receive \$5 per book ordered. This allows our chapter to sponsor events and invite the very best instructors. NATP has entered into an agreement with Staples. If you have the need to purchase office supplies, you can do so at Staples and receive an additional discount because you are a NATP member. Register with Staples by calling Tom Steffy at 800-693-9900 ext.514.

Perhaps it is a little early but I wanted to extend to you and your family a Happy Thanksgiving and the best of wishes for the Holiday Season. You need some rest and quality family time before the busy tax season arrives with its demands on your time and energy.

Valorie Anderson, E.A.
President, Michigan Chapter-NATP

"PREPARE FOR THE RUSH OF TAX SEASON"

We are starting to receive many calls from our clients anticipating the tax season. We have made efforts to improve our skills by attending continuing education classes, and we are in the midst of readying our offices for the busiest time of the year.

As of this writing, more than 300 people have attended a MI Chapter seminar this fall! The September evaluations indicate that you were very pleased with our instructors, Marilyn Meredith E.A. and Alice Orzechowski E.A., CPA. What a team they make!

If you have not yet attended a Michigan Piggyback seminar, come to Bay City on November 13. Glen Mitchell, E.A. is the instructor. He is experienced in MI tax law; and you will find his presentation a good way to have your MI questions answered before tax season. This 3 CPE credit seminar begins at 6PM and follows day one of the NATP 1040 seminar.

An annual event on our educational calendar is the **ALL DAY MICHIGAN SEMINAR** to be held in Lansing on January 5, 2007. This is an excellent seminar to prepare you for the upcoming tax season. Marilyn Meredith, E.A. will review with us those difficult situations with filing status and dependents. In addition, she will inform us of the Federal and MI tax changes that we need to know. Glen Mitchell, E.A. will review energy credits. Byron Kuxhaus, J.D., E.A. will give us an attorney's point of view concerning the important subject of confidentiality. We will also try to make sense out of the W-2 and 1099 forms and review the Michigan City tax return changes. It promises to be a full day and will assist you in your preparation for the tax season. We also have something for your newly hired employees. It is a seminar called **OFFICE PROCEDURES/INTRO TO TAXES** with new instructors for this year. It will be team taught by Byron Kuxhaus, J.D., E.A., Candace Mitchell, B.S., M.A., and Matt Livingston, E.A. Byron will address the group and reiterate the importance of confidentiality in the office. Candace will share her experience in correct office procedures that will help the new employees become productive in their new environment. Matt will instruct in basic tax preparation that will provide a basis in tax knowledge for these new employees. I think that a new employee would welcome this opportunity to meet other new members to this profession and would benefit from the knowledge and experience of our instructors prior to the rigors of tax season.

We are also looking ahead to the 2007 education year. On Thursday, May 17 and Friday, May 18, we will meet in Frankenmuth at the Bavarian Inn. Our members have commented how they enjoy being there for a great learning experience. Headlining are three excellent instructors: Marilyn Meredith E.A., Tom Copeland, J.D., and Lawrence Zimble, E.A., MST. On Thursday, you can choose to attend Tom's expert information on daycare or Marilyn's explanation of the Federal and Michigan Form 1041's. There will be 2 hrs dedicated to ethics and other topics of interest. Friday will feature Lawrence informing us of the correct identification of 1099 vs. employee along with information to assist us on innocent and injured spouse clients. Additional topics will be Form 5329, MI pension subtractions, and HSA. We promise a full two days with experienced and interesting instructors. Jerry Coon, E.A., Vice-President, MI Chapter-NATP

OUR MICHIGAN TREASURY TRIP - "WHAT AN ENLIGHTENMENT"

Have you ever prepared a federal tax return and allowed your computer to just carry the information to the Michigan return? Have you ever made a few adjustments on the Michigan return and then thought, "I think this is right?" Have you ever tried to call the State of Michigan and listened to a recording or were left on hold and still no answers to your questions? If your answer is yes to any of the above questions, you owe it to yourself and your clients to attend next year's annual Lansing MI-NATP Treasury Trip for a round table discussion with Michigan Treasury officials. If you could only attend one MI-NATP event next year, I would highly recommend that you attend this one. I know that you will find the cost to attend quite reasonable. It will require that you submit one question to our MI-NATP coordinator for the event, Jim Barry. Submit your questions to Jim at: jbarry2395@charter.net or fax to (734) 426-2875. I know that all of us have MI questions during the tax season. Make an effort this tax season to write them down and submit at least one of them to Jim and you are in for the best round table discussion ever.

After 29 years of preparing taxes, I attended my first trip with MI-NATP in September to the Michigan Treasury. Since I regularly attend MI-NATP seminars, I have often wondered, "How do the instructors know so much information in advance?" "How do they know the name and phone number of the right person to contact at the Michigan Treasury?" Well, now I know!!

The Lansing Treasury Trip was a live-encyclopedia of information. I left there with a wealth and armful of information. The NATP members who attended submitted over 100 questions ranging from income tax, personal property tax, credits, sales, use and withholding, E-filing, SBT, and general questions such as "why does the State do the things they do?"

The questions were given to the State employee in-charge of the appropriate division. With an agenda in hand, each representative was introduced, sat down with us and addressed every written question as well as all of our additional questions. They provided phone numbers, e-mail addresses and current updates for next tax season. They loaded us with tons of information to prepare a State tax return which could have the lowest legal tax liability. Their motive was clear. They know that the more informed we are will make their jobs easier. Secondly, their willingness and interest in working with us on our real-life tax problems will assist them in the development of the State of Michigan's new technical system which will benefit everyone.

Legislative issues were addressed including those tax issues pending approval and those falling to the wayside. Customer service issues were also an enlightening subject. They were presented with perspectives from both sides of the coin.

We received printouts of the new web sites and how to navigate within them. We were given contact information for any problem or comment we had. The four employees of the Problem Resolution Office visited, introduced themselves, and acknowledged the members they knew. It is always nice to be able to place a face with a name when you need their assistance.

We were also given the opportunity to present actual client problems and have them resolved right there (others were noted and followed-up with the pertinent answers).

On my return home, I thought how every minute was packed with inspiring information for completing a correct MI tax return. I was so excited about the experience, I actually volunteered to write this article. This trip is available to **ALL** Michigan Chapter members. Do yourself a favor and sign up for next year.

I attend various seminars offered by NATP throughout the year. Please feel free to look for me if you would like more details, (yes, I have more), or you can e-mail me at KBNATP16621@comcast.net with any questions regarding the Lansing Trip or any of our seminars. I am a newly elected member of our Board and look forward to talking with you.

Sincerely, Kathy Bozman, EA

TWO NEW REFUNDABLE CREDITS FOR MICHIGAN

Michigan's legislature has added two new refundable credits for Michigan residents. Beginning in 2006 parents of a stillborn child will qualify for a credit of \$150. New for the 2008 tax year Michigan will have an Earned Income Tax Credit. For 2008 it will be 10% of the amount allowed for the Federal Earned Income Tax Credit. For 2009 and later the amount will increase to 20% of the Federal amount.

WELCOME NEW MICHIGAN NATP MEMBERS

Alicia Anulare	Sterling Hgts.	Scott Frush	Wixom	Wayne Kornson	Sidney	Michael Seykell	Livonia
Pamela Bell-Spencer	Detroit	Andrew Glazer	Farmington Hills	Scott Lonsway	Saginaw	Martin Sviland II	Plymouth
Noel Carrillo	Wyoming	Corinne Henry	Livonia	Daniel Lubbers	Holland	Pauline Tallon	Ionia
Mary Case	Freeport	Pressna Kartha	Flint	Daniel McKernan	Plymouth	Gerald Vander Hart	Cheboygan
Judith Dings	Saginaw	Elizabeth Keppel	W Bloomfield	Vincent Pollicella	Plymouth	Teresa VanderLeest	Whitehall
Jennifer Douglas	Howell	Joan Konsol	Farmington Hills	Doug Saylor	Adrian	Randy Wiltshire	Milford

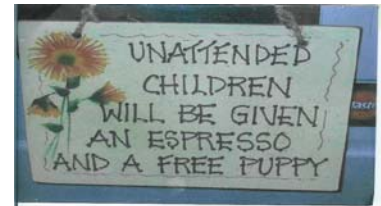
For The "New Kids On The Block" **Candy Mitchell, B.S. M.A.**

Are you hiring new staff this year? Our January conference **"Introduction To Office Procedures & Taxes"** may be just what you need! Most offices have a receptionist on their team. Treat this person very well! Often this person is the first contact a new client has with your office and may well be the last contact a paying client has. Do you plan to hire new preparers too? Wouldn't you like him or her to project a professional, knowledgeable image to your clients? It could mean the difference between an "ex-client" and a "repeat customer".

We're trying something a little different with this seminar this year. This session is being taught by three different people, each a specialist in a specific area. I will be doing the two hour session dealing with office procedures only. Matt is still doing the review of basic tax preparation and all the other good stuff he's so good at, and Byron will be teaching about a third topic everyone needs to be aware of; that whole issue of confidentiality!

I'm new to teaching a tax seminar so please be gentle with me this year. I'm a retired high school teacher so I think I can handle the "discipline" problems your new employees will try with me! My goal is to share some practical experiences and useful tips with the group. I'll be dealing with these topics:

- * Telephone 101 (Yes all the lines are ringing at once - HELP!)
- * Appointments - They're not just suggested time slots
- * Lobby / Waiting Room: See attached note to post for all parents →
- * Processing: Copy / Staple / Assemble... CHECK - CHECK - CHECK
- * Tips / Questions: Your input needed



January 5, 2007 is closer than you think. Get your office team together for a great seminar! Review of basic tax preparation, office procedures and confidentiality all in one day - what more could you want? Oh yeah - lunch too!



Newsletter Committee

Valorie Anderson
Jim Barry
Sharon Barry
Kathy Bozman
Joe Halfmann
Esther Liebetreu
John Mahlstedt
Gary McCallumore
Erlynda Meredith
Marilyn Meredith
Glen Mitchell
Candy Mitchell
Karen West
Mike Wierzbicki
Ray Wojciechowski
Heather Worden

CHARITY REPORT

Our 2006-2007 Charities are Camp Quality and Walk for the Cure. One of our Board Members Leslie Echols successfully completed three days of walking for the Cure. Our Chapter donated \$250 and members donated an additional \$181.50 for a total of \$431.50.

Camp Quality of Michigan is a children's cancer camp that is open to all children between the ages of four and eighteen. This camp offers several annual adventures, at no cost, for children with cancer. These adventures go year around and take place at different locations across the state.

SEMINAR FOR PRIOR TAX PREPARERS

At this "last chance" for a class on 2006 taxes and plans for 2007 you will find the following addressed along with "the rest of the story:"

- Telephone Tax Rebate and Form 8913
- MI stillbirth credit
- Who can truly be Head of Household
- Electronic filing for city returns
- Tax exempt interest reporting
- What do you mean I cannot deduct my well used dish towels I gave to charity
- The correct tax on my IRA withdrawal that I used to help my child buy a home
- Energy Credits - New water heater?? Form 5695
- Client confidentiality
- Decrease in city exemption
- New mileage rate for 2007
- More "Hope" credit

Please join us on January 5th in Lansing to complete your readiness for the 2007 tax season.

MICHIGAN - NATP EDUCATIONAL OPPORTUNITIES

*November 13, 2006	Piggyback (1040/Xtra-13th & 14th) (Last one for 2006)	Bay City
*January 5, 2007	Michigan All Day (Flyer Enclosed)	Lansing
*January 5, 2007	Office Procedures/Intro to Taxes (Flyer Enclosed)	Lansing
*May 17 & 18, 2007	Michigan Convention - Featuring Tom Copeland - Home Day Care	Frankenmuth
July 23-26, 2007	National Conference	Las Vegas, NV
*September 21, 2007	September Seminar	Lansing

***Michigan Chapter Functions**

Address Service Requested

MICHIGAN CHAPTER - NATP
NATIONAL ASSOCIATION OF TAX PROFESSIONALS
2175 Beverly Ave. SW
Wyoming, MI 49519