



Michigan



MICHIGAN CHAPTER - NATP

National Association of Tax Professionals

MI-1040 REPORT

www.MI-NATP.ORG

AUGUST 2010

PRESIDENT & VICE PRESIDENT'S REPORT

WELCOME

I hope everyone has had a good summer. Now it is almost time for extensions being due.

It is time to register for the "2 for 1" if you haven't already. Where else can you get TWO people educated for one fee with both getting their CPEs. Our guest speaker, Jaye Tritz, will be joined by Byron Kuxhaus and Marilyn Meredith.

A lot has been going on about **Tax Preparer Registration**. It is here. You must have a PTIN before you can file your first tax return for the year 2011. If you already have a PTIN, you must register and "refresh" your PTIN. Every paid preparer must register every year and pay a fee of \$50 to IRS plus a fee to the third party that will handle the processing.

Mandatory CPE is COMING in 2011. If you attend the seminars MI-NATP offers, you will have the 2 hours of Ethics, 3 hours of tax updates and 10 hours of Federal tax issues that are required.

It was my pleasure to accept an Honorable Mention for Chapter of the Year at the National conference. Thanks to Anna Mayer for her good job putting the information together.

Five (5) of your MI board members attended leadership training at National.



Glen Mitchell, Marilyn Meredith, Sharon Barry, Val Anderson, Larry Zimble

If any of you write tax articles for magazines or newspapers, let us know. How about the charity work that you do? Let us know. The Chapter of the Year information is not just the board member activities. It is what all the members do. Examples: volunteer for the soup kitchen or the Red Cross; do any pro bono tax returns for the elderly; work with the homeless; any volunteer work at all. We would love to hear about it. Let us toot your horn.

QUICKFINDER & TAXBOOK ORDERS

We will be taking orders for Quickfinder and TaxBook again this year. You will not be able to buy these references any cheaper. Please use the form included or the one provided at one of the upcoming seminars so our chapter receives credit. See you on September 17 at "2 for 1".

Val Anderson, MI Chapter-NATP President

BACK TO SCHOOL SPECIAL "2 for 1"

Stores are all having their back to school sales and that is exactly what we at MI chapter of NATP are doing. September 17th is our Two for One Special seminar.

The theme this year is THE HOME. Every tax return involves your client's place of residence. We are part of their decisions whether to purchase, own or sell and the benefits/pitfalls of each possibility. Quite often our client's home purchase is the biggest purchase they will ever make. As tax professionals we need to deal with the purchase, the ownership benefits, and, in the end, the sale. Over the years Congress has sweetened home ownership with:

- Ability to deduct property taxes and home interest,
- Excluding the gain on sale,
- Remove money from IRA to purchase,
- Homebuyer Credit,
- Energy Credits,
- Exclusion for profit on sale, and
- Ability to avoid tax on debt cancelled on foreclosures.

With each of these benefits come a myriad of rules and conditions. This seminar puts them together in one package.

Our featured speaker is Jaye Tritz E.A., CFP from Wisconsin. She is a nationally recognized speaker who through her offices is responsible for over 3,500 tax returns being filed every year.

We will also tie in some of the rules of Principal Residence Exemption, some issues dealing with land contracts, and issues on how to deal with your home on the Michigan tax return.

With this seminar we give you the greatest value of a full 8 hours of CPE credit in tax with the knowledge you need for half the price of our already very reasonable seminar rate. Be there!

TIME to BECOME an ENROLLED AGENT?

Licensing is here. Are you ready? It might make sense to become an Enrolled Agent NOW.

MI Chapter-NATP has study workshops to help you pass THE TEST. You will get personalized instruction with your questions answered. The workshops are being offered in Fenton at Larry Zimble's office.

1. August 18 = Part 1 of THE TEST is covered.
2. September 8 & 15 = 2 sessions to cover all the material in Part 2 of THE TEST.
3. Sign up by printing the enrollment form at www.mi-natp.org.

Glen Mitchell, MI Chapter-NATP Vice-President

MICHIGAN TAX QUESTION:

Can I get a credit on my MI Individual Income Tax Return for the purchase of a pellet stove or a corn stove? These are the stoves that qualify for the Federal credit.

Answer:

NO, a pellet stove does not meet the definition of a furnace for purposes of this credit. One of the Energy Star requirements for Michigan purposes is that a furnace must burn fossil fuel. Corn & pellets aren't fossil fuel.

MICHIGAN TAX QUESTION:

My client just got a letter from MI Discovery saying that they had a loss on rental property located in Florida. MI Discovery said that they had to add that loss back for the year 2007. Is this correct? What about the gain that the taxpayer had from that Florida rental for the tax year 2008?

Answer:

Schedule 1 line 4 instructs us to enter losses from a business or property located in another state. Schedule 1 line 11 says that residents of MI may subtract net rents from real property located in another state. Therefore, the answer to both questions above is "yes". Add the loss back for 2007 and deduct the gain for 2008 using Schedule 1.

MICHIGAN NATP TREASURY VISIT SEPTEMBER 14

Our annual meeting with Michigan Treasury officials is set for Tuesday September 14. Please submit your questions for discussion to Glen Mitchell at tcglenmitchell@yahoo.com or Jim Barry at jbarry2395@charter.net. If you would like to attend with our group (limited to a maximum of 20), your ticket is to submit at least one question AND to notify Jim at the above e-mail address or by phone at (734) 426-2395. Jim will supply you directions if needed. QUESTIONS MUST BE SUBMITTED NO LATER THAN FRIDAY AUGUST 27 as we must submit them to Treasury well in advance. We meet by 9:45 am in the lobby of the State Secondary Center Data Operations Building in Dimondale (just south of Lansing). We await your questions.....

MICHIGAN CHAPTER-NATP WELCOMES OUR NEW MEMBERS!

Kay Arens	Aman Awan	Pamela Beck	Pamela Bell-Spencer	Denise Besson
Donald Biddinger	Anne Billingsley	Gerald Bloch	Patricia Bodi	Alfonzia Braxton
Colleen Brinker	Kevin Bukowski	Joseph Caleel	LaTeama Cann	Melzina Cannon
Peggy Carty	Thelma Caruthers	Brent Chavis	Ahmad Chebbani	Kimberly Dade
Pamela Dale	Bridget Daniel	Douglas DeGain	Carol Diener	Kimberly Dittmar
Valencia Dobbins	Mark Ellis	Kathy Engle	Kristin Eudier	Mark Felton
Scott Fleszar	Renee Floer	Don Grisham	Karen Guiney	Sharon Haver
Laura Howard	Elizabeth Jarboe	Thomas Kaminski	Barbara Kasper	Billie Lange
Randy Leafers	Kevin Mathews	Jeannie McMillan	Lesa McNaught	Jospeh Meirow
Louis Mendoza	Christopher Micklatcher	Steve Miller	Robert Murdock	Sherry Nelson
Siprenia Pearson	Julie Perkins	Christopher Picciurro	Dawn Pickrahn	Taj Qureshi
Rory Renaud	Mark Rett	Betsy Rheume	Michael Rudy	Maria Santorini
Jacki Saunders	Aida Sawalha	Ron Scholte	Susan Scioli	Gary Stowie
Niki Sturm	Leonard Sumler	Richard Summersett	Gordon Takeo Satoh	Jill Thomas
Pamela Thompson	Sheila Tormala	Robert Vanderzee	Elaine Washington	Kevin Way
Alexia Weber	Joseph White			

Michigan Chapter – NATP CONVENTION

The Michigan NATP Annual Convention was held May 20 and 21 in Traverse City at the Grand Traverse Resort. Our guest speaker Kevin Houston E.A. gave us ethics with a new twist, Ethics Jeopardy. This was a great presentation of an important topic with the room coming alive with a competitive spirit when presented in the format of Jeopardy. I found all the topics and presenters excellent and informative. If I went into the presentation with a question mark over my head, I came out with a light bulb turned on knowing that “ YES! I get it”. Topics covered a variety of subjects geared toward every level of the tax professional. The banquet was outstanding, giving everyone a chance to socialize and meet new friends in a relaxed setting over dinner. I would encourage all our members to attend the next Michigan Chapter Annual Convention which will be in Port Huron May 19 & 20, 2011. Mark your calendars. Susan Cullen.

JIM BERISH named CHAPTER PERSON OF THE YEAR

Jim Berish, member from Manistee, was named chapter person of the year. He was former board secretary. He took the responsibility to set up training for new board members. Jim continues to participate in chapter activities.

MI TAX-EXEMPT ORGANIZATIONS ABOUT TO LOSE STATUS

IRS has given tax-exempt organizations until October 15, 2010 to file their 990-N form or lose their tax-exempt status. These tax-exempts can be found by going to www.irs.gov and clicking on the Charities & Non-Profits tab—then click on “IRS Announces One Time Filing Relief for Small Exempt Organizations That Failed to File for Three Consecutive Years” article. This list is sorted by state. MI has 332 pages listed in alphabetical order by the name of the charity. Please check the list and let your local tax-exempts know if their name is on the list.

ANNUAL NATIONAL CONFERENCE

The annual conference this year in Austin, TX was again an educational feast. Forty-nine classes, some offered multiple times gave participants an opportunity for 33 CPE's, with wonderful instructors teaching everything from basic to advanced .

We had the opportunity to hear both Karen Hawkins, Director of IRS Office of Professional Responsibility and David Williams, Director IRS Electronic Tax Administration and refundable credits. They focused on the new preparer proposed regulations.

Michigan chapter contributed items to the Charity Auction for the Austin Children's Shelter. NATP gave the charity a final check for \$20,002.75. This says a lot for our members. These funds were raised by the attendees at the seminar.

Next year's seminar will be a little closer. It will be held in St. Louis , MO from August 15-18. Start thinking and planning now.

MEMBER 2 MEMBER

Check out Member 2 Member at the NATP website. This is exclusive to NATP members. There are different groups and a discussion area. Those of us who went to Austin have signed up. Just go to the NATP website and find the Member 2 Member area at the bottom middle of the home page. Fill out the profile and you will be good to go. Join the Michigan group and any others that you wish to participate in.

CHAPTER CHARITY

Our charity continues to be Food Bank Council of MI. We collected \$1,641 at May conference, which could buy up to \$27,076.50 of food if matched by other organizations. With your future support, at our events, we could increase this amount even higher.

Newsletter Committee

Jim Barry
Sharon Barry
Kathy Bozman
Chuck/Gayle Compton
Susan Cullen
Jon Garlick
Brian Meredith
Erlinda Meredith
Marilyn Meredith
Glen & Candy Mitchell
Collette/Chan Nelson
Jim Snodgrass
Karen West
Ray Wojciechowski
Heather Worden

TAXBOOK & QUICKFINDER—ORDER NOW for the BEST BARGAIN and GOOD RESEARCH MATERIAL. You will get the best price through MI Chapter on the attached.

City Roundtable

Do you have problems completing city income tax returns? Do you have a recurring issue with certain cities? Are city instructions unclear? Do you wish the cities would....?

The Michigan Cities Round Table meeting can get you the solutions or answers to these issues. Representatives from MI-NATP will be meeting with city income tax administrators in December. This annual meeting is our opportunity to find out how each city processes returns, applies tax legislation, etc. We can also find out how to avoid client letters and processing delays. What do you want to know? Please submit your questions to Kathy Vosburg at kvosburg@sbcglobal.net . The responses to your questions will be e-mailed to you after the round table meeting which occurs in December.

MICHIGAN - NATP EDUCATIONAL OPPORTUNITIES

August 18, 2010	EA Study Class Part 1	Fenton
September 8, 2010	EA Study Class Part 2	Fenton
September 15, 2010	EA Study Class Part 2	Fenton
*September 17, 2010	"2 for 1" Seminar	Lansing
October 22-23, 2010	1040 Workshop	Grand Rapids
*October 22, 2010	MI Piggyback	Grand Rapids
November 1-2, 2010	1040 Workshop	Bay City
*November 1, 2010	MI Piggyback	Bay City
November 3-4, 2010	1040 Workshop	East Lansing
*November 3, 2010	MI Piggyback	East Lansing
November 5-6, 2010	1040 Workshop	Dearborn
*November 5, 2010	MI Piggyback	Dearborn
*December 2, 2010	MI Piggyback—stand alone	Lansing
*December 3, 2010	MI Piggyback— NEW stand alone	Detroit Area
January 7, 2011	Last Chance Seminar/Basic Tax & Proc	Lansing
May 19-20, 2011	MI-NATP Annual Convention	Port Huron

*See attached flyer for more information

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

Address Service Requested

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 Wyoming, MI 49519
 NATIONAL ASSOCIATION OF TAX PROFESSIONALS
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