

## PRESIDENT'S MESSAGE



EVERY DECEMBER for the past 20 years, articles have appeared in accounting trade publications about the future of the tax preparation business. Each year there are those who say it is doomed. In December, 2000 Accounting Today had an article that said tax services as a stand-alone service was a thing of the past. That was ten years ago and we certainly have not seen a decline in the need for our services. On the contrary, many of us are busier than ever and tax preparation has become more of a year round endeavor with extensions pushed until October 15th each year. I, for one, am optimistic about the future of our industry even with the new registration requirements enacted by IRS this year. Have you renewed or obtained your PTIN yet?

Your New Jersey Chapter has been busy this fall. Our Annual Conference held September 30, 2010 at the Woodbridge Hilton was a huge success. We had the best attendance in years due to the many tax laws enacted this year and the buzz about tax preparer registration. We also addressed tax preparer registrations at the federal and state levels at our breakfast seminar held December 9, 2010 at the Airport Marriott in Newark. Join us in January for registration requirements for all 50 states!

Our breakfast seminar held October 28, 2010 in Tinton Falls concentrated on Estate Tax Issues and our instructor Mr. Michael Feinberg gave us lots of tips to help navigate estate taxation during this interesting year. If you would like your New Jersey Chapter to schedule more estate taxation seminars in the future, please email me at [mhacpa@comcast.net](mailto:mhacpa@comcast.net). I'd love to hear from you. Actually, our chapter is conducting a survey on our website regarding education with emphasis on the types of education you need to assist you in your practice. Please go to our website <http://njnatp.com> and complete our survey located on the welcome page.

Last, don't forget our famous State Tax Seminar scheduled for January 8, 2011 at the Woodbridge Hilton. This year our keynote speaker will be the new Director of the Division of Taxation Michael Bryan. Come meet our new Director and panelists from surrounding states who will address individual taxpayers moving from state to state and their tax filing requirements. As always, the seminar will be dedicated to State tax issues with a concentration on New Jersey issues!

This is my final message as your President. My two years in office were very rewarding and I enjoyed meeting and speaking with many of you over the last two years. I will remain on the board but hand the reigns of this great organization over to Jaimee Hammer. I know Jaimee, as President, along with her executive board – Julia Robinson, Treasurer, Linda Giordano, Secretary and myself as Vice President – will do a fantastic job!

*Have a great tax season!*

Marilyn H. Ayers, CPA, President, NJNATP

# FREE

## NATP NATIONAL CONFERENCE!

JOIN US AT OUR JANUARY 8, 2011 FAMOUS STATE TAX SEMINAR for a chance to win a paid registration to the 2011 National Conference to be held in St. Louis.

- Must be a first time National Conference Attendee, or
- Must not have attended in the last 5 years
- Must be present at NJ NATP January Seminar to win!
- Prize awarded at our NJ Luncheon held during the National Conference in St. Louis



**YOUR 2011  
NEW JERSEY  
CHAPTER  
EXECUTIVE  
BOARD**

## NJNATP STATE TAX SEMINAR SATURDAY, JANUARY 8, 2011 Woodbridge Hilton, Iselin, NJ

Come meet our new NJ Director of Division of Taxation, Michael Bryan. Listen to our favorite NJ Speakers: Jim Gordon and Jacob Foy, along with Kathryn Keane and PA and DE state speakers for updates on important 1040 topics in our neighboring states.

*See flyer inside for details & registration!*

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# Director NEWS!

**W**E WOULD LIKE TO WELCOME our newest NJ NATP Board Member **Anthony J. Manziano, CPA, MST** from Woodbridge. Anthony was elected to the board at our Annual Meeting/Conference held on September 30, 2010.

Anthony replaces long time board member **Barbara Fletcher**. Barbara has been a dedicated board member since 1993 and has decided to retire at the end of her term this year. Without a doubt, Barbara served with exemplary dedication and accepted her duties and responsibilities seriously.

*She will be missed!*



New officers were elected at our October 25, 2010 board meeting for 2011:

**JAIMEE HAMMER** – *President*

**MARILYN H. AYERS, CPA** – *Vice President*

**JULIA L. ROBINSON** – *Treasurer*

**LINDA GIORDANO, EA** – *Secretary*

**CONGRATULATIONS TO ALL!!**

## NJ HOMESTEAD BENEFIT PROGRAM EXTENSION

NEW JERSEY announced on October 28, 2010, that the deadline to file NJ Homestead Benefit Applications has been extended to January 3, 2011. The old deadline was November 1, 2010.

New Jersey residents who owned a home that was their principal residence of October 1, 2009 and paid property taxes on that home, will qualify for a Homestead Benefit, provided that their 2009 NJ gross income was \$75,000 or less, or if they are senior or disabled homeowners and their 2009 NJ gross income was \$150,000 or less.

# New PTIN Requirements Update - KEY POINTS

- All paid tax return preparers will be required to obtain a valid PTIN (or renew current PTIN) by December 31, 2010 to be eligible to sign tax returns, including CPA, PA, EA and Attorney designations.
- After December 31, 2010, can't prepare or sign a tax return without first obtaining or renewing your PTIN using on line registration process
- Testing to commence after June 2011. Once testing has begun, must take and pass the competency exam prior to obtaining PTIN.
- Education requirements have not yet commenced but will include 15 hours of continuing education annually, including 3 hours of federal updates and 2 hours of ethics, excluding CPA, EA, PA and Attorney designations.
- All paid preparers will be required to comply with the standards of conduct set by Circular 230 beginning January 1, 2011.
- Beginning with the new PTIN requirements, IRS will verify that preparers are compliant with their personal and business tax requirements.

## NJNATP Chapter ★ STAR of DISTINCTION ★

**W**E ARE PLEASED TO ANNOUNCE on behalf of the NJ NATP Board of Directors the selection of **Jean Millerchip** as the 2010 New Jersey Chapter Member of the Year award recipient. Jean has been an active board member since 1992. She has held every office during her tenure: *Secretary, Treasurer, Vice President and President* (more than once). She has served on many committees as well. It was because of her hard work and persistence over the years, with the assistance from other board members, that the New Jersey Chapter finally won the 2009 NATP Chapter of the Year award in Austin, Texas this summer. She was elected to the National Board of Directors in 2008 and has served as the chair of the NATP

Nominations Committee and is the current Vice President of the NATP Board of Directors. She was also awarded the NATP Tax Professional of the Year in 2007. It has been a great honor to serve with Jean on the board and I'm sure you will all join us in congratulation Jean on her service and dedication to NATP!

On a personal note, Jean and her husband Tom live in Nutley and have three children and 4 grandchildren, with number 5 on the way!

If you have a candidate for our Chapter Member of the Year Award, please contact Willie Lau, chairperson, at 732-364-2271 or [wlau.ea@gmail.com](mailto:wlau.ea@gmail.com).

## NJ LABOR AND WORKFORCE DEVELOPMENT RATES FOR 2011:

Maximum Unemployment weekly benefit rate:	<b>\$598</b>
Maximum Temporary Disability weekly benefit rate:	<b>\$559</b>
Taxable Wage base rate for UI, TDI and FLI:	<b>\$29,600</b>
Maximum Workers' Compensation Weekly rate:	<b>\$792</b>
Worker FLI rate changes for 1st and 2nd quarters of 2011	<b>.12%</b>

# New Jersey Tax Tip of the Quarter Winter 2010

BY MARILYN H. AYERS

**N**OW THAT FILING season has finally ended for 2009 and we can look forward to filing 2010 tax returns, there are a few updates to review.

The Division announced on October 4, 2010 a change in sales tax filing of monthly remittances. Effective immediately in order to comply with the Streamlined Sales & Use Tax Agreement, sellers that collect more than \$30,000 in New Jersey sales and use tax during the preceding calendar year must file a monthly remittance for the first and second month of each calendar quarter (i.e.: January and February for the first quarter, etc.) if the amount of tax due for that month exceeds \$500. If less than the \$30,000 in New Jersey sales and use taxes have been collected by the seller during the preceding calendar year, a monthly remittance is not required, regardless of the amount of tax due for that particular month. This is a change from prior law that required a monthly remittance for any month where sales tax and use tax exceeded \$500.

In the Summer 2010 issue of the New Jersey State Tax News, it was reported that New Jersey conforms to the Federal Tax Increase Prevention and Reconciliation Act of 2005 regarding the reporting of

a distribution from an IRA which the taxpayer converts into a ROTH IRA in 2010. The taxpayer may choose to include the distribution in taxable income in 2010 or in equal amounts in 2011 and 2012. See the Division's publication, GIT-2 IRA Withdrawals, to calculate the IRA distribution that is taxable for New Jersey gross income tax purposes.

Last but not least, the Division has updated the return processing instructions for filing New Jersey Inheritance and Estate Tax Returns. They do not want returns enclosed in any kind of binder, sealed folder or notebook. Do not use staples on the return. It is acceptable to use rubber bands or clips to keep the file together or two-hole ATCO fasteners, along the top of the return, are also acceptable. They further advised not to enclose duplicate copies of returns or other documents and if at all possible to file both the Inheritance and Estate return at the same time with just one copy of the supporting documents. They have a list of other practical tips and reminders on page 7 of the Inheritance Tax Return.

*Happy filing!*

## NEW YORK REGISTRATION REQUIREMENTS UPDATE

**N**EW LEGISLATION was enacted in 2010 by the State of New York that further defines who must register and who must pay the \$100 fee. According to the State of NY website effective July 30, 2010, enrolled agents and their employees are now exempt from registering and paying the \$100 registration fee.

Tax return preparers include any individual who is an employee of a tax return preparation business who prepare at least one New York State return. Partners who prepare returns for clients of a partnership engaged in a commercial tax return preparation business or anyone else paid to prepare at least one New York State return or report.

*Tax return preparers exclude:*

- Currently licensed CPAs and P.A.s
- Enrolled Agents
- Attorneys licensed to practice law
- Employees of a CPA, PA, Enrolled Agent or Attorney who prepare tax returns under the direct supervision of a CPA, PA, Enrolled Agent or Attorney of that firm
- Clerical Employees
- Volunteer tax preparers
- Employees of a business who prepare that business's return or report

If you need further information, join us at our January 8, 2011 Famous State Tax Seminar. Kathryn Keane from New York will be one of our speakers! In the meantime, please contact NY Call Center at 518-457-1929 or 1-866-579-2503 (in state callers only) with specific questions.

## Member to Member

I would like to personally invite each of you to join the Member to Member social network on the NATP website. It's easy to do. Just log on to [www.natptax.com](http://www.natptax.com) with your member ID and password. On the green bar across the page, select member center and it is the first selection. Once you are on the member to member page, scroll to the bottom and click on enter "MiiM Community". Please join the NJ NATP Chapter Members group and you will get all our news about our Chapter and State. *See you there!*

## 2010 TAX FACTS

**B**ARRING any last minute federal legislation, here are a few reminders for preparing 2010 federal returns:

- For 2010 only, personal exemptions and itemized deductions are not subject to a phase-out for higher income taxpayers.
- For 2010, long-term capital gain rates for noncorporate taxpayers are 0% and 15%.
- After 2010, capital gain rates do not apply to qualified dividend income.
- Section 179 limitations have been increased for 2010 and bonus depreciation is back.
- 2010 is the last year for American Opportunity Credit.
- Beginning in 2010, the adoption credit is refundable.
- *The following provisions expired at the end of 2009:* sales tax itemized deduction, real property tax deduction added to the standard deduction, \$250 educator expense deduction, tuition and fees deduction as an adjustment to income, and IRA distributions to charity.
- Repayment of the \$7,500 first time home buyer credit under the original rules in 2008 must begin in 2010 over a 15 year period. It is treated as a tax and reported in the other tax section of form 1040.
- Increase in per partner or shareholder late filing penalties to \$195 per month effective for 2010 for partnerships and S corporations.

Of course, if any federal legislation is passed in the interim, NATP will keep us posted. Make sure you visit their website and read your weekly NATP Taxpro every Thursday for the latest information.



# NEW JERSEY CHAPTER

NATIONAL ASSOCIATION OF TAX PROFESSIONALS PRESENTS



## NJ NATP 2011 FAMOUS STATE TAX SEMINAR



### SATURDAY, JANUARY 8, 2011 • Hilton Woodbridge

120 Wood Avenue South, Iselin, NJ 08830-2709 • T 732-494-6200 • F 732-603-7777

Call before Wednesday, December 15 to take advantage of the discounted room rate of \$114 for the evening of January 7, 2011...CALL NOW!

## AGENDA

7:30 - 8:15	Registration	10:00 - 10:15	Break
8:15 - 8:30	Welcome from Chapter President, Jaimee Hammer	10:15 - 11:15	NY Updates - Ms. Kathryn Keane, EA
8:30 - 9:00	NJ Director of Taxation, Mr. Michael Bryan	11:15 - 12:30	Interactive Panel Discussion with PA, DE, and NY Representatives re: Resident/Non-Resident 1040 Issues
9:00 - 9:30	PA Updates - Ms. Amy Gambler, EA & Ms. Kathryn Bowman, EA	12:30 - 1:30	Lunch
9:30 - 10:00	DE Updates - Mr. James Stewart, Assist Director DE Division of Revenue Office of Personal Taxes	1:30 - 3:00	NJ Division of Taxation Jim Gordon & Jacob Foy
		3:00 - 3:15	Dessert Break
		3:15 - 4:40	NJ Division of Taxation Jim Gordon & Jacob Foy

**8 CPE Credits Available • Sponsor CPE #531 & CFP #5008 • Saturday, January 8, 2011**

**Continental Breakfast, Lunch and Afternoon Dessert Included • Contact Linda Giordano, C 856-553-6425, with any dietary restrictions**

**Registration: 7:30 – 8:15 a.m. Conference: 8:15 a.m. – 4:40 p.m.**

This program is open to anyone interested in increasing or reinforcing his or her knowledge in the subject area. Attendees will be responsible for reporting their CPE credits in accordance with their respective reporting requirements. To ensure the integrity of this program, attendance will be periodically monitored for late arrivals or early departures and credits will be adjusted accordingly. NJ-NATP is registered as a sponsor of Continuing Professional Education for the Internal Revenue Service, the NJ State Board of Accountancy & the Certified Financial Planner Board of Standards (Sponsor #5008) which has final authority on the acceptance of individual topics for CPE credit. This program qualifies for 8 CPE Credits for Enrolled Agents under Treasury Department Circular 230, Section 10(g) and 8 Credits under New Jersey AC 13:29-6.7 & the CFP Board. Each credit is based on a 50-minute credit hour. Field of Study: Taxation. Prerequisite: None. Level of Knowledge: Basic. Teaching Method: Seminar/ Lecture. Please refer to the information in this announcement for outline, course content and objectives. Upon completion of this seminar you will receive a certificate of attendance.

### PLEASE PRINT OR TYPE

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ NATP Member # \_\_\_\_\_

Telephone ( ) \_\_\_\_\_ Email Address: \_\_\_\_\_ @ \_\_\_\_\_

**Pay by Check: "NJNATP" or complete below for Credit Card - Visa or Mastercard only**

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

Credit Card # \_\_\_\_\_ Exp. Date \_\_\_\_\_

Printed Name on Card \_\_\_\_\_ Signature \_\_\_\_\_

**Postmarked before 1/6/11**  Member \$200  Nonmember \$250  New Member \$357\*

**Postmarked on or after 1/7/11-OR-At the Door**  Member or Nonmember \$260  New Member \$367\*

TOTAL: \$ \_\_\_\_\_

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

This form may be reproduced. One registration per form. For inquiries, call 201-943-4920 or 732-477-2281. An acknowledgement will be sent if a stamped, self-addressed envelope is included. Cancellation Policy: All cancellation requests must be in writing. A refund will be given if requested prior to January 1, 2011. A \$25 administrative fee will be deducted. No refund will be considered after January 1, 2011.

AMERICANS WITH DISABILITIES ACT: In accordance with the ADA, please note any special needs you have on both registration form and when making hotel reservations.

**At our 2010 Annual Conference we asked you  
to vote for your favorite charity...**

**So what charity did YOU decide  
NJNATP should support in 2011?...**



**In keeping with our Social Responsibility  
NEW JERSEY NATP IS TAKING A COLLECTION  
FOR...**



**BOY SCOUTS OF AMERICA.**



New Jersey



**wants to help send  
a special needs boy scout  
to camp...**

**bring your donation!**



# NOW you can advertise in our Chapter Newsletter!

Are you looking to hire employees? Do you sell tax related products? Are you searching for a new job? Are you selling your practice? Why not use one of the best resources available to the NJ tax practicing community? Your New Jersey NATP Chapter can assist you!

We are now offering advertising space in our quarterly newsletters. You can purchase business card, eighth page, quarter page and half page sizes. Fees begin at \$50 for the business card size (1/16 page). One-eighth page ads are priced at \$75, one-quarter page ads are \$150 and one-half page ads are priced at \$300. These prices are per newsletter. Discount pricing is available for multi newsletter ads.

All placements of ads will be determined by the Newsletter Chairperson. Horizontal or vertical placement will be agreed upon between the advertiser and the Advertising Chairperson.

Advertising space in the newsletter is limited and is available on a first-come basis. No ads will be printed prior to receipt of payment for ads. Advertising space is also available to our seminar vendors, but NATP members will receive priority, should space become an issue.

To place an ad, please contact Linda Giordano by phoning 856-553-6425 or e-mailing at [lgtax1@yahoo.com](mailto:lgtax1@yahoo.com).

## 2011 CALENDAR of Events

### **NJ NATP FAMOUS STATE TAX SEMINAR**

Woodbridge, NJ • January 8th

### **BREAKFAST SEMINAR**

Mt. Laurel, NJ • May 19th

### **NATIONAL CONFERENCE**

St. Louis, MO • August 15th-18th

### **NJ NATP ANNUAL CONFERENCE**

Woodbridge, NJ • September 22nd

### **BREAKFAST SEMINAR**

Tinton Falls, NJ • October 27th

### **ALL DAY EVENT - 1120S CORPORATIONS**

TBA • December 8th

### **NJ NATP FAMOUS STATE TAX SEMINAR**

Woodbridge, NJ • January 14th, 2012

## NJ NATP BOARD OF DIRECTORS 2010

### OFFICERS

<b>PRESIDENT</b> Marilyn H. Ayers	<b>VICE PRESIDENT</b> Jaimee Hammer	<b>SECRETARY</b> Julia Robinson	<b>TREASURER</b> Thomas DeTitta
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### DIRECTORS

TERM	1 YR.	2 YR.	3 YR.
Region I	<b>Thomas DeTitta</b> Ridgefield (201) 943-4920	<b>Pramod Ahuja</b> Princeton (609) 716-1300	<b>Mario Tripoldi</b> W. Milford (551) 404-3453
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Region IV	<b>Marilyn H. Ayers</b> Brick (732) 477-2281	<b>Julie Robinson</b> Brick (732) 477-2281	<b>Linda Giordano</b> Pitman (856) 553-6425
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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

### NJ-NATP CHAPTER OFFICE

732-477-2281  
FAX 732-477-3555  
[njnatp@comcast.net](mailto:njnatp@comcast.net)

### INTERNET ADDRESS

**NJ CHAPTER**  
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Directory of National Members  
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