



National Conference of CPA Practitioners
**NASSAU/SUFFOLK CHAPTER
NEWSLETTER**

Issue 8 | SEPTEMBER 2019

THE 17th ANNUAL LONG ISLAND TAX PROFESSIONALS SYMPOSIUM

NOVEMBER 20, 21 & 22, 2019

at the Crest Hollow Country Club, Woodbury, NY

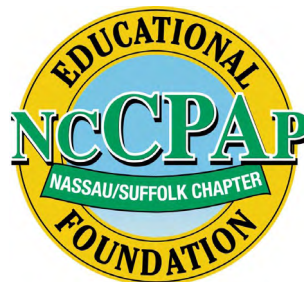
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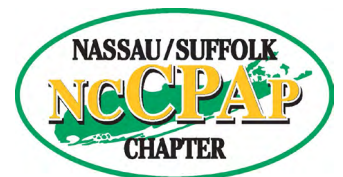
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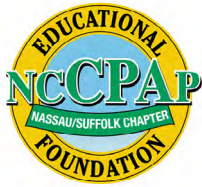


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Managing the Data or The Magic Pill

Wednesday, September 25th, 2019

Description

Show how the use of software integration can reduce the burden of repetitive daily routines and help manage scheduling, all with the goal freeing up time so we can offer higher level services to our clients without increasing our time in the office.

An overview of how software integration collects and then moves the data from source documents through client accounting systems. We as accounting professionals can manage the data flow and analyze the outcome then present valuable information about company financials with the help of integrated reporting tools.

Registration

2 CPE/MAP

Members Cost: On or before Friday, Sept. 20 - \$30; **After Friday, Sept 20 - \$40**

Non-Members: On or before Friday, Sept. 20 - \$40; **After Friday, Sept 20 - \$50**

At the Door \$50

To Register Please Visit: <http://go.nccpap.org/nschapter/home>

Location

On Parade Diner, 7890 Jericho Turnpike, Woodbury, NY 11797

Registration/Breakfast/Program: 7:45 AM – 10:00 AM

Speakers



Andrea M. Parness, CPA



Leilani E. Elias, CPA

To register for any of our
meetings, please visit

go.nccpap.org

Message from the Editor

Were you working over Labor Day Weekend and during this beautiful first part of September?

By Gary Sanders



As editor of this Newsletter, and talking to many of our members, we know that most of us were working on extensions, while our clients and friends were having fun.

We, and everyone around us knows, that we work around the clock to meet the April 15th deadline.

The real question is, how many of our friends and family understand the new tax deadlines of September and October 15th? Further, do they really sympathize with us on this second and third tax deadline?

More importantly, as we finally take a breath, we need to analyze how we can operate more efficiently.

Perhaps better use of shared technology and software integration is a partial answer. This will be explored at our next MAP meeting, as described on page 2.

Perhaps we can use our software and other cloud-based programs, along with electronic storage and communications, in a more efficient manner. These issues will be covered during our Symposium and especially at Technology Day on Friday, November 22, 2019.

Our Symposium always offers the most recent Tax updates, Audit updates, Technology tips, methods on internet and cloud-based research, and most importantly a chance to network with your peers and vendors to prepare YOU for the next Tax Season.

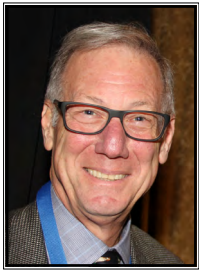
We will always be working the long hours of Tax Season, and likely a second one as well, however our intent is to streamline and educate with the goal of helping you manage efficiently, and with a full knowledge of all that is involved in our profession.

If you are tired of the excessive hours, take a breather and attend our Symposium.

Be sure to attend our MAP program **Gearing Up for Tax Season** the date for which is to be announced.

You will gain the understanding that comes from **“Members helping Members!”**

Gary Sanders, CPA is President of the firm Gary Sanders CPA PC in North Bellmore. Gary has served as Past President of the Nassau/Suffolk Chapter and as President of the Educational Foundation. He currently serves as the managing editor of our Chapter Newsletter.



Message from the Symposium Chair

By Robert L. Goldfarb

What are **YOU** doing on November 20, 21 & 22 this year? If you spend those days with me, you will be attending the 2019 **Long Island Tax Professionals Symposium (LITPS)**; once again being held at the Crest Hollow Country Club in Woodbury, New York. This year's Symposium marks my 15th year serving as Chair. Over the years we, the incredible members of the symposium's Executive Committee, have made many enhancements to the event, including Accounting & Auditing sessions so attendees can maintain the qualifications to retain all of the advantages of the CPA License. Additionally, we have added technology and cybersecurity sessions to keep you, and your clients' computers safe and free from hacking. So, the question we always are looking to answer is: **What is new this year?** This question keeps the committee busy trying to constantly improve the symposium and make it relevant for YOU!

So, what is new this year? At the time that I am writing this article we are still in the process of making this year's symposium the best ever. We are extremely thrilled to announce that this year's Primary Keynote Speaker will be the **COMMISSIONER of the Internal Revenue Service, CHARLES P. RETTIG**. Through our partnership with the IRS and the constant assistance of IRS Senior Stakeholder Liaison Linda Henson, we were able to obtain the commitment of the Commissioner to attend, and speak at our symposium this year. The Commissioner will be speaking on Thursday morning, November 21, 2019. We are truly looking forward to this session.

In addition to the IRS Commissioner we are fortunate enough to have the new **NYS Commissioner of the Department of Taxation and Finance, Michael Schmidt**, speaking to us on Wednesday. After the Commissioner of Taxation & Finance speaks, we will have a second New York State official speak with us. Jennifer Winters, Executive Secretary of the NYS Board of Public Accountancy, will be speaking about all of the new initiatives being addressed by the NYS Board of Accountancy. The information she has will be of interest to all CPAs.

Again this year we are proud and thrilled to be able to announce that **Mark Klein, Robert Barnett and Neil Katz** will be returning to give us their insights and impressions of the changes in the tax laws occurring since last year's symposium. In addition, we couldn't be happier to be able to let you know that we are able to bring back the beloved **Beanna Whitlock!** Her wit and wisdom always brings extremely interesting insights to the tax laws and regulations. She is definitely going to provide very spirited sessions, as she always does! Our CORE speakers, as well as ALL of the other speakers, are second to none in knowledge and experience.

For Friday of the Symposium, the Technology Subcommittee is diligently working on making the Technology Day as innovative and as unique as possible compared to any other technology day previously presented. The Subcommittee, Chaired by **Ross Kass and Donald Ingram**, is developing into an incredible day. **Chapter President Andrea Parness** and myself, the Symposium Chair, have travelled to various events throughout the United States to bring you the most current and state-of-the-art technology sessions and demonstrations as possible.

Registration for the symposium is expected to open mid-October but **Kathy Casey**, and all of the members of the symposium Executive Committee are working tirelessly to have registration open earlier – we are doing all of this despite the ongoing second “tax season” of the year. We all look forward to seeing YOU at the Symposium this November.

SPECIAL OFFER TO YOU ONLY! If you mention to **Kathy Casey, Robert Brown, Andrea Parness OR myself**, that you have read this article in the newsletter and can successfully recall any advertisement published in this newsletter, you will be given a \$15.00 DISCOUNT on a chapter meeting of YOUR choice. The only caveat is that the discount MUST BE REDEEMED PRIOR TO July 31, 2020.



State of the Nassau/Suffolk Chapter

By Andrea Parness

Our big news for this edition is our upcoming move to new office space planned for the beginning of December. Huge thanks to our extended office operations team of Karen Giunta, Paula Sheppard, Nannette Watts, and Leilani Elias who are working with Kathy to create a seamless transition to this beautiful space. I hope that Kathy, Michael, and Pat as well as any future staff members will be comfortable here for many years.

Our goals for the Chapter remain constant; supporting our members to remain relevant and informed so that their clients look to them for the answers to the tough questions.

Our fall line-up follows on the heels of some great content presented this summer on varied areas such as social media marketing, tax strategy and insights as to alternative ways to advise our clients. Now those of you who had conflicting dates due to family commitments are wondering what you missed; plenty. That is why this edition of our newsletter includes takeaways from recent MAP meetings and articles by our summer speakers. If you have missed one of these seminars, you will have an overview of some of the topics presented.

As you read through this newsletter my hope is that you start to get excited about the NCCPAP 40th Anniversary Celebration followed in mid-November by the 2019 Long Island Tax Professionals Symposium as a way to round out your knowledge base and network with your friends and peers. I look to stress NETWORKING here.

Plan for these events as well as the upcoming seminars just like you would for any networking meeting:

- Read through the course description and on-line articles on the same topic. Come prepared with questions for the speaker. Come prepared with a good understanding of the topic.
- Attend with the attitude that you will make no more than three (3) strong new connections. These can be other members:
 - with a particular specialty who can be a resource
 - who are looking to expand or consolidate their practice
 - who have a solution to one or two of your firm concerns or “pain points”.
- Attend with the attitude that you will be a resource to other members who may want to approach you for advice on an issue they are having.
- Plan to bring someone you know who can benefit from NCCPAP membership.
- Submit topic ideas to our education committee
- Offer your expertise to a committee chair so you can increase your involvement.

As we look to celebrate NCCPAP's 40th year of “Member Helping Member” please remember that this is a member organization, we can't succeed without your knowledge, time and effort and commitment to taking a more active role in the leadership.

Andrea Parness CPA, CTC is owner of A. Parness Company CPA, a niche market CPA firm based in Belle Harbor, Queens, NY. Her firm offers cloud accounting software conversions, integrations, support, virtual CFO services, business coaching and advisory services, accounting firm support and medical office consulting.

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Social Media Marketing Takeaways

July 31st Meeting Presented by Vikram Rajan

On July 31st, Vikram Rajan (co-founder of Videosocials.net) returned to our MAP meeting as a speaker to present another marketing seminar. This time his focus was about video blogging on social media. Vik started by explaining that video blogging can help accounting practices achieve a combination of objectives:

- Word-of-mouth referrals (marketing); always include a call to action in the video.
- Knowledge transfer within the firm (legacy and longevity); create a library of best practices or firm processes for new hires.
- Empower and engage "young and mature millennials" (recruitment and loyalty); Encourage your younger staff members to record and share posts – tap into their social contacts

Vikram then cited a few key statistics that proved video blogging's upward trend of efficacy:

- 33% of all time online is spent watching videos
- 0% say that videos influence their buying decision
- Your email will be read 19% more if it mentions "Video" in its subject line.

Vikram explained that we can use video as a way to create a connection with potential clients and referrals. Further, use these blog posts as a way to “stay top of mind” for your current clients as well.

Vik then enumerated his list of “The Five Troubles” and remedies for the major reasons why most of us haven't started video blogging on social media:

1. Tongue-tied? Practice, practice, practice.
2. Lack of time: We can blog together so we're networking while holding each other accountable. Alternatively include creating videos in your “To-Do List”; make it a daily habit.
3. Lack of topics: Vik offered his www.BlogBrainstormer.com list. Alternatively think about the questions and concerns your clients are calling you about.
4. Technology: He suggested getting started by using your laptop's HD webcam. A good technique tip is to have a window facing us to avoid silhouettes.
5. Tracking return on investment (ROI): Word-of-mouth is cumulative, but he mentioned how systems like LinkedIn and Constant Contact can show us benchmark metrics. Still, our intake process for prospective clients should include a question about whether they read our blogs or watched the videos on our website or social media platform.

Vikram concluded by inviting us to use these lessons in one of his Zoom video conference roundtables. He hosts them daily. You can ask him more marketing questions at Vik@Videosocials.net

Summary submitted by:

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& Andrea Parness, CPA, owner of A. Parness Company CPA

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Vikram Rajan is a frequent presenter on marketing topics for accountants and attorneys. He's presented at NCCPAP's MAP meetings & conferences multiple times, along with AANG & NYS CPA Society. Vik had a popular marketing column in the AICPA's CPA Insider, and has been published by the Journal of Accountancy. Vikram is scheduled to present at the Accounting & Finance Show (Jacob Javits) on July 10th. Vik is the co-founder of phoneBlogger.net & Videosocials.net marketing systems.

Events in our Community and Profession

The Gallo family recently held their annual Blood Drive on July 13th. There was a great turn out and we would like to thank all of our volunteers who helped us honor the memory of our dear friend Susan Gallo.



NCCPAP and the Nassau/Suffolk Chapter were exhibitors at the **NYC Accounting & Finance Show** on July 14th and 15th at the Javits Center. Some of our own members also served as speakers for meetings at the event. We'd like to extend our thanks to all those who volunteered their time and expertise to exhibit and as speakers.



What are the Advantages, Disadvantages and IRS/DOL Guidelines for an Auto-Enroll 401(k) Plan?

By Stephen Abramson



The primary benefit of an auto-enroll 401(k) plan is the potentially improved results of the ADP and ACP testing in a plan that does not include Safe Harbor provisions. Typically, the plan will automatically enroll employees once they are eligible based on the plan document provisions. An “Eligible Automatic Enrollment Arrangement (EACA)” does not require employer contributions.

As an alternative a “Qualified Automatic Contribution Arrangement (QACA)” can serve as an auto-enroll plan however employer contributions are required as either a matching contribution of 100% on the first 1% the employee defers and 50% match in excess of 1% up to 6%. The result of this option would provide an employee that defers 6% a match of 3.5%. In place of a matching contribution the employer can contribute 3% of compensation to all eligible employees regardless of whether or not they defer. The advantage of using the Safe Harbor auto-enroll is automatically satisfying the ADP/ACP test and top heavy requirements.

In both cases the plan sponsor must notify all employees who are eligible of the auto-enroll feature annually between 30 and 90 days prior to the beginning of each plan year allowing them to withdraw any contributions that have already been withheld from their salary or make an alternate election.

The auto-enroll percentage can be fixed or escalating. The most common start level is 3% and if escalating the 3% would increase by one percent each year based on the eligibility date of the employee. For example, if an employee became eligible in 2019 at 3% that would increase to 4% in the next year. An employee that became eligible in 2020 would begin with a 3% deferral. This approach can become challenging to properly monitor since there would be a different deferral percent for employees that become eligible in different years. Withholding an incorrect amount for any given employee in a year would be a fiduciary breach.

The notices to both EACA and QACA plans must include the default percentage rate and any escalation provision; the right and process to elect not to participate; how to choose a different deferral rate; how to make investment elections and how automatic deferrals will be invested in the absence of a voluntary investment election. This brings us to the provisions of the Qualified Default Investment Alternative (QDIA), i.e. how will deferrals be invested if the employee does not make an election.

A QDIA can be a life-cycle or target date fund; a balanced fund holding equities, bonds and cash or a professionally managed account. In most cases the balanced fund is not specific to the employee but more focused on economic conditions while the professionally managed account would reflect the employees’ specific needs, other investments, time line and risk profile, i.e. it is customized to each employee. Target date funds are also specific to each employee based on the target date closest to their retirement age, usually assumed to be 65. The target date fund becomes more conservative, i.e. less volatile, as the employee approaches the target date.

Stephen Abramson is the President and founding partner of APS Pension & Financial Services established in 1977, a mid-size consulting and actuarial firm employing twenty- two professional and support staff specializing in pension and pension-related services. For over 40 years, APS has been providing closely held businesses with financial services including pension design and administration, business succession planning, and wealth preservation planning. (516)228-8444 steve@apspension.com

The CPA Practitioner:
Identifying and Utilizing the Federal Research and Development (R&D) Tax Credit
By Charles R. Goulding and Preeti Sulibhavi



Many CPA's are initially surprised to learn that many of their clients, who they would not have considered eligible, may actually qualify for the credit. One of the easiest ways to make sure the client is properly being served is to have an R&D tax credit expert analyze the company before the practitioner has that initial client discussion. Those companies that emphasize new and improved products on their website are generally good candidates, but websites often do not tell the entire story so a good discussion with an R&D expert can have a significant impact.



Enacted in 1981, the now permanent Federal Research and Development (R&D) Tax Credit allows a credit that typically ranges from 4% to 7% of eligible spending for new and improved products and processes. Qualified research must meet the following four criteria: technological in nature, a component of the business, must represent R&D in the experimental sense, and must eliminate uncertainty through experimentation. Eligible costs include US employee wages, cost of supplies consumed in the R&D process, cost of pre-production testing, US contract research expenses, and certain costs associated with developing a patent. Since 2016, the R&D Tax Credit has been permanent and startup businesses can obtain up to \$250,000 per year in payroll tax cash rebates for up to five years.

The R&D Tax Credit is unique in that qualifying expenses can both be deductible and be included in calculating the credit. It is one of the few and far between examples of how the taxpayer can obtain two tax benefits from the same expenditure. The R&D Tax Credit is calculated by averaging the annual gross receipts for the four tax years preceding the tax year for which the credit is being calculated. The credit can be claimed as standard or by electing the alternative simplified credit (ASC). R&D experts and analysts generally estimate the credit utilizing both methods in order to maximize the client's allowable credit. Any unused part of the credit can be carried back one year and then forward twenty. Tax returns can be amended in order to claim the R&D tax credit going back three previous years as well. Obviously, there are other requirements that affect the outcome of the credit.

The R&D tax credit is particularly beneficial for companies with software projects. Some of the fastest growing R&D intensive industries are: Food, Building Design Services and Distribution Center Technology (often referred to as Transportation Logistics and Distribution or TLD).

In terms of the Food and Beverage industry, the public has been demanding less sugar and salt, fewer preservatives, and a more organic selection of products and ingredients. Consumers are also demanding trans-fat elimination, more gluten-free options and essentially "clean food." This demand on companies requires finding substitutes, maintaining shelf-life, as well as other reformulations of ingredients in traditional recipes. Formulation can be an eligible R&D activity. So while the protein bar you ate for breakfast might not appear to have been the result of R&D innovation, it most likely was. The difference between obtaining the R&D tax credit for that hard work can be the CPA practitioner who introduces the client to the R&D expert.

Building Design Professional Services R&D eligible activities include: LED lighting, HVAC, glass, security systems, fire protection and other architectural and engineering design and development improvements are some of the major projects that typically qualify for the R&D tax credit. An important rule to note is that the innovation need not be new to the world – only new to the company.

As the conventional retail store acquiesces to e-commerce, Transportation Logistics and Distribution (TLD) innovation is increasingly in demand. Online shopping, has forced companies to find ways of getting their products to the customer more efficiently. TLD involves research into throughput and spatial analysis. A quick glance at a client's profit and loss might not tell the tale of all the systematic testing and experimentation involved in the business, but a quick conversation with an R&D analyst could.

In an innovation-driven economy the CPA needs to know when their clients' project initiatives can benefit from the R&D tax credit. It's how both the client and the CPA can grow and thrive.

Charles R. Goulding is an Attorney / CPA, and President and founder of R&D Tax Savers. <https://www.rdtaxsavers.com>

A big THANK YOU to Charles Goulding, Andrea Albanese, and Preeti Sulibhavi of R&D Tax Savers for an excellent presentation at our August 1st chapter meeting.

The Ten Key Tips to Protect Your Small Business

By Armando D'accordo



Cybersecurity threats continue to proliferate. New hacks, breaches, and viruses pop up every day, and the methods that hackers use to deploy such attacks; malware, ransomware, email phishing, password compromise, and malvertising, just to name a few, evolve just as quickly. Small businesses need the best tools and strategies to protect themselves, their customers, and their data. You might think, “We’ve never had a virus.” “No data breach has ever affected us.” Or “I’m completely protected.”

But such thinking can be dangerous, especially if it leads you or your company to skimp on cybersecurity protection. Here are ten key tips to protect your small business:

- 1. Train your employees to be the first line of defense.** A trusted IT provider can help your business thrive, but the employees that work for you play an important role. To do so, your business needs to establish basic security practices and policies for employees, like how to handle and protect customer information and other vital data. In addition, you should develop systems use guidelines that detail penalties for violating company policies.
- 2. Protect information, computers, and networks from cyberattacks.** To truly defend against viruses, malware, and other online threats, your business needs the latest software patches, web browser updates, and operating system updates. Make sure you deploy software updates as soon as they are available, and always run antivirus scans after each update. An IT provider can assist in this area.
- 3. Provide firewall security—and monitor your firewall!** A firewall prevents outside users from accessing your private network. Keep your firewall secure and set special rules for employees who work from home. It’s critical to continuously monitor, analyze, and log all activity coming in and out of your network so you can identify bad actors and identify any kind of breach right away.
- 4. Create a mobile device action plan.** Mobile devices that contain sensitive data or have remote access to your protected network can pose major security challenges. Make sure every mobile device is password protected, data encrypted, and up to date with security apps to prevent cyber criminals from stealing your data.
- 5. Make backup copies of your data.** Regular data backups can be a lifesaver for your business and its information. If you don’t have an automatic process for backing up all the data on all computers—documents, spreadsheets, databases, financial files, HR files, and accounts receivable/payable—talk to an IT provider today. It’s critical that important data is backed up regularly with copies stored in multiple locations.
- 6. Control physical access.** Prevent unauthorized use of business computers by using physical locks on laptops, which are easy targets for thieves and can easily be stolen. Create separate user accounts for each employee that uses a laptop and require strong passwords. Only give admin privileges to trusted IT staff and key personnel.
- 7. Secure your Wi-Fi networks.** A public Wi-Fi network can be used to steal any data transmitted over it, and can even represent a tempting entry point for hackers. Make sure your Wi-Fi network is password protected, encrypted, and hidden. Never broadcast your network name, known as the Service Set Identifier (SSID), to other devices.
- 8. Use best practices with payment cards.** Work with banks to ensure the most secure tools and anti-fraud services are in place for your business’ payment cards. Understand the security obligations to your bank or processor and isolate payment systems from other less secure networks, devices, and programs. Do not use the same computer to process payments and surf the Internet.
- 9. Limit employee access authority.** Do not provide any single employee with access to all data systems. Employees should only have access to the specific systems they need to do their jobs, and no one should be allowed to install any software without permission.
- 10. Use strong passwords and multi-factor authentication.** Require employees to use unique passwords that mix letters, numbers, and special characters, and then make sure they change them at regular intervals, preventing the use of repeat passwords. Consider implementing multi-factor authentication, which requires additional information beyond a password to gain entry to systems. Check with your vendors that handle sensitive data, especially financial institutions, to see if they offer multi-factor authentication to protect your account.

Armando D'accordo has more than 28 years of business and IT experience garnered at Fortune 100 companies Citibank and Cendant. In 2007 he brought that experience to the local business community and opened his own business. Now, as president of CMIT Solutions of South Nassau Armando assists his small and medium size business clients with technology solutions focused on identity theft prevention, compliance, security, business continuity and disaster recovery.



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Does Your Business Meet Today's Technology Expectations?

By Ilya Radzinsky



When was the last time you visited a bank branch to ask your banker how much money is in your account? For many, the idea of taking your tax practice into the digital age can be intimidating. Your existing approach has gotten you where you are today, which means you might be hesitant to change things up. Going paperless, coming up with a way to manage your existing clients digitally, and implementing cloud software and technology might seem like a daunting task.

We're here to tell you that modernizing your practice is much easier than you think. By modernizing your business, you are setting yourself up for increased efficiency and continued success. Transitioning into the cloud could be the one of the best business decisions you ever make. It will make life easier for both you and your clients. The easier that things are for your clients, the more likely they are to become repeat customers and loyal business advocates.

The benefits we all experience from other service providers we utilize in our day-to-day have raised expectations of standards for all businesses. Having a web presence is no longer a premium reserved for Fortune 500 companies or IT specialists, but the expectation for all businesses. At a tax or accounting practice, offering your clients the ability to access their documents from anywhere is approaching that stage (if it isn't there, already). Additional features, such as a mobile application (allowing you to login with your face or finger, instead of remembering username and passwords) are slowly approaching that level, as well. It's not a question of if, but when.

Perhaps the biggest benefit of switching over to the cloud is the amount of time and money you will save. The overall quality of your life as a tax professional will change completely. Imagine the time you will save if you don't have to deal with physical documents and handle repetitive administrative tasks. You didn't spend thousands of hours perfecting your craft to spend most of your day doing admin work.

Optimization & automation will allow you to focus on growing your business and providing your esteemed clients a better overall experience. There is no better time than the present to take your business forward.

Ilya Radzinsky, is the CMO and founding member of TaxDome headquartered in New York. TaxDome is a 360° practice management solution, including CRM, Workflow, Project Management, Client Portal, Mobile App, Invoicing, Website Builder, & more. Ilya@Taxdome.com Taxdome.com

The Latest on Residency Audits: Challenging Cell Phone Records

By Karen Tenenbaum



At a recent speaking engagement, we addressed New York's aggressive residency audit program which targets taxpayers with dual residences. Under New York law, a resident is required to pay tax on all worldwide income; while nonresidents are subject to tax only on income allocable to New York. Accordingly, a determination that a taxpayer is a New York resident can result in significant tax liability for the taxpayer and substantial revenue to the State.

In New York, there are two general tests for residency. The domicile test looks at where is the one place the individual intends to have as a permanent home. Relevant factors include where the individual's family resides, where he/she conducts business activities, and the relative use and size of each home.

The statutory residency test provides that where an individual is domiciled outside of New York, he/she may still be taxed as a "statutory resident" if he/she maintains a permanent place of abode in New York and spends, in the aggregate, more than 183 days of the year in New York.

Residency audits are very fact-intensive requiring a detailed review of records to determine the taxpayer's intentions, whereabouts, and movements. Auditors may examine appointment calendars, credit cards, passports, phone bills, EZ-pass records and other documents. They can also look at cell site location data and smartphone applications that track and record location. Unfortunately, what many people don't realize is that cell phone records pose unique concerns when used to (dis)prove location.

Some of the key issues raised by cell phone data include the following:

- **Accuracy.** Cell site location data records may be unreliable because they can indicate the phone is connected to a tower that is not the closest due to factors such as:
 - Signal strength and speed
 - Inactivity of the phone
 - Use of Wi-Fi
 - Type of carrier/network

This issue is particularly important in the New York metropolitan area because many audit cases involve time spent in the border areas of New York, New Jersey and Connecticut.

- **Accessibility.** All cell phone carriers do not provide the same type of data and level of detail. As a result, they vary in usefulness in proving location. They also have different rules and procedures for requesting records and varying data retention policies.
- **Consent.** Although New York may look to subpoena the records, they may also ask for the taxpayer's consent and refusal may result in a negative inference against the taxpayer.

It should be noted that cell site records have been successfully challenged as unreliable in individual criminal cases. As a result, the takeaway for tax professionals is to advise clients to seek legal guidance regarding the use of cell phone records in a residency audit case. The taxpayer typically has the burden of proof in these cases so the data must be used carefully and legally challenged as appropriate.

In addition, tax professionals should suggest to clients that they use a location-based mobile app such as TaxDay, Monaeo, TaxBird and others designed specifically to keep track of when they are in a particular state or city for residency audit purposes.

Karen Tenenbaum, Esq., LL.M. (Tax), CPA is Founder and Managing Partner of Tenenbaum Law, P.C. (www.litaxattorney.com), a tax law firm in Melville, N.Y., which focuses its practice on the resolution of IRS and New York State tax controversies. Karen can be reached at ktenenbaum@litaxattorney.com and at 631-465-5000.

The Question Every CPA Should be Asking

Can Retainer Fee-Based Financial Planning & Wealth Management Help Couples Address Money-Related Relationship Problems?

By Martin E. Levine



Yes, retainer fee-based financial planning and wealth management can help set couples—or anyone for that matter—on a clearer path toward achieving their lifelong goals.

It's well established that finances and money-related matters can be a prime source of disharmony within a marriage or relationship. Between rent or mortgage payments, property taxes, car and health insurance, utilities and entertainment costs, retirement and/ or college savings, and the daily necessary living expenses associated with home ownership, transportation, and/or children; it can add up. And these are just a brief rundown of some of the known expenses; unaccounted for are those unexpected costs that inevitably arise throughout the course of life. Consequently, employing efficient budgeting practices, sound financial planning, and adopting appropriate spending habits are mission critical to ensure you and your loved ones live within your means, and remain on track to achieving your short- and long-term financial life goals. Doing so may help alleviate the potential stresses and strife that may arise between spouses regarding a household's shared finances.

How do I convince my spouse to stop spending so much money?

This is an all-too-common question posed by both men and women alike, and a testament to the significant role money plays in facilitating—or undermining—marital bliss. In fact, one analysis published in *Family Relations: Interdisciplinary Journal of Applied Family Science* concludes that when “compared to non money issues, marital conflicts about money were more pervasive, problematic, and recurrent, and remained unresolved, despite including more attempts at problem solving.” There is an entire branch of therapy, known as (you guessed it) “financial therapy,” in which licensed holistic practitioners and counselors concentrate on resolving the foundational psychological, emotional, behavioral and relational underpinnings motivating spending behavior.

Crunching the numbers on the analytical side of this equation, and utilizing several key tenets of comprehensive wealth management to assess and develop efficient and effective financial strategies that can at least make the path toward sound fiscal health a bit clearer, are retainer fee-based financial advisors. Thus, the financial planner and wealth management advisor have inherently evolved into the function of so-called ‘financial therapists,’ ‘financial counselors’ and ‘budget mediators’—with some relationship advice experts actually calling for the creation of a financial plan and/or visit to a financial planner as critical steps toward a meaningful resolution.

How Can Sound Financial Planning Help Clients Address Money-Related Relationship Problems?

A fundamental component of true, retainer fee-based financial planning and comprehensive wealth management is the development of a personalized fiscal roadmap to achieve individual and collective financial objectives. This entails getting to know the clients and the many diverse aspects of their financial, and to a degree personal, lives including factors such as their income, savings, and lifestyle expenses. An independent and objective assessment should be conducted by a third-party fiduciary acting solely in the best interests of these clients, and among other components should encompass:

- Living Expense Analysis
- Cash Flow Analysis
- Recommendations for Improvement
- Budgeting

Having a professional act as an objective mediator can help married couples, or any client for that matter, identify financial frictions and unnecessary expenditures, implement fiscally responsible strategies and efficiencies, make more informed decisions regarding their financial activities, and set them on a clearer path toward achieving their life goals—without causing undue emotional stress often associated with such discussions between couples alone.

Martin E. Levine, CPA, ChFC, CAP is the Chief Financial Officer of 4Thought Financial Group, an SEC-Registered Investment Adviser (RIA). He holds a BBA from University of Miami, an MBA from St. John's University, and is a Certified Public Accountant (CPA), a Chartered Financial Consultant (ChFC) and a Chartered Advisor in Philanthropy (CAP). Martin has more than 34 years of experience in wealth management, and specializes in holistic financial planning by coordinating all aspects of a client's financial life. He is also a licensed life and health insurance representative.

Two Monumental Changes for our Seniors in New York

By Robert Tollin



Recently, there were two monumental reverse mortgage product announcements for seniors who reside in New York!

On July 23rd, 2019, New York approved HomeSafe; the first proprietary jumbo reverse mortgage. This is a low-cost fixed rate draw that has loan amounts of up to \$4 million dollars for a primary home purchase or refinance.

For many seniors this is an attractive loan product that can help solve financial needs and wants in retirement. This is the first loan geared towards seniors' incomes that can also resolve a "grey divorce!" In the past it has been difficult to rightfully divide the home equity for a divorce. There are now no prepayment penalties, so seniors can also opt to make a full principal and interest payment, or interest only payment. This will preserve equity and keep the loan balance in check if so desired.

The second announcement from HUD is product change for the government insured Home Equity Conversion Mortgage Program (HECM) which is easing on condominium rules effective October 15th 2019. Most senior condominium homeowners have been shut out from accessing their home equity as a loan. Seniors will now be able to qualify for a loan to unlock their home equity to age in place. Seniors can also utilize reverse financing to purchase a new condominium to downsize or right-size their next home in retirement. We will be able to approve the individual condominium unit as a spot approval vs. only being able to lend on an FHA approved project condominium. As it stands now, there are no approved FHA condominium projects in Nassau County and there are only 12 approved condominiums in Suffolk County. This will all change on October 15th for our seniors.

Robert Tollin has been a mortgage consultant since 2001. Throughout his 18-year career in mortgages, he has been very active in educating Financial Planners, CPA's, Attorneys, and REALTORS alike in finding the best loan programs for purchasing and refinancing residential real estate. He offers a consultative personal approach while reviewing the pros and cons of all aspects of borrowing ones' home equity. Robert can be contacted at rtollin@nmbmortgage.com <https://rtollin.nmbhome.com>



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News in the NCCPAP Family

Congratulations to:

Karen Tenenbaum on the birth of her grandson Asher Rosenzweig.

Abby Alhante on the birth of his grandson Hunter Aaron Morris.

Nassau/Suffolk Chapter - Silver & Bronze Awards

NCCPAP's Nassau/Suffolk Chapter is pleased to announce its **40th Anniversary Silver and Bronze Award Winners**. **Donald Ingram, CPA** of Woodbury, New York, is being recognized as the Silver Winner, awarded to the Chapter member who has demonstrated a longstanding commitment to NCCPAP and the CPA community. **Richard Finelli CPA** of Babylon, New York, is being recognized as the Bronze Winner, awarded to the Chapter member considered to be a rising influencer. Past President and founding member **Herb Schoenfeld, CPA** is also being recognized for his long-standing service to the Chapter and National NCCPAP.

Our Condolences to:

Past Nassau/Suffolk President, **Andrew Hult** on the passing of his wife, Marilyn. Marilyn was an active member of our Chapter and will be sorely missed.

Our Good & Welfare Chairman is Stephen Sternlieb, CPA steve@sssternliebcpa.com



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Upcoming National Events

NCCPAP's Fall Quarterly Conference will take place October 23, 24, and 25, 2019, at The Fox Hollow in Woodbury, New York.

40th Anniversary Event (Dinner Reception, Music, and Awards)

NCCPAP members, family, friends, prospective members, press, and others are invited to join us as we celebrate our 40th Anniversary. The event includes cocktail hour, dinner and dancing, recognition of each Chapter's Silver and Bronze Award Winners, announcement of the Gold Award Winner, and installation of National and Chapter Officers and Directors.

Location: The Fox Hollow, 7725 Jericho Turnpike, Woodbury, New York 11797 Date and Time: Wednesday, October 23, 2019, starts at 6:30 PM with the cocktail hour and ends at 10:30 PM. Price: \$135/person \$1,200/table of 10 Black tie optional. [REGISTER HERE](#)

Chapter Winners of Silver and Bronze Awards

NCCPAP's Westchester/Rockland Chapter is pleased to announce its 40th Anniversary Silver and Bronze Award Winners. William G. Bostick, CPA of Mount Kisco, New York, is being recognized as the Silver Winner, awarded to the Chapter member who has demonstrated a longstanding commitment to NCCPAP and the CPA community. Martha Berghahn, CPA of Sparta, New Jersey, is being recognized as the Bronze Winner, awarded to the Chapter member considered to be a rising influencer. Past President Alan Feldstein, CPA is also being recognized for his long-standing service to the Chapter and National NCCPAP.

NCCPAP's Texas Chapter is pleased to announce its 40th Anniversary Silver and Bronze Award Winners. Steve M. Spencer, CPA of Palestine, Texas, is being recognized as the Silver Winner, awarded to the Chapter member who has demonstrated a longstanding commitment to NCCPAP and the CPA community. Steven E. Miller, CPA of Dallas, Texas, is being recognized as the Bronze Winner, awarded to the Chapter member considered to be influential as a leader in the CPA community.

NCCPAP's Florida Chapter is pleased to announce its 40th Anniversary Silver Winner, Neil H. Fishman, CPA, of Boynton Beach, Florida. This award recognizes Neil as a member who has established a longstanding commitment to NCCPAP and the CPA community.

NCCPAP's New Jersey Chapter is pleased to announce its 40th Anniversary Silver Winner, Vito M. Mastro, CPA of Kendall Park, NJ. The award recognizes Vito who throughout the years has demonstrated his longstanding commitment to NCCPAP and the CPA community.

The Nassau Suffolk Chapter of NCCPAP



The Nassau/Suffolk Chapter of NCCPAP

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CHAPTER MEETING (2 CPE): \$65.00 WITH *PRE-REGISTRATION AND \$80.00 REGULAR
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MAP MEETING: \$30.00 WITH *PRE-REGISTRATION AND \$40.00 REGULAR
REGISTRATION, AND AT THE DOOR \$50.00 REGISTRATION.

THE FEES FOR NON-MEMBER REGISTRATIONS ARE:

CHAPTER MEETING (2 CPE): \$80.00 WITH *PRE-REGISTRATION AND \$90.00 REGULAR
REGISTRATION, AND/OR AT THE DOOR REGISTRATION.

MAP MEETING: \$40.00 WITH *PRE-REGISTRATION AND \$50.00 REGULAR
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BEFORE THE CHAPTER MEETING, MAP MEETING AND/OR SEMINAR.

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