



The Accountant

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A Message From The President

James L. Holmes



James L. Holmes

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Thanksgiving has come and gone and I am getting ready to start teaching the Income Tax Seminars for NC State University. I always look forward to teaching these seminars as (1) it makes me learn and (2) I get to see a lot of you. I have really been fortunate to get to know so many of you over the last 23 years of teaching these seminars. I will be leaving for Fayetteville in a couple of hours for the seminar there. I just checked my email and have one from Steve Metelits telling me I have to get this message to him.

So here goes....The PTI tax seminars are over and we had our November Board meeting following the first day of PTI in Greensboro. I think that the board meeting went very well. Our 2017 Convention will be held at Grandover Resort in Greensboro on June 22nd and 23rd. James Upton and Florence Black have made arrangements for our 2018 Convention to be held at Pine Needles Lodge in Southern Pines on June 20th through the 22nd 2018.

The NCSA Chapters By-Laws for each chapter were reviewed and were returned to the committee to be updated and presented at the June 2017 board meeting. Thanks to all chapters for submitting their by-laws to the AP Manual committee.

We lost Gale Helgreen Champie, a past president and valuable member of NCSA, on November 13. Gale will be missed by all who knew her, and I will miss the hugs she always gave me. Gale was a fine lady and a great friend.

I want to remind all of you to get your PTINs renewed by December 31st and that Enrolled Agents with SSNs ending in 4, 5, or 6 must renew their credentials by January 31, 2017.

In closing let me pass on a few things that people ages 5 to 95 have discovered.

- ◇ I've learned that if you spread the peas out on your plate, it looks like you ate more. Age 6
- ◇ I've learned that you never get rewarded for the things you intended to do. Age 76
- ◇ I've learned that the secret of success in business is surprisingly simple: give people more than they expect and **do it cheerfully**. Age 73
- ◇ I've learned that it doesn't cost anything to be nice. Age 66
- ◇ I've learned that you can tell how good a parent you were by observing your children with their children. Age 82

I have to get on the road now so let me wish everyone a **Merry Christmas and a Happy New Year!!**



Chapter News

The holiday season is in full swing! Hopefully you have finished all your continuing education and can relax for a week or two until January 2nd when we all must go into overdrive. This holiday season take time to be reminded of how far we have come as professionals and as a society. Reflect on those who are no longer with us, and take time to cherish the ones who are here. This profession is one that will rob you of energy, stamina and time to live life, remember to take time to enjoy your success before your time is gone. As we all see the sights and wonder of Christmas I hope we all can take time to breathe and recharge for another year is just around the corner!

Burlington

Burlington chapter normally meets on the 4th Thursday of each month. For more information about the Burlington chapter contact Jim Holmes at jholmes.acct@yahoo.com

Cape Fear

The Cape Fear chapter is still recovering from the effects of Hurricane Matthew. The chapter normally meets the 1st Monday after the 15th each month. For more information, contact Marsha Wheeler at mwheeler14@nc.rr.com

Central

The Central chapter met on Monday, November 28th at CJ's Old Towne Restaurant in Asheboro with **Stephen Metelits** speaking on Dividends. The chapter will hold a Christmas Social at CJ's Old Towne Restaurant on Thursday, December 15 at 6pm. Central Chapter meets on the 4th Monday of each month. For more information contact Kevin Robinson at kevrob@triad.rr.com

Charlotte

The Charlotte Chapter met on Tuesday, December 13th at Golden Corral in Matthews. The meeting was the chapter's Christmas gathering. The Charlotte Chapter normally meets on the 4th Thursday of each month. For more information contact Louise Pistole at pisole9@windstream.net

Eastern

The Eastern Chapter met Monday, November 21st, at 6 pm at H&R Block, 629 Red Banks Road, Greenville, NC. **Ron Powell** was on hand to speak on EITC Due Diligence. The Eastern chapter meets on the 4th Tuesday each month at H&R Block in Greenville. For more information contact Karen Spruill at karen.spruill@hrblock.com

Hickory

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

Piedmont

The Piedmont Chapter met on Thursday, November 17th at Amalfi's Italian in Kernersville. **Carol Smith** led the meeting on Fun Facts from IRS Cases and Rulings. The chapter will hold a meeting on December 29th, this meeting will be the chapter Christmas and New Year's gathering. Piedmont Chapter normally meets on the last Thursday of each month. For more information, contact David L. Hooker at dlhacct@triad.rr.com

Raleigh

The Raleigh Chapter met Tuesday, December 6th at Manchesters off Leesville Rd in North Raleigh. This was the chapter's holiday social. The Raleigh Chapter meets on the 4th Tuesday of each month. For more information contact Stephen Metelits at metelits@usa.net

Sandhills-Sanford

The Sandhills-Sanford Chapter normally meets the last Tuesday of each month and has decided to move the meeting around to various homes and offices each month. For more information, contact April Eads at angelicape@aol.com

Western

The Western Chapter met Tuesday, December 6th at Byrlish Haus Restaurant and Pub in Asheville for a Christmas Social including the annual Chinese Gift Exchange. Western Chapter normally meets the 4th Tuesday of each month. For more information contact Beth Evans at Beth.evans@precisionacct.com

Wilmington

The Wilmington Chapter met Wednesday, November 28th at McAllisters Deli on College Road in Wilmington. **James Upton** was on hand to speak on Installment Payment Agreements and other Tax Season Issues. The chapter will hold an upcoming Holiday Social. Contact Chapter President Susan Corliss Bland for more information at susan@intrstar.net

We cannot compile this report without your information. If you have news of your chapter or its members including photos or interesting things that happened at your chapter meeting please email James Upton at jamesup-ton@rtmc.net or call (336) 873-7690.

Looking for help: If you would love to be a part of Chapter News let Stephen Metelits know; the job starts July 1, 2017, train now!



Resources @ Your Fingertips



Reporting Abusive Tax Promotions and/or Promoters (Lead Development Center)

(Please click each heading for more information)

[Publication 3995 - Recognizing Illegal Tax Avoidance Schemes](#)

Is it too good to be true? Tax Avoidance Schemes are typically promoted with the promise of reducing or eliminating income. This publication gives examples of illegal tax avoidance schemes and provides questions you can ask to recognize illegal Tax Avoidance Schemes.

[Tax Scams - How to Report Them](#)

Participating in an illegal scheme to avoid paying taxes can result in imprisonment and fines, as well as the repayment of taxes owed with penalties and interest. If you become aware of any abusive tax scams, please report them.

[Form 14242 - Report Suspected Abusive Tax Promotions or Preparers](#)

Use Form 14242 to report a suspected abusive tax avoidance scheme and/or tax return preparers who promote such schemes. More information about tax avoidance schemes is available at: [Tax Scams - How to Report them \(www.irs.gov/scams\)](#)

[How Do You Report Suspected Tax Fraud Activity?](#)

Helpful quick reference chart to determine what action to take depending on different situations.

[Abusive Tax Shelters and Transactions Hotline](#)

The IRS maintains an abusive tax shelter hotline that people can use to provide information (anonymously, if preferred) about abusive tax shelter transactions.

[Dirty Dozen Tax Scams](#)

The IRS' list of tax scams with identity theft topping this year's list, but phone scams and phishing schemes also deserving special mention.

[Stakeholder Liaison Local Contacts](#)

Contact:

Phone:

Email:

Issue Management Resolution System (IMRS): IMRS is an internal IRS system that captures, develops and responds to significant national and local stakeholder issues. When stakeholders notify the IRS of concerns about systemic problems or IRS policies, practices and procedures, analysts research and respond to the issues. For additional information, see link to [IMRS](#). Tax professionals should forward significant issues regarding IRS policies, practices and issues to their [Stakeholder Liaison \(SL\) Local Contacts](#).

You may prefer to share ideas for reducing taxpayer burden directly with the Taxpayer Burden Reduction (TBR) Program using [Form 13285A, Reducing Tax Burden on America's Taxpayers](#).

Leave-Based Donations

Notice 2016-69 provides guidance on the treatment of leave-based donation programs to aid victims of Hurricane Matthew. Employers may adopt leave-based donation programs under which employees can elect to forgo vacation, sick, or personal leave in exchange for cash payments that the employer makes to charitable organizations. This notice provides guidance and employment tax purposes on the treatment of cash payments made by employers under leave-based donation programs for the relief of victims of Hurricane Matthew.

[Don't blink.] The IRS will not assert that cash payments an employer makes to charitable organizations in exchange for vacation, sick, or personal leave that its employees elect to forgo constitute gross income or wages of the employees if the payments are:

1. Made to the charitable organizations for the relief of victims of Hurricane Matthew, and
2. Paid to the charitable organization before January 1, 2018.

Similarly, the IRS will not assert that the opportunity to make such an election results in constructive receipt of gross income or wages for employees. Electing employees may not claim a charitable contribution with respect to the value of forgone leave excluded from compensation and wages. The IRS will not assert that an employer is permitted to deduct these cash payments. Cash payments to which this guidance applies need not be included in boxes 1, 3, or 5 of Form W-2.

Matthew Correction

Since this article was published last month several counties have been added to the list of affected counties. The list now is one short of half the state's counties. Both state and federal relief goes to these counties (see NC Hurricane in the November issue of *The Accountant*).

In IR-2016-131, the IRS gives tax relief to victims of hurricane Matthew; many extension filers in North Carolina also are affected. North Carolina storm victims have until March 15, 2017, to file certain individual and business tax returns and make certain tax payments. All workers assisting the relief activities who are affiliated with a recognized government or philanthropic organization also qualify for relief.

Affected taxpayers in Anson, Beaufort, Bertie, Bladen, Brunswick, Camden, Carteret, Chowan, Columbus, Craven, Cumberland, Currituck, Dare, Duplin, Edgecombe, Franklin, Gates, Greene, Harnett, Hertford, Hoke, Hyde, Johnson, Jones, Lee, Lenoir, Martin, Montgomery, Moore, Nash, New Hanover, Northampton, Onslow, Pamlico, Pasquotank, Pender, Perquimans, Pitt, Richmond, Robeson, Sampson, Scotland, Tyrell, Wake, Washington, Wayne, and Wilson Counties receive this relief and other special tax relief. The tax relief postpones various tax filing and payment deadlines that occurred starting on October 4. As a result, affected individuals and businesses have until March 15, 2017, to file and pay any taxes that originally were due during this period. This includes the January 17 deadline for making quarterly estimated tax payments. For individual tax filers, it also includes 2015 income tax returns that received a tax filing extension until October 17. The IRS noted, however, that because tax payments related to these 2015 returns originally were due April 18, 2016, those are not eligible for this relief.

A variety of business tax deadlines also are affected including the October 31 and January 31 deadlines for quarterly payroll and excise tax returns. It also includes the special March 1 deadline that applies to farmers and fishermen who choose to forgo making quarterly estimated tax payments. In addition, the IRS is waving late-deposit penalties for federal payroll and excise tax deposits normally due on or after October 4 and before October 19 if the deposits are made by October 19, 2016/

The IRS automatically provides filing and penalty relief to any taxpayer with an IRS address of record located in the disaster area. Thus, taxpayers need not contact the IRS to get this relief. However, if an affected taxpayer receives a late filing or late payment penalty notice from the IRS that has an original or extended filing, payment, or deposit due date falling within the postponement period, the taxpayer should call the number on the notice to have the penalty abated.

In addition, the IRS will work with any taxpayer who lives outside the disaster area but whose records necessary to meet a deadline occurring during the postponement period are located in the affected area. Taxpayers qualifying for relief who live outside the disaster area need to contact the IRS at (866) 562-5227.

Individuals and businesses who suffered uninsured or unreimbursed disaster-related losses can choose to claim them on either the return for 2016 or 2015.

I-9

The Department of Homeland Security has released a new Form I-9. It is 3 pages long with 15 pages of instructions. The third page is a list of acceptable documents for verification. The new form is designed to be completed on the computer (it is a .pdf fill-in-the-blanks form).

Refunds Held

Eugenia Tabon

A recent tax law requires the IRS to hold the refund for any tax return claiming either the EITC or ACTC until February 15. By law, the IRS must hold the **entire** refund, not just the portion related to the EITC or ACTC. Taxpayers should file and submit their returns as usual. "Where's My Refund" is the best option to check the status of these refunds and will indicate these refunds are being held. Hardship options will not qualify to be processed before February 15 due to this law.

In Memory of NCSA Past Presidents



Gale Helgreen Champie, NCSA President 1989-1990, passed away early on the morning of November 13th.



Wayne O. Parker, NCSA President 2006-2007, passed away Thursday, December 8th.

Gale and Wayne were active members of NCSA and continued to serve on various committees and on the Board of Directors as needed. They will both be missed by all who knew them. Please keep these families in your thoughts and prayers.

NCSA Schedule of Events

2017

June 22-23–**Convention**,
Grandover, Greensboro

2018

June 20-23–**Convention**,
Pine Needles, Southern Pines

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