



# The National Conference of CPA Practitioners

Nassau/Suffolk Chapter

Volume 8, Issue 3

March/April 2011

Date  
Topic  
Moderators

## Wednesday, April 27, 2011 - MAP Mtg POST SEASON ROUND-TABLE

**Sandra G. Johnson, CPA of Sandra G. Johnson CPA**

**Douglas Sinetar, CPA of Douglas Sinetar CPA PC**

**2 CPE/MAP/ADVISORY SERVICES**

Credits  
Location  
Time  
Cost

On Parade Diner, Woodbury

Registration: 7:45 AM, Program: 8:00 - 10:00 AM

On or before Friday, April 22 - \$25.00, After Friday, April 22 - \$35.00

### **PRESIDENT'S MESSAGE**



Now that we are knee deep into tax season, I can't put into words how relevant and timely the tax update, which was presented on February 3rd by Robert Goldfarb and Steve Greenberg, was. I have to thank both of them for taking the time out of their busy practices and lives to put together the materials and presentation for us. If you missed it, I hope you had a good excuse. Originally the presentation was to run 2 hours but on the 3rd night of Christmas, Robert called me and asked if it would be possible to make the presentation for 4 hours. My response was "I got my Christmas present, now what can I get you?" What I really found fascinating was that after 4 hours, you didn't hear the usual shuffling of papers that you tend to hear 20 minutes before the end of a seminar. In this newsletter, you will find highlights of the seminar as prepared by Carol Markman.

To prepare 1099s or not, in 2012? It looks like we won't have that burden in the near future. The Senate has already repealed that from the Healthcare bill and it looks like the House and President Obama will do the same. NCCPAP had been lobbying against the preparation of these 1099s from the beginning. Some of our members felt that preparing the 1099s would be a revenue generator for us but most of us felt that the burden would be too great. We have a tough enough time getting out the independent contractor 1099s by their due dates. My question is that I thought the 1099s were supposed to partially pay for the Healthcare Act. Where will the funds come from now? When NCCPAP goes to Congress each May, part of our agenda includes what we believe are inequities in the tax code. Congress often reports back to us that though they agree with our findings, any changes have to be revenue neutral.

A few pages into this newsletter, Sandy Johnson has a wonderful column on how to stay sane during tax season. Reading it is a must. If you wait until May, it will be too late. There aren't any extensions on staying sane.

*Bruce Berkowitz, CPA*

**N/S NCCPAP - ALWAYS STRIVING TO MEET THE NEEDS OF OUR MEMBERS**

To register for any of our  
meetings, please visit

<http://www.ns-nccpap.org/index.php/Register-Online.html>



## **MAP**

Tax season is in full swing! Hopefully this issue of the newsletter finds you weathering the storms, both inside and out.

The February meeting of the MAP committee was a Tax Season roundtable. Our committee members shared issues related to e-filing, screening new clients, collections, correspondence and more. It's always nice in the middle of the storm to have others to share ideas on how to shovel out.



March will be a month of reprieve for our committee. We will take the month off as we finish up tax returns, prepare extensions and plan for a well deserved weekend off.

In April, our committee will reconvene as we present our After Tax Season roundtable. What went right? What went wrong? How can we improve for next year, also known as "Who wants to buy my practice?" Join us on Wednesday, April 27 as we all let out a sigh of relief.

*Doug Sinetar, CPA + Sandy Johnson, CPA*



## **YOU'VE HEARD OF THE WINTER BLUES?**

Those of us in tax practices call it the Tax Season Blues. How do we keep up the morale in our offices when work days are getting longer, sleep is getting shorter and we're eating more fast food than the doctor ordered?

In our office, keeping up morale is a year-round effort. From July to December our office is open Monday through Thursday from 8:00 am to 6:00 pm. The three day weekend goes a long way when employees are asked to work extra days and hours during tax season. We also close the office the last week of December to allow everyone the time to get their house in order.

During tax season we plan special days. On Chinese New Year, we bring in Chinese food for everyone. On St. Patrick's Day, we have a client who cooks us corned beef and cabbage and Irish soda bread. Saturdays we bring in muffins for breakfast and pizza for lunch. (Talk about a carb overload!)

Since we are a small office, five in total, we go out to lunch for each birthday. Wouldn't you know that most of the office celebrates birthdays during tax season? It's a small price to pay to let an employee know you appreciate them.

Some time in mid-February, my employees begin planning our After Tax Season Field Trip. One day in May, we close the office. Everyone takes a trip into the city together. Most years we have lunch at Carmine's Restaurant and then see a play. Last year we had lunch at a superb Cuban restaurant at the Seaport and did the Grey Line bus tour around Manhattan.

In an effort to add some new morale boosters to our office this year, I did some research into what other firms do. I presented the list I came up with to my staff and here are some of the favorites:

- Ten minute in-office massages
- Flowers and candy on Valentine's Day
- Starbucks gift cards
- Lunch breaks walks
- Pick up laundry service
- House cleaning gift certificate

Making the effort to increase morale in your office goes a long way. Small gestures that make employees feel appreciated will increase productivity not just with employees but for you too. Try a few of these ideas and if you have other ideas I haven't listed, I'd love to hear from you. Have a smooth, prosperous tax season.

## **MEETING SCHEDULE 2011**

Holiday Inn @ Plainview  
215 Sunnyside Blvd  
Plainview, NY 11803

On Parade Diner  
7980 Jericho Turnpike  
Woodbury, NY 11797

March 3, 2011*	Tax Season Round-Table	2 CPE/Tax	Holiday Inn
April 27, 2011	Post Tax Season Round-Table	2 CPE/MAP/ADVISORY SERVICES	On Parade Diner
May 5, 2011*	How to Close a Deal	3 CPE/Tax	Holiday Inn
May 25, 2011	Protect Your CPA Practice from Fraud in your Client's Business	2 CPE/MAP/ADVISORY SERVICES	On Parade Diner
June 2, 2011*	Where's the Money?	3 CPE/A&A	Holiday Inn
June 23, 2011	ALL DAY - Accounting & Auditing Update	8 CPE/A&A	Holiday Inn
June 29, 2011	How to Survive Your Client's Sales Tax Audit	2 CPE/MAP/ADVISORY SERVICES	On Parade Diner
July 7, 2011*	New York State Update	2 CPE/Tax	Holiday Inn
July 27, 2011	Technology for CPA's – Don't Get Left Behind	2 CPE/MAP/ADVISORY SERVICES	On Parade Diner
August 11, 2011*	Big GAAP/Small GAAP	3 CPE/A&A	Holiday Inn
August 18, 2011	Ethics	4 CPE/Ethics 7:30-12:00 NOON	Holiday Inn
September 8, 2011*	Workers' Comp Update	2 CPE/Tax	Holiday Inn
October 6, 2011*	Compilations and Review	2 CPE/A&A	Holiday Inn
November 16, 17 & 18, 2011	2011 Long Island Tax Professionals Symposium		Crest Hollow Country Club
December 1, 2011*	Estate Topic	2 CPE/Tax	Holiday Inn

\* Chapter Meeting

All Meetings Subject to Change

### **Disclaimer**

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### **POLICY**

THE FEES FOR REGISTRATIONS ARE:

CHAPTER MEETING (2 CPE): \$50.00 WITH \*PRE-REGISTRATION AND \$60.00 REGULAR REGISTRATION, AND/OR AT THE DOOR REGISTRATION.

MAP MEETING: \$25.00 WITH \*PRE-REGISTRATION AND \$35.00 REGULAR REGISTRATION, AND/OR AT THE DOOR REGISTRATION.

SEMINARS AND OTHER PROGRAMS: TBD

\*PRE-REGISTRATION MEANS: A COMPLETED REGISTRATION FORM WITH PAYMENT AND POSTMARKED, FAXED OR E-MAILED TO THE N/S CHAPTER OFFICE THE FRIDAY PROCEEDING (Unless otherwise noted) THE CHAPTER MEETING, MAP MEETING AND/OR SEMINAR THAT YOU ARE PLANNING TO ATTEND.

### **CANCELLATION AND REFUND POLICY**

A PRE-PAID REGISTRANT WHO CANNOT ATTEND THE CHAPTER MEETING, MAP MEETING AND/OR SEMINAR WILL BE ISSUED A CREDIT TO BE USED BY THE REGISTRANT ONLY FOR A FUTURE MEETING (OF EQUAL VALUE) HELD WITHIN ONE YEAR OF THE MISSED MEETING. CANCELLATION NOTICE MUST BE GIVEN TO N/S NCCPAP CHAPTER OFFICE BY THE END OF THE CHAPTER MEETING, MAP MEETING AND/OR SEMINAR DAY.

# **TAX TIDBIT**

## **IRS CHANGES ITS MIND ON MEDICARE PREMIUMS AS SELF-EMPLOYED HEALTH INSURANCE**

With no notice, the IRS changed the wording in its 2010 Form 1040 Instructions. The instructions now say that Medicare B premiums can be used to figure the self-employed health insurance deduction. The 2009 instructions and Publication 535 said that they didn't qualify.

Example: Mary is a 67-year-old, self-employed real estate broker. Because she's a high income individual and is means tested for Medicare B, Mary pays \$4,243 for her 2010 Medicare coverage. Mary also pays \$1,200 for Medigap health insurance and \$2,900 for long-term care insurance. If she's otherwise qualified, Mary can claim a self-employed health insurance deduction of \$8,343. For 2010 only, this amount also reduces her self-employment income for SE tax purposes.

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## **OPERATION COOKIE**



From: Ruthanne [mailto:[raccpa@optonline.net](mailto:raccpa@optonline.net)]  
Subject: Operation Cookie

Just wanted to let you know that our chapter is sending over 5 cases of Girl Scout Cookies to our troops overseas as part of "Operation: Cookie". I have contacted Girl Scouts of Suffolk County and asked them to add the Nassau/Suffolk chapter to the 5 to 9 case sponsor list for 2011.

The next shipment of cookies will be carried overseas by the USS New York from the Naval Station of Norfolk, Virginia. The USS New York, which was commissioned in November 2009, incorporates steel salvaged from the site of the World Trade Center in its construction. Last year, cookies from Girl Scouts of Suffolk County reached those in Iraq, Afghanistan, the Red Sea, the Naval Hospital and Walter Reed Medical Center. Since 2003 over 2 million Girl Scout Cookies have been sent to US troops stationed overseas and in military hospitals through "Operation: Cookie".

Please pass along a BIG THANK YOU to the entire chapter from all the girl scouts who have been involved with the chapter over the past few years as well as from me.

For those of you who don't know, Ruthanne Corazzini, CPA is also a Girl Scout Leader in Suffolk County. She has designed badges which allow the Girl Scouts to receive credits for helping out in our Long Island Tax Professional Symposium.

## **RECAP OF FEBRUARY 3, 2011 CHAPTER MEETING**

Robert Goldfarb, CPA and Steve Greenberg, CPA presented an excellent four hour seminar on the tax provisions contained in the tax laws passed in 2010. Among the points they made were:

- In 2011 the estate tax exclusion is now set at \$5 million for single taxpayers and \$10 million for married couples. In addition, the max rate of the tax has been reduced to 35%. A new concept "portability" is part of the new law. If the first spouse to die does not use their entire estate tax exclusion, the balance is available when the second spouse dies.
- Taxpayers will have until Monday, April 18, 2011, to file their 2010 returns and pay any taxes due. The April 18 deadline applies to any return or payment normally due on April 15. It also applies to the deadline for requesting a tax-filing extension and for making 2010 IRA contributions.
- The tax provision that allows certain IRA owners to make charitable contributions has been extended through the end of 2011. To qualify, the funds must be contributed directly by the IRA trustee to an eligible charity. Amounts so transferred are not taxable and no deduction is available for the transfer.
- Income limits no longer apply to rollovers or conversions to Roth IRAs from other retirement plans. In the past, only taxpayers with modified adjusted gross income of \$100,000 or less were eligible, and a married person filing a separate return who lived with his or her spouse at any time during the year was barred from Roth IRA rollovers or conversions, regardless of income.
- The phase out of personal exemptions and itemized deductions is eliminated through 2012.
- The adoption credit expanded so that the maximum adoption credit for 2010 is increased to \$13,170 per child, up from \$12,150 in 2009. The credit is refundable, meaning that eligible taxpayers can get the credit even if they owe no tax. Because of these documentation requirements, taxpayers claiming the adoption credit will have to file paper tax returns.
- In 2010, eligible self-employed individuals can use the self-employed health insurance deduction to reduce their social security self-employment tax liability in addition to their income tax liability. As in the past, eligible taxpayers claim this deduction on Form 1040 Line 29. But in 2010, eligible taxpayers can also enter this amount on Schedule SE Line 3, thus reducing net earnings from self-employment subject to the 15.3 percent social security self-employment tax.
- For tax years beginning in 2010 and 2011, small businesses can expense up to \$500,000 of the first \$2 million of certain business property placed in service during the year.
- Businesses that acquire and place qualified property into service after Sept. 8, 2010 can now claim a depreciation allowance of 100 percent of the cost of the property. The property must be placed in service before Jan. 1, 2012
- Several tax breaks that expired at the end of 2009 were renewed and can be claimed on 2010 returns. they include:
  - State and local general sales tax deduction, primarily benefiting people living in areas without state and local income taxes. Claim on Schedule A , Line 5.
  - Higher education tuition and fees deduction benefiting parents and students. Claim on Form 8917 .
  - Educator expense deduction for kindergarten through grade 12 educators with out-of-pocket classroom expenses of up to \$250, Claim on Form 1040, Line 23 or Form 1040A Line 16.

**3441 FULTON AVENUE  
OCEANSIDE, NEW YORK 11572**

February 3, 2011

Etta Gelbien, Office Administrator  
Bruce Berkowitz, President  
Steve Sternlieb, Chairman Good & Welfare Committee  
Fellow Members, Nassau/Suffolk Chapter  
National Conference CPA Practitioners  
22 Jericho Turnpike  
Suite 110  
Mineola, New York 11501

Dear Friends,

My wife Sandy and I want to express our deep gratitude to the numerous members of NCCPAP who extended their condolences to Sandy and our family upon the loss of her mother Lilyan Lippan.

NCCPAP does not limit itself to just providing its members with outstanding educational programs, tax issues Congressional Lobbying and social networking but its members provide comfort to those who experience a period of bereavement.

Steve Sternlieb and Etta Gelbien were prompt in providing a Shiva platter from Ben's. Carole Roble, Marty Cohen and Dave Rothfeld were present at the funeral to express their condolences.

Attending the Shiva to exhibit their consoling sentiments were Bob & Carol Markman, Karen Giunta, Walter Koprowski, Dave Rothfeld, Fred Epstein, Marty Cohen and Neil Fishman (Florida Chapter).

Among those sending condolence cards were Barry Zalk, Karen Giunta, Ed Kliegman and Jeff Weiner (Massachusetts Chapter).

The responses by these NCCPAP members during the period of our family's grieving only reinforce my feelings about the camaraderie that all of us share by virtue of this wonderful organization the National Conference of CPA Practitioners. Thank you to all of my friends.

Sincerely,

  
Stan Tepper, CPA



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# National Conference of CPA Practitioners



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