

PRESIDENT'S MESSAGE



OUR NEW JERSEY CHAPTER celebrated our 20th anniversary with a Dinner Cruise on September 30 followed by our Annual Conference on October 1, 2009. For those of you who attended the Dinner Cruise, I think you'll agree that it was a wonderful event. The food was great, the company was terrific and the sites were spectacular. The cruise aboard Entertainment Cruises sailed from Lincoln Harbor Marina up the Hudson River around the Southern Tip of Manhattan, passing the Statue of Liberty.

NATP CEO Kathy Stanek and our guest speaker Alice Orzechowski, CPA joined us on Wednesday evening along with 7 of our 9 Past Presidents of our Chapter. For me it was truly an honor to host this event with such a distinguished group of dedicated individuals. I wish to recognize the efforts of this fine group who helped form this great Chapter: Charles Wyland, Carolyn Podchaski, Warren LaPenta, Willie Lau, Olimpio Sobrino, Jean Millerchip, Sherril Diamond and Colette Taylor.

The next day, our Annual Conference was one of our best. Alice O did a wonderful job with some tough topics, especially AMT and the Minimum Tax Credit. Kathy Stanek shared events from National with us, did a slide show of our New Jersey Chapter and gave away some great gifts to those present who were the members for the longest time and the shortest time, to the member who came the longest distance and some crazy prizes for guessing some trivia questions about Wisconsin (obviously cheese was one of the trivia questions!)

Our outstanding educational opportunities continued during the fall. On Thursday, October 29, 2009, our breakfast seminar featured NJ attorney Michael Feinberg presenting *Tips for Preparing NJ Estate and Inheritance Forms* in Tinton Falls, NJ. The attendance was excellent as was the subject matter. On Thursday, December 10, 2009 at the Newark Airport Marriott our second breakfast seminar of the fall will feature Kathryn Keane presenting *NY/NJ Crossover Issues* addressing such items as moving during the year between NY and NJ, etc. Last but not least, don't forget to come to our famous NJ State Seminar on January 9, 2010. You'll find registration forms on our website: njnatp.com and in this issue.

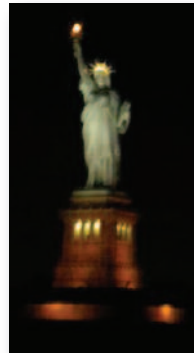
I wish each of you a very joyous holiday season and a Happy New Year. See you at our next seminar!

Marilyn H. Ayers, CPA
President, NJNATP

F★R★E★E NJNATP NATIONAL CONFERENCE!!



- ✓ Must be first time National Conference Attendee, or...
- ✓ Must not have attended in at least 5 years
- ✓ Must be present at NJNATP January Seminar to win!
- ✓ Must attend the National Conference in Austin, Texas in 2010



Celebrating the NJ Chapter's 20th Anniversary at a dinner cruise aboard the "Spirit of New Jersey" are Past Presidents Jean Millerchip, Sherry Diamond, Chuck Wyland (NJNATP's 1st President), current President Marilyn Ayers, Past Presidents Carolyn Podchaski, Colette Taylor and Willie Lau. Missing are Past Presidents Olimpio Sobrino, who now lives in Florida, and Warren LaPenta.



Enjoying a dinner cruise on the "Spirit of New Jersey" as the NJ Chapter's 20th Anniversary celebration. In back row are Past Presidents: Jean Millerchip, Chuck Wyland, Carolyn Podchaski, and the seminar speaker for the next day's seminar, Alice Orzechowski. In front are special guest and NATP's Chief executive Officer, Kathy Stanek, past president Sherry Diamond, current president Marilyn

Ayers, Past Presidents Colette Taylor and Willie Lau. The dinner cruise was a terrific event for all who attended, and the views of New York and New Jersey, as well as the Statue of Liberty at night were spectacular!

NJNATP TAX SEMINAR

Saturday, January 9, 2010

Woodbridge Hilton, Iselin, NJ

GREAT Speakers:

John Kelly, Jacob Foy, Jim Gordon, Alan Preis, Katherine Keane

GREAT Topics:

NJ Individual, Corporate and Inheritance Updates, Sales and Use Tax, Property Tax Relief, NJ Compliance, NJ and NY Issues!

See flyer inside for details and registration!!

From the Editor...

I HOPE you have all taken the **Essential 1040** presented by NATP, as well as **Beyond the 1040**. Both sessions were excellent and really get you geared up for the coming tax season. From what we all hear, it promises to be a very challenging season, but, as you know, NATP is there to help! Please, remember to use the Research Department! *All members get 1 free research question per year, with additional questions at a cost of \$25, and what a bargain it is!!* I remember having a very complicated situation last tax season: I called research, and while they were working on my problem, I was working on another tax return, which I believe is a much more efficient use of my time. And, the research department will provide you with documentation regarding their solution to keep in the client's file.

Do we really know all there is to know about the new Homebuyer's credit? Or the American Opportunity Credit? There will be a lot of comparisons to make! How about all the energy incentives? Schedule L and M? The re-definition of a qualifying child? Challenging??? Let's also not forget the IRS' new e-filing mandate beginning in 2011. More about it in the next newsletter.

NATP's Tax Store gives you the opportunity to purchase the materials taught at all of the live seminars at a reasonable cost, and they are very good resources to have

In closing.. (and I couldn't resist).....

Since I have lived all of my life in the northeastern corner of New Jersey, and proud to say I've been a Yankee fan since the age of 7, I can honestly say that I haven't come back to earth yet since their World Series win! **Next year: NUMBER 28!!!**

Jean Millerchip
Jean.Millerchip@verizon.net

NJ Labor and Workforce Development Rates for 2010:

■ Maximum Unemployment weekly benefit rate:	\$ 600
■ Maximum Temporary Disability weekly rate:	\$ 561
■ Taxable Wage base rate for UI, TDI and FLI:	\$ 29,700
■ Maximum Workers' Compensation weekly rate:	\$ 794

Complete breakdown of all rates for both employer and worker can be found on the NJ Website: **Labor and development**.

NEW!! NEW!! NEW!!

NY State Tax Preparer Registration Program:

SECTION 32 of the NY State Tax Code imposes an annual requirement on certain tax return preparers, facilitators of refund anticipation loans, and facilitators of refund anticipation checks to register with the NYS Tax Department. A tax return preparer who meets the definition of a commercial tax return preparer will also be required to pay an annual registration fee of \$100. In addition, the new law includes certain requirements and restrictions on tax return preparers and facilitators, with significant penalties for those who do not comply.

Each tax return preparer, who will prepare at least one NY return in a calendar year must register electronically with the Tax Department for that calendar year. They must register with the Tax department *before* they prepare any personal tax returns (including fiduciary returns) that will be filed after December 31, 2009.

Individual tax return preparers and facilitators must register on the Tax Department's Web site at: www.nystax.gov using the Online Tax Center. Instructions will be provided on the Web site to guide users through the process. At the completion of the registration process, each return preparer and facilitator will be issued a registration certificate and will be assigned a NY Tax Preparer Identification Number (NYTPRIN). Re-registration annually is a must. At the time of registration, or re-registration, an annual fee

of \$100 must be paid. Registration is not complete until the fee is paid.

The NYTPRIN must be entered on any personal NY tax returns for tax years 2009 and after. Requirements for returns other than personal income tax returns will apply after December 31, 2010.

Failure to register results in a penalty of \$250; additional penalties will accrue. Failure to pay the fee results in a penalty of \$50 for each return filed, up to a maximum of \$5000 total. Failure to sign the return results in a penalty of \$250 for each return unsigned. Failure to use the NYTPRIN subjects the preparer to a \$100 fine for each failure.

The entire explanation of the Tax Preparer Registration Program can be found on the NY State website (www.nystax.gov). It gives the definition of all those covered by the ruling, as well as those who are exempt. Read about the restrictions, requirements and penalties before registering.

Be prepared for the upcoming tax season!

Congratulations!

NJNATP's newly elected officers for 2010 are:

MARILYN H. AYERS, *President*
JAIMEE HAMMER, *Vice President*
JULIE ROBINSON, *Secretary*
THOMAS DE TITTA, *Treasurer*

Congratulations and the very best wishes for the coming year.

Welcome!!

A BIG WELCOME to NJNATP's newest Board member: **MAXINE WOLF** from Parsippany was elected to the NJ Board of Directors at the Annual Meeting/Conference on October 1, 2009.

Welcome Maxine, and best wishes!

BY MARILYN H. AYERS

IT HAS BEEN A TOUGH YEAR FOR MANY OF US. I, for one, am fortunate that my business has done well this year and I have not been personally affected by the high unemployment rates. But this is not the case for many others and, as a result, government is suffering as well. Balancing the budget has become a difficult task for New Jersey, like many other states. This year many legislative changes were made in June effective July 1, 2009 to balance the budget. A few highlights include: * 4% corporate surcharge extended to corporations with years ending prior to July 1, 2010. The surtax was set to expire June 30, 2009 but was extended for one year. * Gross Income Tax rates for taxpayers with taxable income exceeding \$400,000 were temporarily increased for 2009. * The law

also eliminated the property tax deduction for taxpayers with gross income of more than \$250,000 unless the taxpayer is over 65, disabled or blind. In addition, it limited the property tax deduction to \$5,000 for those taxpayers who have gross income of more than \$150,000 but less than the \$250,000. * Last, but not least, the new law also includes a provision to include New Jersey Lottery winnings from prizes exceeding \$10,000 in gross income. Normally, lottery winnings are excluded from income in New Jersey. Of all these changes, I must admit the inclusion of lottery winnings is most upsetting. So If I win \$10,001 I have to include all my winnings on my NJ return. Of course, who am I kidding, I don't even play the lottery and you "have to be in it to win it." *Have a great tax season!*

NJNATP Chapter STAR of DISTINCTION

Beginning with this issue of the NJNATP newsletter, we are introducing a new feature – the Chapter Star of Distinction. During this year of NJNATP's 20th Anniversary, we will be honoring certain members who throughout the years have devoted time and service to our chapter. The first recipient of this award is:

RICHARD T. ALLORTO, SR, CPA

Rich served for many years on the NJNATP Board of Directors as a Member at Large and Treasurer and was responsible for helping to establish the NJNATP Scholarship Program.

Rich has a BS in accounting from New York University and has been a NJ CPA in practice for over 35 years. A former partner is Allorto, Fox and Company and now with Kleespies and Associates, LLC, Rich specializes in all forms of income, estate and trust taxation and administration. As well as being active with NJNATP, Rich is also a member of the AICPA, the NJ Society of CPA's and the National Association of Estate Planners and Councils. Over the years, he has been a lecturer for many groups from other accountants and tax preparers to the Board of Realtors and the Rotary Club.

On a personal note, Rich has been married to wife Sandi for 44 years and has four children and six grandchildren. Rich is also a HUGE New York Yankee fan!!!!

Thank you Rich for all you've done for NJNATP and the accounting community.

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If you have a candidate for our Chapter Star of Distinction Award, please contact **Sherry Diamond** at 856-779-1714 or email her at taxlady@bellatlantic.net.

Tax Credit Recipients MAY OWE THE IRS...

MORE THAN 15 MILLION TAXPAYERS could unexpectedly owe taxes when they file their 2009 tax returns, because the government was too generous with the new *Making Work Pay tax credit*. Taxpayers are at risk if they have more than one job, are married and both spouses work, or receive Social Security benefits while earning taxable wages. The tax credit, which is supposed to pay individuals up to \$400 and couples up to \$800 was part of the stimulus package enacted in February, 2009.

Most workers started receiving the credit through small increases in their paychecks this past April, and was made available through new withholding tables issued by the IRS. However, these tax tables do not take into account taxpayers with more than one job or married couples in which both spouses work.

The Social Security Administration sent out payments of \$250 to more than 50 million retirees as part of the stimulus package. These payments were to provide a boost to people who didn't qualify for the tax credit. However, they went to many retirees who also received the credit, since they are still earning taxable wages. Those retirees will have the \$250 deducted from their tax credit, but not until they file their tax returns in the spring of 2010. The new Schedule M will show the calculations.

The IRS has said that those taxpayers facing penalties for not withholding enough taxes in 2009 will be eligible to have the penalty waived.

The tax credit will also be available in 2010, again up to \$400 per individual, \$800 for married couples filing jointly. Individuals making more than \$95,000 and couples making more than \$190,000 are ineligible.



NEW JERSEY CHAPTER NATIONAL ASSOCIATION OF TAX PROFESSIONALS



presents

KATHRYN KEANE, EA, ABA



NEW YORK & NEW JERSEY CROSSOVER ISSUES

THURSDAY, DECEMBER 10, 2009
HOT BREAKFAST INCLUDED

Registration 8:30-8:55 am • Seminar 9:00-11:30 am

NEWARK AIRPORT MARRIOTT

1 Hotel Road, Newark, NJ 07114 • 973.623.0006

REMEMBER...

New Jersey NATP is collecting for **Toys for Tots** and the **Boy Scouts**...Bring an unwrapped toy and a donation to send a special needs boy scout to camp!



Thursday, December 10, 2009 - 3 CPE Credits • Sponsor #531 & #458 • Breakfast Included
Registration: 8:30 – 8:55 a.m. Seminar: 9:00 – 11:30 a.m.

Cancellation Policy: All cancellation requests must be in writing. A refund will be given if requested prior to December 3, 2009. A \$20 administrative fee will be deducted. No refund will be considered after December 3, 2009.

Mail to: NJ-NATP c/o Thomas DeTitta, Treasurer, 570 Grand Ave., Ridgefield, NJ 07657

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Member \$50 Nonmember \$65 New Member \$334*

PLEASE POSTMARK REGISTRATIONS BY DECEMBER 3, 2009

Make Check Payable to NJ-NATP. This form may be reproduced. One registration per form.
For inquiries, call 732-477-2281 or to check your registration call 201.943.4920



NEW JERSEY CHAPTER
NATIONAL ASSOCIATION OF TAX PROFESSIONALS
presents



NJNATP 2010 FAMOUS STATE TAX SEMINAR



SATURDAY, JANUARY 9, 2010

HILTON WOODBRIDGE

120 Wood Avenue South, Iselin, NJ 08830-2709
 T 732.494.6200 F 732.603.7777

Call before Wednesday, December 16 to take advantage of
 the discounted room rate for the evening of January 8, 2010!

FEATURING SPEAKERS...

Jacob Foy • Jim Gordon • John Kelly • Alan Preis • Kathryn Keane

FOCUSING ON TOPICS...

NJ Individual, Corporate & Inheritance Tax Law Updates
 Sales & Use Tax • Property Tax Relief • Independent Contractor
 Classification • NJ vs. NY Taxes

CPE Sponsor #531 & #458
Saturday, January 9, 2010
8 CPE Credits

Continental Breakfast, Lunch and Afternoon Dessert Included
Registration: 7:30 – 8:15 a.m. Seminar: 8:15 a.m. – 4:45 p.m.

In accordance with the American with Disabilities Act, please notify the hotel regarding special needs.
 CANCELLATION POLICY: All cancellation requests must be in writing. A refund will be given if requested prior to 1/1/2010.
 A \$20 administrative fee will be deducted. No refund will be considered after 1/1/2010.

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Postmarked before 1/4/10 Member \$200 Nonmember \$250 New Member \$349*

\$10 Discount – BECOME A MEMBER OF NATP NOW and ATTEND THE CONFERENCE

Make Check Payable to NJ-NATP. This form may be reproduced. One registration per form.

*For inquiries, call 732-477-2281 or 908-709-4261. Acknowledgement will be sent if a stamped, self-addressed envelope is included

★
a
little

JOKE
du JOUR

★ The trouble with doing something right the first time is that nobody appreciates how difficult it was.

★ Vital papers will demonstrate their vitality by moving from where you left them to where you can't find them.

★ There is only one thing worse than the flu season ... the tax season. You can recover from the flu.

★ Save a little money each month and at the end of the year, you will be surprised at how little you have.

★ Wealthy people miss one of life's greatest thrills . . . Making the last car payment.

★ Plan to be spontaneous tomorrow.

CALENDAR *of Events*

BREAKFAST SEMINAR

Marriott at Newark Airport
December 10th, 2009

NEW YORK & NEW JERSEY CROSSOVER ISSUES



**NJNATP 2010 FAMOUS
STATE TAX SEMINAR**
Hilton Woodbridge
January 9th, 2010

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TELEPHONE DIRECTORY

NEW JERSEY HOTLINE

609-633-6657 for Personal Income Tax
609-633-6905 - for Business Tax

FEDERAL TAX HOTLINE

For practitioners with POA on file to call
about a specific client problem:
866-860-4259
Tax Law Questions: 800-829-1040

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