



# The Accountant

Official Publication

of the North Carolina Society of Accountants

Post Office Box 1126, Conover, NC 28613

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February 2015



## A Message From The President

*Margie H. Strider*



**Margie H. Strider**

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Where has the month of January gone? I trust your new year is off to a great start and all the W2's and 1099's have been done and given to clients to distribute or mail.

As you know, we have a lot to consider this tax season with all the changes in both the Federal and State returns. I know each of us sat through all those tax classes trying to grasp everything necessary to complete returns accurately. Now that it's time to use that knowledge when we start filing those returns, do we really feel comfortable with what's required to protect us as tax preparers. There's a whole list of things we must ask our clients and get documentation for so we can apply these changes properly and have our due diligence protection. How are our clients going to respond to these request?

I know each of you have clients like mine; they are ready to file; they come in the office and tell me, "We have everything now and are ready to file our taxes." Wait, everything? Did you have insurance coverage for everyone in your household? Where is your 1095-C form? They reply, "My what? I've never had that form before what makes you think I should have it now?" We continue asking various questions regarding dependents, etc. We run up against brick walls, and clients feel we are giving them a hard time, just to be able to file "their simple" return. The public is well educated on what we have to have to file this year. Right?

We will continue to face obstacles in our workload that will make this a very trying tax season. As you work to complete those difficult returns, remember to visit NCSA's website for useful links to assist you with questions or contact one of our fellow members. If they aren't familiar with your situation, I'm sure they know someone they can tell you to call that maybe just have the solution for your problem or answer to your question. Also, I know it's hard to attend chapter meetings, but there's a great source of contact to be able to ask your questions in that network of folks.

We all also probably will have more extension than we have had in the past. What a nightmare for us in getting through this season in a normal manner. All of us will probably work longer and harder to get everything finalized on each return as quickly as possible. It won't be easy, but we will make it; we always have.

Again, I want to remind you of the upcoming Spring PAS that is scheduled for May 15 at Pinewood Country Club here in Asheboro. This will be a four (4) hour session on Disputes in Closely Held Entities, Data Breaches and related issues, Responding to Subpoenas for records, Non-Compete, Non-Disclosures & Non-Solicitation Agreements. I feel this will be a great seminar which will be taught by some attorneys. We will have lunch after the session then a Board Meeting will follow. I am asking for a great attendance. I want each of the participants and mentors in my Leadership Program to also come and bring their work book to this meeting. We will have a short session/review of this program after the CE class at some point. This will also meet the requirements of each participant to attend at least one board meeting and a CE class offered by NCSA. More details will be forthcoming regarding registration for the PAS.

Please make plans now to attend our annual convention which will be in Blowing Rock at the Chetola Resort. You can make reservations for rooms by calling the resort and mention NCSA event scheduled for June 2015. Should you have any problems, please let me know so we can get everything taken care of as quickly as possible.

I want to thank each of you for your support and hope you have a great tax season.



## Chapter News

Wow! Tax season is in full swing, are you having fun yet? ACA, Repair Regulations, and client questions abound; don't forget that your fellow NCSA members are here for you to lean on. Use your network of contacts to help work through those issues that keep you up at night. And while you are at it attend a chapter meeting near you, it is a benefit of your membership, and now during the busy season is the best time to put your membership to good use!

### Burlington

The Burlington Chapter met on Thursday, January 22<sup>nd</sup> at Kimbers in Gibsonville. NCSA President Elect Ron Powell spoke on Meeting your EITC Due Diligence to the fifteen in attendance. The Burlington chapter normally meets on the 4<sup>th</sup> Thursday of each month. 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 on Monday, January 19<sup>th</sup> at the Brass Lantern in Dunn. John Ayers, CPA, spoke on Education Credits to the group assembled. For more information contact Merry Arnettmparnett@embarqmail.com

### Central

The Central Chapter held their monthly meeting on January 26<sup>th</sup> at Sagebrush Steakhouse. The meeting was a lively roundtable discussion of ACA and form 3115. Central Chapter meets on the 4<sup>th</sup> Monday of each month. For more information contact Kevin Robinson at [kevro@triad.rr.com](mailto:kevro@triad.rr.com)

### Charlotte

The Charlotte Chapter met on January 22<sup>nd</sup> at Hibachi Grill. Karen Barkley of NCDOR spoke on the NC Tax Law changes. For more information contact Louise Pistole at [pistole9@windstream.net](mailto:pistole9@windstream.net)

### Eastern

The Eastern Chapter met on January 27<sup>th</sup> at Parkers BBQ in Greenville with Ron Powell leading a tax season roundtable. 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 met on Monday, January 22<sup>nd</sup> at O'Charley's with Denise Hammond speaking on the ACA. For more information contact Susan Dale Moore at [susan@dalesaccounting.com](mailto:susan@dalesaccounting.com)

### Piedmont

The Piedmont Chapter met on January 29<sup>th</sup> at Sagebrush in Kernersville. The meeting was a roundtable on the repair regulations and ACA. Piedmont Chapter normally meets on the last Thursday of each month. For more information contact Carol Smith at [clstaxes@bellsouth.net](mailto:clstaxes@bellsouth.net)

### Raleigh

The Raleigh Chapter met on January 27<sup>th</sup> at Manchesters. Larry Grossman & Doug Amaxopulos spoke about the tax return implications of the Affordable Care Act. 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-Sanford

The Sandhills-Sanford Chapter cancelled their January meeting and will not meet again until May. Happy Tax Season to our members. For more information contact Mark Bouchier at [mbouchier@mabaccounting.net](mailto:mbouchier@mabaccounting.net)

### Western

The Western Chapter met on January 27<sup>th</sup> at the Gondolier Italian Restaurant in Asheville. Karen Barkley of NCDOR gave an overview of NC Tax Law Changes. For more information contact John McKinney at [johnm@accuraaccounting.com](mailto:johnm@accuraaccounting.com)

### Wilmington

Wilmington Chapter met Monday January 26<sup>th</sup> at McAlisters Deli. Chapter President, Marie Izzo, made a presentation on the new Forms 8962 and 8965. Contact Chapter President Marie Izzo for more information at [marie@johnizzocpa.com](mailto:marie@johnizzocpa.com)

**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 Forum

The schedule for the IRS Nationwide Tax Forum is:

- July 7-9---Gaylord National Resort, National Harbor, MD
- July 28-30--Hyatt Regency, Denver, CO
- August 11-13--Town & Country, San Diego, CA
- August 25-27--Atlanta Marriot Marquis, Atlanta, GA
- September 1-3--Hyatt Regency, Orlando, FL

## Penalty Relief

In Notice 2015-9 the IRS announced that it will provide automatic penalty relief for taxpayers who, when they reconciled advance payments of the premium tax credit they received for 2014 paid directly as premiums to insurance providers. to the amount of credit to which they are entitled on their income tax returns, find they owe additional tax they are unable to pay or owe a penalty for underestimating the amount of tax due.

Taxpayers who do not pay tax due by April 15 usually owe a failure-to-pay penalty unless they are granted relief for reasonable cause. In addition, taxpayers whose reconciliation results in underpaid tax may be subject to a penalty for failure to pay estimated tax.

For 2014 only, taxpayers who owe an amount they cannot pay, attributable to the reconciliation of the premium tax credit or an underpayment penalty qualify for automatic relief:

1. if they are otherwise current on their tax filing and payment obligations;
2. have a balance due for the 2014 tax year because of excess advance payments of the premium tax credit; and
3. report the amount of excess advance credit payments on their 2014 tax return timely filed, including extensions.

The IRS explains that taxpayers who underpay their tax because of excess advance payments of the premium tax credit will receive a notice from the IRS assessing a penalty and demanding payment. When responding to the IRS letter, the taxpayer should attach the statement, "I am eligible for the relief granted under Notice 2015-9 because I received excess advance payment of the premium tax credit." Taxpayers who file their returns by April 15 will be entitled to relief even if they have not fully paid the underlying liability by the time they request relief. Taxpayers who file after that date must pay the underlying liability by April 15, 2016, to be eligible for relief.

To request relief from the estimated tax penalty, taxpayers only need to check Box A requesting a waiver in Part II of Form 2210, *Underpayment of Estimated Tax by Individuals, Estates, and Trusts*, complete page 1 of the form, and include the form with their return, along with the statement, "Received excess advance payment of the premium tax credit." they do not need to send any other documents or calculate the amount of penalty for the penalty to be waived.

## Sales Tax

Effective April 1, the local rate of sales and use tax in Anson and Ashe Counties is 2.25%. The general 4.75% state and 2.25% local rates (total 7%) apply to taxable sales and purchases of tangible personal property, taxable service contracts to maintain or repair tangible personal property, or make motor vehicles, taxable gross receipts derived from admission charges to an entertainment activity, certain digital property, and other transactions subject to the general state rate of sales and use tax. Sales of food subject to the 2% rate of tax are not subject to the additional 0.25% local rate.

Effective April 1, 2015, the total general state and applicable local and transit rates of sales and use tax is 6.75% in 70 counties; 7% in Alexander, Anson, Ashe, Buncombe, Cabarrus, Catawba, Cumberland, Davidson, 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.

## IRS Seminar

We don't have the details yet, but the IRS is planning their annual seminar for August 5-7 at the Charlotte University Hilton. It looks like it will be similar to past years at the same place. It is a worthwhile event with CE for the classes. It is relatively inexpensive, and attendance may be limited. When registration information is available, sign up early.

## NC Income Tax

North Carolina's corporate income tax law uses federal taxable income as the starting point in determining NC taxable income. North Carolina's individual income tax uses federal adjusted gross income as the starting point in determining taxable income. In both cases, the reference to federal tax law is to the IRS code as of a certain date. Currently, that reference is to the code as of December 31, 2013. Each year the General Assembly determines whether to update its reference to the code. Doing so would make amendments to the code applicable for NC income tax purposes. In some cases, the General Assembly chooses not to follow certain amendments to federal law.

On December 19, 2014, President Obama signed into law the *Tax Increase Prevention Act* of 2014. The Act extended several provisions in federal tax law that had sunset at the end of 2013. If the General Assembly does not update the reference to the code to December 19, 2014, or later, the extension of these provisions will *not* apply for NC income tax purposes.

## Inside NCSA

Julie McNeill

Where interesting facts and overheard stories are told.  
Be careful what you say it might just show up here!



### Here are some more New Year's Plans and Resolutions that some of the members have made for 2015!

**John Blanton** said he sat by the fire and had a few "Grey Goose" and that his resolution is to try to cut down on the "Grey Goose" (with ACA not working!).

**Kevin Robinson's** plans for the New Year: To strive each day to draw closer the Lord in 2015. To earnestly seek God's wisdom in building Robinson Tax & Accounting Services and its owner more importantly. To work smarter and not just harder in the business in serving each tax, payroll, and accounting client in a professional and personalized way. I do plan to continue working through the NCSA Leadership Program through 2015 and attend the NCSA State Convention in Blowing Rock in June. **Resolutions:** I normally do not make a long list of resolutions as they are often forgotten or neglected as tax season gets in full swing and the year goes on. However, I have come to realize that we can't go forward in life if we are parked in the past and rehashing past offenses that were done to us or by us. To realize that if we hold on to bitterness and resentment toward those who have offended us or someone we care about, we are giving the offender remote control of our very lives and generating self-inflicting wounds as we self destruct. To keep things in perspective with what appears to be a challenging tax season. I also want to step out of my own comfort zone professionally, personally and finish things I have started before. To operate each day in the truth that God is in absolute control of everything, including my Mother having Alzheimer's and the stress/strain involved with that.

**Ronald Powell** shared that he plans to survive tax season. We have a key employee leaving so transition will be on the agenda, hopefully everything will be settled down by Spring. He also plans to finalize NCSA needs for his year as President and to review technology and office procedures to further streamline our support of our clients. For his New Year's Resolutions he said he doesn't really make these, but that he does hope to lose some weight by May.

**Jense Creighton** said she and her spouse are boring and spent New Years Eve by having a nice meal at Firebirds and were home by 8:30 in bed by 10:30. Her New Year's resolutions is always the same- Exercise More – Eat Less – but she usually reverses these in a few days. I am doing yoga three days a week with my daughter which I am really enjoying.

**Denise Hammond** said she slept in the New Year and her resolution is to try harder to be nice.



## Valentine Plans

What are your plans for the Valentine holiday with your sweet?

**John Blanton** said he is planning to take a trip to Cherokee (probably will involve a "Grey Goose")

**Kevin Robinson** said they will possibly take a trip to Myrtle Beach, SC for the weekend. But more likely an evening out for dinner with Sandra if he can get away from the tax office and leave early enough to go to a nice restaurant such as Carabbas, Olive Garden or Out-back. He may have to put his week end trip for Valentine's on hold until after tax season with warmer weather and a more relaxed setting.

**Joyce Padmos** said that both of her kids are driving now so maybe they will actually go somewhere alone together! But she'll have to wok on that!

**Louise Pistole** plans to have a FABULOUS Valentine's but says we will have to wait and hear about it!

**Denise Hammond** said she would probably attend a local youth fundraiser at one of the local churches that cooks a nice Prime Rib dinner.

**Cheryl Hudson** says even though Valentine's Day is right around the corner, she has not made any plans. They probably will do the normal routine and eat a great meal at home and stay out of the restaurants. If she had a wish, she said she wished it would snow and then we could have snow cream!!!

**Ronald Powell** said Valentine's Day falls on their normal date night so they will likely go out but that as long as he is with Latefa it will be great!

**Jense Creighton** said for Valentine's Day they usually cook on the grill and eat at home.



### Birthday wishes to Candace Cansler who celebrated turning a year younger in January!

**Julie McNeill** and **James Upton** threw a huge 40<sup>th</sup> Birthday celebration for Julie's husband Brent McNeill at Pinewood Country Club in Asheboro, NC. Everyone had a great time with food, dancing, and fellowship with each other.

**James Upton** is planning a surprise 70<sup>th</sup> Birthday party for his dad Jimmy Upton for January 31<sup>st</sup> to be held at New Center Christian Church. Over 100 people are planning to attend and celebrate with him.



**June 17-18, 2015**  
**NCSA's 68th Annual Convention**  
**Chetola Resort**  
**Blowing Rock, NC**

**Events**

**Wednesday June 17**

**8:30am-Noon**

**4 Hr Accounting CPE Class**

**Free Afternoon for sightseeing and relaxation**

**6:30-7:00PM Presidents Welcome Reception**

**7:00PM Lakeside Casual Dinner**

**9:00PM Scholarship Bingo/Nominating Committee**

**Thursday June 18**

**8:30AM Devotions**

**9:00AM 68th Annual Convention Business Session**

**12:00PM Past Presidents Luncheon**

**7:00PM Installation Banquet and Presentation of Awards**

There will not be a board meeting on Friday June 19. Take this additional free time to enjoy the beauty of Blowing Rock.



REGISTRATION FORMS ARE BEING FINALIZED  
AND WILL BE IN THE NEXT ISSUE OF

**THE ACCOUNTANT**

**MAKE YOUR RESERVATIONS NOW!**

A limited number of rooms are available at \$154 per night and include breakfast for 2 each day. Some deluxe rooms are also available at \$175 per night and also include breakfast each day. Our room block will be held until 05/15/2015, please make your reservations early! **To make a reservation call 1-828-295-5500** (sorry no online reservations) and tell the reservation specialist that you are with the NC Society of Accountants group. Our block arrival date is Tuesday, June 16 and the departure date is Friday, June 19. Any stay outside those dates will be at the prevailing rate of the hotel. This is a unique opportunity to visit a great location, reserve today!

## NCSA SPRING PROFESSIONAL ACCOUNTING SEMINAR COMPLEX BUSINESS ISSUES FRIDAY, MAY 15, 2015

*The North Carolina Society of Accountants will present its  
 Spring Professional Accounting Seminar (PAS) at the  
 Pinewood Country Club,  
 247 Pinewood Road Asheboro, North Carolina 27205*

<b>COURSE LEVEL: INTERMEDIATE</b>	<b>METHOD: LECTURE &amp; DISCUSSION</b>
<b>PREREQUISITE: NONE</b>	<b>ADVANCE PREPARATION: NONE</b>
<b>FIELD OF STUDY: BUSINESS LAW &amp; ACCOUNTING</b>	<b>4 CONTACT HOURS</b>

### Complex Business Issues

**Course Description and Topics:** This course will cover complex issues that face business owners and their accountants including the following:

- ◆ Disputes in Closely Held Entities (S-Corps, LLC's and Partnerships)
- ◆ You've had a Data Breach: What Next?
- ◆ Non-Compete, Non-Disclosure and Non-Solicitation Agreements (Business Lifesavers)
- ◆ Responding to a Subpoena for your Client's Records

**Friday, May 15, 2015 (Class 8:30am - 12:45 pm)**

*Lunch will be provided for attendees at the conclusion of the class*

About our seminar presenters, both are attorneys with Carruthers & Roth in Greensboro:

#### Michael J. Allen

Mike Allen dedicates his practice to protecting clients' rights and assets, including their contract rights, intellectual property rights, shareholder rights, estate rights, and creditors' rights. His unique blend of experience in negotiating, contracting, counseling, and litigation helps him provide meaningful insight to clients at any stage of their business relationships.

Though Mike's goal is to protect each client's interests without the need for litigation, he is poised to litigate vigorously when necessary. He has 30 years of litigation and dispute resolution experience and has been recognized among the "Best Lawyers in America" and North Carolina's "Legal Elite." He also holds an "AV" rating from Martindale-Hubbe, the highest rating awarded.

#### Mark K. York

Mark York has a well-earned reputation as a leader and a problem solver. Much of this reputation was earned during his 20-year career in the U.S. Army, more specifically by his actions with the most elite special operations team conducting high risk missions in the Global War on Terrorism. That experience taught him how to unravel complex problems and make smart, well-informed decisions under even the toughest conditions.

Mark now brings those same leadership and problem-solving skills to his work as a litigator at Carruthers & Roth. He is experienced in a wide range of commercial, construction and employment disputes, as well as medical malpractice and insurance defense matters. Mark's clients find him a determined advocate, clearly committed to their best interests.

# REGISTRATION

Registration includes continental breakfast and lunch at the conclusion of the class.



Please complete and return this form to the NCSA office:  
NCSA, Post Office Box 1126, Conover, NC 28613  
Phone: 866-755-6272 Fax: 828-695-2522

**REGISTRATIONS WILL BE ACCEPTED UNTIL MAY 8, 2015**

REGISTRATION FEE

Member	\$85.00
Non-Member	\$100.00

**Local overnight accommodation recommendations**

We do not have a room block reservations are on your own at prevailing rates:

Hampton Inn Asheboro	336-625-9000
Holiday Inn Express Asheboro	336-636-5222
Duck Smith House Bed & Breakfast Seagrove	336-873-7099

Name

Address

City, State, Zip

Telephone

Credit Card Number

Exp. Date

Billing Address for Card

Signature

**METHOD OF PAYMENT:**

\_\_\_\_ Check (Make payable to NCSA)

\_\_\_\_ Visa

\_\_\_\_ MasterCard

\_\_\_\_ Discover

**Cancellation Policy**

You can reach the NCSA Executive Director toll free at 1-866-755-6272, 24 hours a day to leave a message to cancel your registration for this seminar. There is no fee for cancellations received prior to May 8, 2015. No refunds will be allowed after this date without approval of the NCSA Board of Directors. No shows will forfeit their entire registration fee and materials. Please call and cancel your registration before the event date to not be considered a No Show.

## NCSA Schedule of Events

**2015**

May 15–**CE Seminar**,  
Pinewood Country Club, Asheboro, 9 am

May 15–**Board of Directors Meeting**,  
Pinewood Country Club, Asheboro, 1 pm

June 17–**Accounting Seminar**,  
Chetola, Blowing Rock, 8 am-4:30 pm

June 18–**Convention**, Chetola, Blowing Rock, 9 am-3 pm

July 17–**Leadership & Committee Day**

August 5-7–**IRS Seminar**, Charlotte University Hilton

August 19-22–**NSA Convention**,  
Hyatt Regency, Vancouver, BC

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