



# The Accountant

Official Publication

of the North Carolina Society of Accountants

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March 2014



## A Message From The President

*M. Louise Pistole*



**M. Louise Pistole**

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March

Welcome to our newest NCSA members, Constance Marie Morris and Trisha Toler!

What is Quality Assurance Review (QAR) and why is it important to you and NCSA?

With the identifying information blacked out, our QAR committee looks at the statements for presentation and consistency, principles of accounting, and correct titles. The process will help to increase your confidence that your presentations are in accordance with accepted professional standards.

Earlier in my year as President, I conducted a survey on QAR. Following are answers to some of the questions you asked:

- 1) At this time, there is no additional cost for this service. It is one of your membership benefits.
- 2) Your information is mailed to the committee. No one physically comes to your office.
- 3) The reviewers are offering assistance, not criticism.
- 4) Even though most people outside the accounting arena do not know what QAR is, you will be presenting a high quality product on behalf of your client. Some of the pointers possibly could protect you from a lawsuit.
- 5) QAR does not stand for "Queen Anne's Revenge."

NC CPAs who are in the public practice of accountancy are subject to mandatory peer review every three years. Even though the review of our financials is not mandatory, our members are required to prepare financial statements using the same principles and standards.

There are many changes in the accounting profession today. Other states across the country have recently been fighting to protect their rights. Only four states enjoy the right to practice accounting as freely as we do in NC. Since last July, 123 of our members have attended a QAR CPE presentation by QAR Chair David Hooker. Most of you are aware of NCSA's continuing monitoring of legislation in order to maintain our right to practice as accountants in North Carolina. Our internal review of financial statements and preparation of high quality financial statements will enhance our position in proving our members are capable and informed. The more member participation we have in the program enhances our power to maintain our current right to practice.

One member said to me, "QAR makes you a better accountant." Do you agree?

## Chapter News

Tax Season is passing us by at the speed of light! Take a moment to reflect on your society and what it means to have a great support system during tax season. What we do without our fellow members who we can bounce situations and ideas off of during this stressful time. If you appreciate your society, recommend that other accountants and colleagues join. The good word of our members is our best advertisement. The best way to recommend NCSA is to invite a fellow accountant to join you at your chapter meeting. Read on to see what our chapters are doing during this busy time.

### **Burlington**

The Burlington Chapter met on Thursday, February 27<sup>th</sup> at Kimbers in Gibsonville. Chapter President Jim Holmes conducted an informative roundtable discussion with eight in attendance. In member news, Garland Steele has been sick with pneumonia and was recently a patient at Cone Hospital but is slowly improving. For more information about the Burlington chapter contact Jim Holmes at [jholmes.acct@yahoo.com](mailto:jholmes.acct@yahoo.com)

### **Cape Fear**

The Cape Fear Chapter met Monday, February 17<sup>th</sup> at The Brass Lantern in Dunn with 19 in attendance. The chapter welcomed Scott Roberts who discussed the Affordable Care Act and changes to health insurance in general. The chapter will meet on March 17<sup>th</sup> with location and topic to be announced. For more information contact Yvette Horne at [yvettehorne@ncrbiz.com](mailto:yvettehorne@ncrbiz.com)

### **Central**

The Central Chapter met on Monday, February 24<sup>th</sup> at Sagebrush in Asheboro. Seventeen were in attendance for a Tax Season Roundtable led by Chapter Vice President James Upton. Next month the chapter's own Ron Powell will be the speaker in a Circular 230 Ethics presentation. Central Chapter meets on the 4<sup>th</sup> Monday of each month. For more information contact James Upton at [jamesupton@rtmc.net](mailto:jamesupton@rtmc.net)

### **Charlotte**

The Charlotte Chapter will not meet again until April. For more information contact Louise Pistole at [pistole9@windstream.net](mailto:pistole9@windstream.net)

### **Eastern**

The Eastern Chapter met on Tuesday, February 25<sup>th</sup> at Parkers BBQ in Greenville with five attending. The meeting was a roundtable led by the chapter facilitator Ronald D. Powell. The Eastern chapter meets on the 4<sup>th</sup> Tuesday each month. For more information contact Ronald Powell at [ron@powellaccounting.com](mailto:ron@powellaccounting.com)

### **Hickory**

The Hickory Chapter normally meets the last Monday of each month. For more information contact Susan Dale Moore at [susan@dalesaccounting.com](mailto:susan@dalesaccounting.com)

### **Piedmont**

The Piedmont Chapter met on Thursday, February 27<sup>th</sup> at Sagebrush in Kernersville. Chapter Vice President Debbie Boose led the attendees in a round table discussion of tax season questions and issues. Piedmont Chapter meets on the last Thursday of each month. For more information contact Larry Matthews at [larry@LKM1040.com](mailto:larry@LKM1040.com)

### **Raleigh**

The Raleigh Chapter met on Tuesday, February 25<sup>th</sup> at Manchesters Bar & Grill. The chapter meeting focused on the new NC Tax Law. The next chapter meeting on March 24<sup>th</sup> will feature Stephen Metelits talking about new Forms 8959 and 8960. The Raleigh Chapter meets on the 4<sup>th</sup> Tuesday of each month. For more information contact Stephen Metelits at [metelits@usa.net](mailto:metelits@usa.net)

### **Sandhills**

The Sandhills Chapter met on Tuesday, February 25<sup>th</sup> at Table on the Green in Pinehurst. The meeting was a chapter promotions meeting with Marsha Wheeler chapter promotions chair. The meeting also served as a planning meeting for the upcoming months. The members voted to change their meeting night to the last Thursday of each month. The chapter will meet again on Thursday, April 24<sup>th</sup> with topic and location to be announced. The chapter normally meets the last Thursday of the month. For more information contact Mark Bouchier at [mabouchier@mabaccounting.net](mailto:mabouchier@mabaccounting.net)

### **Sanford**

The Sanford Chapter meets monthly at Elizabeth Kelly's office on Steele Street in Sanford. For more information contact Elizabeth Kelly's office at (919) 774-9436.

### **Western**

The Western Chapter will not meet in February or March. Jeffrey Porter will be the speaker for the meeting to be held on April 29<sup>th</sup>, more details to be announced. For more information contact John McKinney at [johnm@accuraaccounting.com](mailto:johnm@accuraaccounting.com).

### **Wilmington**

The Wilmington Chapter's next meeting will be on April 24<sup>th</sup> with Howard Michael of the NC Division of Employment Security on hand to discuss House Bill 4 and changes to the Unemployment law. Contact Louise Pistole for more information at [pistole9@windstream.net](mailto:pistole9@windstream.net)

**Did you know that your chapter has a webpage on [www.ncsa1947.org](http://www.ncsa1947.org)? This page can be a place for your chapter to give meeting information or post information that is helpful and useful to your members. Each chapter has a webpage administrator designated already with access just a few clicks away. Contact Web Master David Rollins to learn more about getting the word out about your chapter using NCSA's website.**

Share news of your chapter with *The Accountant*, contact James Upton at [jamesupton@rtmc.net](mailto:jamesupton@rtmc.net) or by fax to (336) 873-7650. We can only report what we have been told, so get those tongues wagging!

## Tax Recovery Program

The NC Department of Revenue recently launched the Trust Tax Recovery Program which helps businesses recover from certain tax liabilities. It will offer penalty and fee waivers as well as payment plans to companies that have liabilities for sales, withholding, and other trust taxes.

Businesses that file and pay all outstanding taxes within the payment plan terms may have their penalties and collections fees waived. Fees and penalties may be reinstated if program participants fail to file or pay future taxes as required.

## Sales & Use Tax

As of April 1, Harnett County's local sales and use tax goes up by 0.25% raising it to 2.25%. As of that date, the effective sales and use tax for state and local use is 6.75% in 73 counties; 7% in Alexander, Buncombe, Cabarrus, Catawba, Cumberland, Duplin, Edgecombe, Greene, Halifax, Harnett, Haywood, Hertford, Lee, Martin, Montgomery, New Hanover, Onslow, Pitt, Randolph, Robeson, Rowan, Sampson, Surry, and Wilkes Counties; 7.25% in Mecklenburg County; and 7.5% in Durham and Orange Counties.

The sales price of a service contract sourced in NC and sold at retail to maintain or repair a motor vehicle is subject to the state tax rate of 4.75% plus applicable local and transit rates. The sales price of any such service is *not* part of the gross receipts derived from the lease or rental of a motor vehicle or a part of the retail value of a motor vehicle.

A 3% highway use tax is imposed on the retail value of a motor vehicle for which a certificate of title is issued. The highway use tax is payable to the NC Division of Motor Vehicles at the time of application for a certificate of title. A retailer may elect not to pay this tax when applying for a certificate of title for a motor vehicle purchased by the retailer for lease or rental. A retailer who makes this election must pay a tax on the gross receipts of the lease or rental of the vehicle. For a short term lease, the rate is 8%; the tax rate is 3% of the gross receipts derived from the lease. The motor vehicle lease tax on the gross receipts derived from a lease or rental is payable to the NC DOR.

## Convention Activities

### *M Louise Pistole*

NCSA's 67th Annual Convention is being held at Embassy Suites in Concord, NC. The hotel is only seven years old with a golf course and spa for your down time. Rocky River Grille is located in the hotel, and there are another fifty restaurants within two miles.

Also, in that two-mile range, you will find Concord Mills. It is the #1 shopping and entertainment destination of the Carolinas with over 200 stores and a 24 screen theatre. Just opened in February this year at Concord Mills is Sea Life Aquarium. At this amazing underwater world you will journey through a tunnel as sharks and rays swim overhead.

Right next to Embassy Suites is the Charlotte Motor Speedway complex which hosts the year round Richard Petty Driving Experience. The complex also includes Backing Up Classics Auto Museum with more than fifty classics, antiques, 50's and 60's vehicles on display.

Welcome to Cabarrus County where speed mixes with recreation, history, and southern hospitality. Make your plans now to attend Convention on June 26 - 27. The registration brochure is attached to this newsletter for your convenience. Remember, if this is the first time you have ever attended an NCSA Convention, you will receive a \$50 discount. Register today!



Like us on  
**Facebook**

## Tax Fraud

If you suspect someone stole your identity and used your SSN for employment purposes or could use your SSN to file a tax return, complete Form 14039 on-line, print it, and mail or fax to the appropriate office using the options on page 2 of the form; include photocopies of at least one of the documents listed on the form to verify your identity.

If you suspect fraudulent activity or an abusive tax scheme by a tax return preparer or tax presentation company, complete Form 14157 on-line, print it, and mail it to the IRS address on the form.

If you suspect a tax return preparer filed a return or altered your return without your consent and you are seeking a change to your IRS account, send Forms 14157 and 14157-A to the address shown on the instructions for Form 14157-A.

If you suspect an abusive tax promotion or promoter, mail or fax Form 14242 to the IRS address or fax number on the form.

If you suspect misconduct or wrongful doing by an exempt organization or employee plan, mail Form 13909 to the address provided on the form.

If you have information and want to claim a reward, mail Form 211 to the address in the instructions.

For reasons other than the above and you suspect or know of an individual or business that is not complying with the tax laws on issues such as false exemptions or deductions, kickbacks, false/altered document, failure to pay tax, unreported income, organized crime, or failure to withhold, print and mail Form 3949-A to IRS, Fresno, CA 93888.

## IRS2Go

The IRS announced the release of IRS2Go 4.0, an update to its smartphone application featuring new, added features available both in English and Spanish.

The redesigned IRS2Go provides new features for taxpayers to access the latest information to help them in the preparation of their tax returns. In this version, IRS2Go highlights the addition of an innovative new refund status tracker, providing taxpayers an easy-to-use feature to follow their tax return throughout the process.

## 1345

Publication 1345, *Handbook for Authorized IRS e-file Providers of Individual Income Tax Returns*, has been revised and updated. It now is available in Web content, but not downloadable pdf version [when we need it most]. This publication provides important information for tax professionals and authorized *e-file* providers regarding applying and participating in IRS *e-file*. All participants should read this publication to become familiar with the requirements for continued participation.

## NCSA Schedule of Events

### 2014

June 25–**Board of Directors meeting**, Embassy Suites, Concord  
June 26–**Accounting Seminar**, Embassy Suites, Concord  
June 27–**NCSA Convention**, Embassy Suites, Concord  
July 1-3–**IRS Nationwide Tax Forum**, Chicago  
July 15-17–**IRS Nationwide Tax Forum**, San Diego  
July 18–**Leadership & Committee Day**,  
Pinewood Club, Asheboro  
July 22-24–**IRS Nationwide Tax Forum**, New Orleans  
August 19-21–**IRS Nationwide Tax Forum**, DC  
August 20-23–**NSA Meeting & Expo**,  
Hyatt Regency, Baltimore, MD  
August 25-27–**Carolinas Tax Professionals Seminar**,  
Hilton University, Charlotte  
August 26-28–**IRS Nationwide Tax Forum**, Orlando

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Fellow NCSA members,

I want to personally invite each of you to join me at the 67th Annual NCSA Convention in Concord, NC. The hotel is closely

located to lots of shopping, including Concord Mills, and many restaurants.

I especially want to invite all of our members who have never attended one of our conventions. I hope this will be the year you attend and take advantage of your \$50 first timer discount.

This has been a grand year and many exciting things have happened for NCSA! Now, it's time to relax and reflect on our accomplishments of the year.

Looking forward to seeing each of you at Convention!

**M Louise Pistole**

NCSA President 2013-2014

**PRACTICE MANAGEMENT**  
Register for Summer PAS  
*(See separate registration form)*

NCSA is honored to provide 8 hours of accounting CPE on Practice Management. We have a professional group of speakers with in-depth knowledge on an array of topics to assist you with achieving top performance in your accounting practice. You don't want to miss this informative seminar on Practice Management.

### The Agenda

#### **Wednesday, June 25th**

4:30 p.m. Officers Meeting  
5:00 p.m. Board of Directors Meeting  
Free Evening

#### **Thursday, June 26th**

7:00 a.m. CPE & Convention Registration  
*(CPE Registration & Payment is on a separate registration form)*  
8:00 a.m. 4 Hours CPE  
12:00 p.m. Lunch Provided  
1:00 p.m. 4 Hours CPE  
6:30 p.m. **President's Reception**  
7:30 p.m. **President's Dinner**  
9:00 p.m. Nominating Committee Meeting  
9:00 p.m. Scholarship Bingo

#### **Friday, June 27th**

*67th Annual Convention*  
8:30 a.m. Devotional  
9:00 a.m. Business Session  
12:00 p.m. **Past President's Luncheon**  
1:30 p.m. Business Session  
Resumes  
6:00 p.m. Cocktail Hour  
7:00 p.m. Installation Banquet

#### **Saturday, June 28th**

9:00 a.m. Board of Directors Meeting

Your full registration includes, **President's Reception, President's Dinner on Thursday, Past President's Luncheon, General Business Session, and Installation Banquet on Friday.**

Call the hotel Directly at 704-455-8200 or go online to [www.embassysuitesconcord.com](http://www.embassysuitesconcord.com) to make your reservations. The group code is SOA and the group rate is \$145.00 per night. The room block expires **May 25th**. Reservations made after May 25th will be charged a higher rate and are not guaranteed to be available.



**For additional information or questions contact:**

Candace Cansler, Executive Director  
NC Society of Accountants, Inc.  
P.O. Box 1126, Conover, NC 28613  
866-755-6272 or [candace@ncsa1947.org](mailto:candace@ncsa1947.org)

## North Carolina Society of Accountants, Inc.

# 67th Annual Convention



EMBASSY SUITES®

Charlotte - Concord/Golf Resort & Spa

June 26-27, 2014

### Embassy Suites

5400 John Q. Hammons Dr., NW  
Concord, NC 28027

### Reservations

(704)455-8200

or

[www.embassysuitesconcord.com](http://www.embassysuitesconcord.com)

Group Code: SOA





**NCSA 2014 CONVENTION REGISTRATION FORM**

PLEASE PRINT LEGIBLY TO AVOID ERRORS AND DELAYS ON-SITE

**Name** (To appear on Badge) \_\_\_\_\_

**Spouse/Guest Name** \_\_\_\_\_

**Children's Names** \_\_\_\_\_

**Street Address** \_\_\_\_\_

Address should be the billing address of your credit card, if you decide to pay by credit card.

**City/State/ZIP** \_\_\_\_\_

**Phone** \_\_\_\_\_ **Fax** \_\_\_\_\_

**E-mail** \_\_\_\_\_

**Cancellation Policy: Registration fees are non-refundable after May 25th. Refunds approved by the NCSA Board prior to issue. All refunds subject to a \$50 service charge.**

**\*\*Registration Fees Include ONLY Convention Events.  
CPE registration and hotel reservation must be made separately\*\***

<b>Registration Fees*</b>	Number Attending	Registration (Prior to May 25th)	Registration (After May 25th)	Total
Members	_____	\$200.00	\$250.00	_____
First Timer Discount	_____	<Deduct \$50.00>	<Deduct \$50.00>	_____
Spouse/Guest/Children (16 & older)	_____	\$150.00	\$175.00	_____

**INDIVIDUAL SESSION REGISTRATION: FOR THOSE WHO ARE UNABLE TO ATTEND THE ENTIRE CONVENTION**

**Separately Paid Items**

Presidents' Reception & Dinner	_____	\$ 70.00	\$ 75.00	_____
Business Session	_____	\$ 50.00	\$ 75.00	_____
Luncheon Honoring Past Presidents	_____	\$ 50.00	\$ 60.00	_____
Installation Banquet	_____	\$ 75.00	\$ 85.00	_____

**TOTAL REGISTRATION FEES SUBMITTED:** \$ \_\_\_\_\_

**Special Meal Requests**

Menus including beef, pork and chicken are planned for convention meals. If you or your guest have special dietary needs please advise the NCSA office at the time of registration for meal substitutions.

**Dress Code**

President's Reception & Dinner—Casual  
Business Sessions—Business  
Installation Banquet—Business

**TOTAL AMOUNT SUBMITTED:**

\$ \_\_\_\_\_

(SEPARATE REGISTRATION REQUIRED FOR CPE)

**PAYMENT METHODS:**

Online at : [www.ncsa1947.org](http://www.ncsa1947.org)

Check # \_\_\_\_\_

Make checks payable to NCSA:

**Post Office Box 1126, Conover, NC 28613**

Or for your convenience credit cards are accepted **(indicate your preference below)**

Visa \_\_\_\_\_ MC \_\_\_\_\_ Disc \_\_\_\_\_

Credit Card

# \_\_\_\_\_

Exp. Date \_\_\_\_\_ Security Code \_\_\_\_\_

\_\_\_\_\_  
**Signature**