

[www.panatptax.com](http://www.panatptax.com)  
1-800-PA-NATP1

# **PA-NATP**

# **NEWS**



Volume 25, Issue 4

Winter 2013-14

## **President's Message**



Wow, the Holidays are upon us, where did 2013 go? I hope you all enjoy the Holidays relaxing and spending time with family before "Our Big" season starts. It should be another interesting tax year with the start of e-filing already being pushed back due to the government shutting down earlier in the year.

Your Chapter leaders have tried very hard to provide you with quality education over the last year. Unfortunately 2 of the seminars we had planned had to be cancelled for lack of attendance. A lot of time and effort go into planning these events and we don't understand the lack of interest. An electronic survey has been created to get your thoughts on future educational offers so please take the time to fill out this survey (a link to it is listed in this newsletter) in order that we can better serve you, our members.

In early December we had a half day seminar at the Regional Alliance Learning Center in Cranberry Township which featured a 2 hour presentation on the Affordable Care Act by Richard Furlong, Senior Stakeholder Liaison with the Internal Revenue Service. He provided us with some very valuable information on the provisions which will soon go into effect and how the new act will affect our client's tax returns for the tax years 2014 and beyond. If you missed this session, we have the printed material for sale. An order form for it and other material presented at our seminars this year is included in this newsletter.

I wish each and every one of you a prosperous New Year. Our industry is constantly changing and you belong to a wonderful organization that works very hard to further the integrity and image of our profession. Please take the time to be involved with NATP and your State Chapter in our efforts to bring the latest advancements to your attention.

Patti Blum  
PA-NATP President

## Issue at a Glance

President's Message	1
Issue at a Glance / New Members	2
Tentative 2014 Calendar of Events / Seminar Texts for Sale	3
Two New Directors	4
Review of 2013 Live Education	5
Local Officials Praise New EIT Collection	6,7,8
2013 PIT Changes	9,10
PA Efile Mandate	11
PA EFT Mandate	12
Board of Appeals Clarification / PA-NATP Board Meeting Synopsis	13
Financial Page	14
Ad Rates & Board of Director Directory	15

---

---

## Welcome New Members

The Pennsylvania Chapter is honored to welcome these new members

October		November	
Paul J Pascuzzi, MBA	Clarendon	Saroj Kalgaonkar	Chester Springs
Timothy J Bass, EA ATA ATP	Grove City	Fred D Rouse, III CFP(R) PhD	Dresher
Ryan Sikora	Murrysville	Virginia A Kunkel	Duncannon
Marina Leong	Philadelphia	David A Gollner	Hermitage
Earl L Brooks, Jr CFP(R)	Pittsburgh	Vicki L Willis, EA	Knoxville
Rodney Lee Stephan, CPA	Reading	Jacqueline Castillo	Reading
		Ross Dougherty	Secane
		Dorothy L Pierson, CPA	Southampton

## 2014 Calendar of Events

Some Dates & Locations Are Tentative – Watch for Updates

**PA Chapter events in bold type, National events in italics.**

<b>January 3, 1:30-4:00</b>	<b>Board of Director's Teleconference for approval of budget</b>
<b>May 2</b>	<b>Board of Director's Meeting, Time and Place TBA (Middle of State)</b>
<b>July 18</b>	<b>Board of Director's Meeting, Time and Place TBA Half Day Seminar – Real Estate Ownership Issues &amp; Debt Cancellation</b>
<i>August 11 – 14</i>	<i>NATP National Conference Marriott World Center, Orlando, FL</i>
<b>September 18</b>	<b>Board of Director's Meeting Evening, Cranberry</b>
<b>September 19</b>	<b>West Seminar: Sub-S Corporations Regional Learning Center, Cranberry</b>
<b>October 1</b>	<b>PA RCT-101 Seminar Heritage Hotel, Lancaster</b>
<b>November 7 &amp; 8</b>	<b>Board of Director's Meeting PA-NATP Annual Conference &amp; Membership Meeting Clarion Hotel &amp; Conference Center, New Cumberland</b>
<i>July 20 - 23, 2015</i>	<i>NATP National Conference New Orleans</i>

---

---

### Did You Miss a PA-NATP Live Education Event?

The PA Chapter has the following texts from our Annual Conference and Cranberry Seminar available for sale. Click [here](#) for a mail-in order from.

PA Department of Revenue Fall Tax Seminar Handbook - \$30.00

Non-Profit Organizations & Form 990 by Jaye Tritz - \$35.00

Estates & Trusts, Form 1041 by Jaye Tritz - \$35.00

Both for \$50.00

Affordable Care Act by Richard Furlong - \$30.00

**Deadline for Orders is Jan 15<sup>th</sup> 2014**

## 2 Join PA-NATP Board of Directors

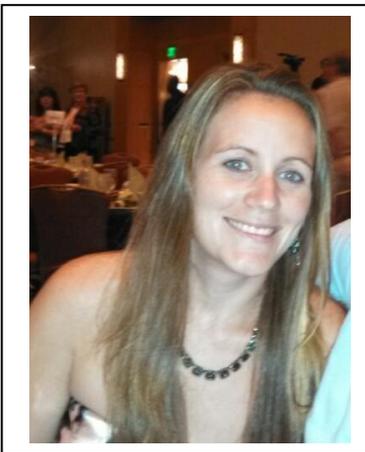
### Susan E. Bure, RTRP

Prior to entering the workforce in 1986, Susan Bure was a stay-at-home mom until her youngest child started high school. Then in 1987 she took the H&R Block tax course but worked for them for only one tax season. The following year she started her own tax business which has grown from just 10 returns the first year to over 300 clients last year. Sue has also worked for several firms as bookkeeper, secretary and accounting assistant. She attended Butler Community College and in 1993 graduated magna cum laude with an associate's degree in accounting. She has passed the Registered Tax Return Preparer test and is currently studying for the Enrolled Agent exam.

Sue is a lifelong resident of the Kittanning-Ford City area, has been married to her husband James for 42 years with 3 adult children and 4 wonderful grandsons who are the joy of her life. She has been a member of the Kittanning Church of God for 50 years this June, has served as treasurer of the Allegheny Region Churches of God Women's Ministries for 22 years, is the Second Vice President of the Grove Manor Corporation Board of Directors and is Historian for the Allegheny Region Churches of God.



### Erica L. Lutz, RTRP



Erica L. Lutz, RTRP has been preparing tax returns for the past 6 years. She is currently employed at Main Street Tax & Accounting Services, Inc. where she has worked since 2006. She has been a member of NATP since 2008, attending her first National Conference in Baltimore in 2012. Erica graduated from Kaplan University in October 2012 with a Bachelor's Degree in Accounting. Her current goal is to continue her studies, ultimately becoming an Enrolled Agent and shareholder of Main Street Tax & Accounting Services, Inc.

In her spare time Erica loves to run, bake, play with her pet skunk Lexi, and attend car shows. She also collects antique salt and pepper shakers and enjoys travelling. Erica reached a personal goal in her life by completing the Philadelphia Marathon in November, finishing just under 5 hours. Her future plans include wedding her best friend in July 2014.

### **Be a Volunteer**

The Chapter is always in need of volunteers to serve on its committees. Volunteers benefit the Chapter by bringing in new skills and fresh ideas. The volunteer benefits by not only establishing contacts with people and businesses that can be helpful in their own business but also from a sense of satisfaction in helping to accomplish the goals of the Chapter. Please contact Patti Blum at [widders@windstream.net](mailto:widders@windstream.net) or any Board member, whose contact information can be found at the end of this newsletter.

# *A Review of 2013 PA-NATP Education Events*

Submitted by Samuel A. Wingard, RTRP

For 2013 the directors of your state chapter attempted to put together a series of live education events that they hoped would have broad appeal to the members. However, judging from the response, something was lacking. Two seminars, the East & West Regionals, had to be cancelled because so few members registered. The Annual conference in New Cumberland was held but the attendance there was disappointingly low. Only 28 of our 1200 members felt it worth their while to attend.

The Annual Conference offered top notch education presented by highly qualified instructors. The PA Personal Income Tax Update was delivered by David Braden, CPA, Assistant to the Director for Individual Taxes. There is probably no one in the Department of Revenue better qualified to speak on PIT. Jaye Tritz, EA, CFP was the other speaker. In addition to her real world experience as a tax business owner, she has worked as an instructor for National at the Annual Conference and at forums around the country.

A great many man hours goes into organizing a live education event so it is extremely disheartening for the organizers to see poor attendance or to have to cancel an event altogether. We were fortunate this year that the cancellations did not result in the forfeiture of any large deposits.

For 2014 the Chapter very much wants to offer education that the members want, need and for which they are willing to come out. To that end the Education Committee has prepared a short member survey to assist them in determining what education to offer. The survey can be accessed at <https://www.surveymonkey.com/s/PaNatpChapter> We would like all members to complete the survey by January 15<sup>th</sup>. It will only take a couple of minutes.



NATP Instructor  
Jaye Tritz, EA, CFP



Toys collected at Annual Conference  
and donated to Toys for Tots.



Annual Dinner entertainer  
impressionist, Eric Kearns

## *Local Officials Praise State's New Method Of Collecting Earned Income Tax*

By Len Barcoucky, Copyright ©, Pittsburgh Post-Gazette, 2013, all rights reserved. Reprinted with permission.

Alan Bennett said he wasn't surprised that regional collection of wage tax translated into more revenue for the Moon Area School District.

Before he came to Moon Area as director of fiscal and school services, he had worked in Lycoming County, which has used a similar system for many years.

Earned income tax revenues in Moon Area rose 17 percent, or \$674,000, for the first year in which employers withheld the tax from all employees, Mr. Bennett said. "These were revenues that should have been available but were not," he said.

Some of the growth was the result of new housing. The school district gained 100 new families who moved into single-family homes during the year, he said.

Moon Area also is home to many apartment dwellers and other short-term residents. Some of them apparently had been failing to file wage taxes.

Calls to other municipal and school district business managers across southwestern Pennsylvania suggest that Moon Area's double-digit revenue growth was not typical. Those officials are, however, reporting favorable results since the new system of collecting wage taxes was fully implemented in 2012.

### **'Positive feedback'**

"I'm hearing positive feedback from across the state," Jay Himes said. He is executive director of the Pennsylvania Association of School Business Officials. During this same period, the state, like the nation, has continued a slow recovery from the worst economic downturn since the Great Depression. Like most other officials contacted, Mr. Himes said it was difficult to determine how much of recent increases resulted from the new employer-based method of collection and how much came from an improving employment picture.

"Clearly some efficiencies have been realized," Mr. Himes said.

Since at least Jan. 1, 2012, employers have been deducting earned income tax for all of their workers and forwarding the proceeds to new county and district collectors. Those regional collectors then distribute the funds to communities and school districts.

Under the old system, employers deducted local wage tax only from workers who were living in the community where the employer was located. The rest of their employees were responsible for paying the wage tax on their own each quarter to their home communities and school districts.

The new system, mandated under a 2008 state law called Act 32, had the potential to cut administrative costs and to raise more than \$200 million more annually in uncollected earned income taxes, advocates said.

The new law also reduced the number of wage tax collectors from 560 to 69 with revenues being collected on a roughly countywide basis in most places. The exception is Allegheny County, which has been divided into four collection districts.

Continued on next page

## *Local Officials Praise State's New Method*

Continued from previous page

### **Educating residents**

Resident education was one key in Cranberry to successful implementation of countywide collection of earned income tax, township manager Jerry Andree said.

"Before employers started withholding the earned income tax, we had to educate residents to make sure they recorded the right jurisdiction on their residency certification forms," Mr. Andree said. Cranberry's six-digit political subdivision code, or PSD, is 100802, and every working resident had to provide it to employers to ensure that their earned income taxes, known by the initials "EIT," would be forwarded to the township and the Seneca Valley School District.

The likely result has been a 2 to 3 percent increase in EIT revenue since the new countywide system was implemented.

That has not been enough to translate into a cut in property tax millage rates, but it has helped the township keep up with inflation, Mr. Andree said.

Scott Burchill, business administrator for Washington County's McGuffey School District, said he used to work with nine different wage-tax collectors. "This new system has really streamlined collections, helped cash flow and improved accountability," he said. Mr. Burchill serves on the executive committee of Washington County's tax collection district.

"It's still early to talk about [increases in tax collection] percentages," he said, with long-overdue wage taxes still coming in. Like Mr. Andree in Cranberry, Mr. Burchill said the higher EIT revenues would not be enough to allow a reduction in property-tax rates. They would help counterbalance the effects of inflation, stagnant state aid and higher pension costs, he said.

Brian Jensen, executive director of the Pennsylvania Economy League of Greater Pittsburgh, said he needed to see several years of data before coming to firm conclusions on how the new Act 32 collection system was working.

"My impression is that it is working fairly well," he said. "With every employer withholding wage tax and sending the money in, the process should be more certain and efficient."

Worries that local governments would lose control of their systems and that private tax-collection agencies would be slow in forwarding revenues to local governments and school districts do not seem to have materialized, Mr. Jensen said.

Marshall is another one of the places where additional earned income tax revenue has helped boost the municipal budget. Estimated revenue for 2013 of \$5.9 million included an additional \$300,000 in EIT revenues, manager Neil McFadden said. That number represents a 5 percent jump in revenue from wage tax.

### **Fewer delinquents**

Mandatory withholding by employers has not resulted in dramatically more revenue in Mt. Lebanon, but it has meant more people are paying their earned income taxes on time. That phenomenon has been matched by a dramatic reduction in delinquent accounts. "We don't have to chase after people," Mt. Lebanon tax office manager Mary Abbott said.

Continued on next page

## *Local Officials Praise State's New Method*

Continued from previous page

The numbers are striking. The South Hills suburb has about 20,000 wage earners. Traditionally, about 15,000 regularly mail in their quarterly tax payments on time, Ms. Abbott said. Statistics from Jordan Tax Service, the agent for Allegheny Southwest Tax Collection District of which Mt. Lebanon is a part, showed that 19,350 wage earners had paid in 2012. "That represents some 4,000 people we don't have to pursue," she said. "With automatic deductions, they don't have to worry about coming up with quarterly payments."

Ms. Abbott serves as chairwoman for Allegheny Southwest Tax Collection District, and she said she is hearing similar stories from other communities.

She estimated that once delinquent accounts are collected, her municipality would see a 2.5 percent jump in wage tax revenues resulting from the new system.

Municipal officials in Bethel Park are including a 2.5 percent increase in wage tax revenues in the 2014 budget recently approved. That increase helped council maintain the property tax rate, finance director Joe Vilella said. The automatic withholding and regular payments from Jordan Tax Service also have helped the community maintain a consistent cash flow, he said.

Mr. Andree, the Cranberry manager, agreed.

Butler County's collection agent, Berkheimer Associates, sends electronic payments to municipalities as often as twice a week, he said. "I'm not hearing complaints [about slow payments] from other communities," he said.

Mr. Andree also serves as president of the Butler County Tax Collection Committee.

Advance planning was another key to the successful introduction of countywide withholding. "We have 72 independent taxing jurisdictions and getting everybody on board was quite a challenge," Mr. Andree said.

The selection of Berkheimer Associates as the collection agent made the task easier, because that firm already had about one-third of county communities as clients.

### **Standardized process**

Sean Sanderson, local government policy manager with the Governor's Center for Local Government Services, said he is hearing good news from around the state on the effects of countywide tax collection. The Governor's Center is part of the state Department of Community and Economic Development.

From both anecdotal reports and in face-to-face meetings with local officials, Mr. Sanderson said he has been hearing positive feedback about the amount of money collected and improved cash flow. "The standardization of the process has enabled municipalities and school districts to receive revenue many times on a weekly rather than on a quarterly basis," he said. Both accuracy and accountability have improved, he said.

As is the case in other places, higher EIT revenues in Moon Area have not translated into tax cuts. "The extra money basically has helped us avoid a tax increase as our costs are increasing," Mr. Bennett said.

He called regional, employer-based collection of wage tax a very effective financial tool.

"I was anxious to see how it would work out across the state," he said. "It is the right way to collect wage taxes."

## *Highlights of 2013 State Tax Law Changes*

Following is a list of the more significant changes in state tax law for 2013 and beyond. For more information, review the department's [2013 State Tax Summary](#).

### **Tax Administration**

- Authorizes the Department of Revenue and the State Treasurer to mandate that payments of \$1,000 or more for corporation taxes, employer withholding and sales tax must be made electronically. Personal income tax is not required to be paid electronically. Effective Jan. 1, 2014.
- Requires electronic filing by third-party preparers who annually submit 11 or more state tax reports or returns. Effective immediately.
- Prohibits the Department from contracting with third parties to conduct field audits based on a contingent fee. Effective immediately.

### **Corporate Loans Tax**

- Repeals the corporate loans tax effective for tax years beginning after Dec. 31, 2013.

### **Sales and Use Tax**

- Effective 90 days following enactment, provides a sales and use tax exemption for aircraft parts, services to aircraft and aircraft components.
- Immediately reduces the appeal period for a sales tax license revocation from 90 days to 30 days.
- The additional 1 percent local Philadelphia sales and use tax authorized under Act 44 of 2009 is made permanent. The total Philadelphia sales and use tax is 2 percent.

### **Personal Income Tax**

- Effective Jan. 1, 2014, aligns Pennsylvania with federal rules to allow for a \$5,000 start-up business deduction in the year a new business is established.
- Effective beginning with tax year 2014, permits a taxpayer to recover intangible drilling costs as defined by federal rules by using either a 10-year amortization period or an election to currently expense up to one-third of the allowable costs and amortize the remaining costs over 10 years for personal income tax.
- Effective Jan. 1, 2014, authorizes actions by the department to improve tax compliance and administrative efficiency for pass-through entities such as partnerships, limited liability companies and S corporations. Provisions include:
  - Authorizes assessment at the entity level for understatements of income in excess of \$1 million by partnerships with eleven or more partners, or having at least one partner that is a corporation, limited liability company, partnership, S corporation or trust, or that elects to be subject to this provision. A similar provision applies to S corporations. These provisions do not apply to publicly traded partnerships.
  - Requires partnerships to maintain accurate lists of partners and addresses.
  - Requires estates and trusts to withhold Pennsylvania tax on PA-source income from nonresidents.
  - Requires nonresident estates and trusts to file Pennsylvania returns if they have Pennsylvania beneficiaries or PA-source income.
  - Clarifies that filing of PA-20S/PA-65 returns (pass-through information returns) and RK-1s and NRK-1s is mandatory.
- Effective Jan. 1, 2014, eliminates the resident credit for personal income tax paid to foreign countries.
- Extends and adds PA-40 refund donation options
  - Extends the Wild Resources Conservation, Organ and Tissue Donation Awareness and Military Family Relief donation options to Jan. 1, 2018.
  - Adds the Children's Trust Fund donation option effective Jan. 1, 2015.
  - Adds the American Red Cross donation option effective Jan. 1, 2015.
- In order to encourage tax compliance, authorizes the department to file citations with magisterial district judges against taxpayers collecting and not remitting employer withholding tax.

Continued on next page

## State Tax Law Changes

Cont'd from previous page

### **Corporate Net Income Tax**

- Requires the add-back of intangible expenses to income for interest, royalties, patents, trademarks, etc., between affiliated companies in certain instances. Effective for taxable years beginning in 2015.
- Clarifies the rules for the sales apportionment factor with regard to sale of services. Effective Jan. 1, 2014, the following sourcing rules apply:
  - The sale, lease, rental or other use of real property occurs at the location of the real property.
  - The rental, lease or licensing of tangible personal property occurs at the location of first possession of the property.
  - Sales of services occur at the point of delivery of the services.
- Increases the net operating loss deduction cap to \$4 million or 25 percent of Pennsylvania taxable income for tax year 2014 and \$5 million or 30 percent for tax year 2015 and beyond.
- Creates a minimum \$500 non-filing penalty for C corporations for tax years beginning after Jan. 1, 2014, in order to encourage greater compliance with the tax law.

### **Capital Stock/Foreign Franchise Tax**

The capital stock/foreign franchise tax phase out is extended to January 2016, reducing the rate according to the following schedule:

- Tax Year 2013 – 0.89 mills
- Tax Year 2014 – 0.67 mills
- Tax Year 2015 – 0.45 mills
- Tax Year 2016 and thereafter – 0.00 mills

### **Inheritance Tax**

- Effective July 1, 2013, provides a small business exemption from inheritance tax for a transfer of a family-owned business interest to one or more family members, provided that after the transfer, the family-owned business interest continues to be owned by a family member for a minimum of seven years after the decedent's date of death.
- The exemption is limited to qualified family-owned business interests, defined as having fewer than 50 full-time equivalent employees, a net book value of assets less than \$5 million, and being in existence for at least five years, as of the decedent's date of death. In addition, the principal purpose of the entity must not be the management of investments or income-producing assets owned by the entity.
- Specifies that any family-owned business interest no longer owned by a member of the decedent's family within seven years shall be subject to the inheritance tax in the amount that would have been paid for nonexempt transfers of property, plus interest.
- Requires annual certification to the department that the family-owned business interest qualifies for the exemption and notification to the department within 30 days if it fails to qualify.
- Does not apply to property transferred to the business within one year of the date of death unless the transfer is for a legitimate business purpose.

### **Tax Appeals Reform**

- Reorganizes the existing Board of Finance and Revenue by April 2014 by replacing the existing six members of the Board with three full-time members, who must be attorneys or certified public accountants having substantial knowledge of Pennsylvania tax law. Two members will be nominated by the Governor and confirmed by the Senate, and the third member is the Pennsylvania Treasurer or Treasurer's designee.

Due diligence has been used in preparing this publication, however, the possibility of mechanical or human error does exist. Laws, regulations and procedures do change so additional information sources should always be consulted before relying on any information herein contained. Additionally, the facts and circumstances of a particular situation may differ from those presented here. This material is presented with the understanding that this publication is not intended to render legal, accounting or tax advice.

# *E-FILE MANDATE FOR PAID THIRD-PARTY TAX PREPARERS FOR STATE TAX RETURN OR REPORTS EFFECTIVE IMMEDIATELY*

Reprinted from the PA Dept. of Revenue's website with the permission of the Department's Press Office

In an effort to increase the rate of electronic filing, the fastest and most cost-effective way for the Department of Revenue to process tax reports, the department will require third-party preparers who prepare at least 11 PA S Corporation/Partnership Information Returns (Form PA-20S/PA-65); 11 Pennsylvania Personal Income Tax Returns (PA-40); 11 Pennsylvania Corporate Tax Reports, (RCT-101); 11 Pennsylvania Liquid Fuels Reports (REV-1096); 11 Sales, Use and Hotel Occupancy Tax Returns(PA-3); or 11 Employer Quarterly Returns of Income Tax Withheld (PA-W3) for tax years beginning on or after Jan. 1, 2013, to file clients' tax reports electronically immediately. This authority was granted the department by Act 71 of 2013.

In determining if a paid tax preparer prepared at least 11 reports or returns, a third-party preparer must include all returns the preparer or his or her members or employees prepare or submit to the department. This includes all original or amended, full-year or part-year returns to the extent that such returns can be e-filed with the department. If a third-party preparer has multiple business locations, the combined total of all the returns for all locations are included.

If the tax software of a preparer required to e-file cannot support electronic filing, such software must be acquired. Once a third-party preparer is subject to this filing mandate, the third-party preparer will continue to be subject to the mandate regardless of how many REV-1096, PA-3 or PA-W3 reports/returns he or she prepares each year.

Exceptions to the e-file requirement include the following:

- A paid tax preparer may file a paper report when a taxpayer specifically directs the preparer to do so. This directive must be in a written form, signed by an officer of the corporation and provided to the department upon request.
- A paid tax preparer using tax software that does not support electronic filing of a required attachment to a report may file that attachment in a paper form.
- A tax preparer who proves electronic filing would place undue hardship on the preparer may submit a written request for a waiver from the department. The request must clearly explain why the filing method causes an undue hardship, and it must be mailed to the appropriate taxing bureau for consideration.

Third-party tax preparers not subject to the electronic filing requirements include volunteer, unpaid preparers; people who provide only support such as typing; employees of a business who prepare tax reports for other employees and officers of the business; and fiduciaries who prepare reports for the trusts and estates they serve.

## *Award of Excellence*

A number of years ago the Pennsylvania Chapter established an Award of Excellence, the purpose of which is to recognize those members who go the extra mile for their clients and the Chapter. Do you know of a colleague who stands out as a dedicated tax professional and PA-NATP member? This is your opportunity to bring that person the recognition they deserve for their dedication to the tax profession. To nominate someone for the Award of Excellence, contact Chapter President Patti Blum at [widders5@windstream.net](mailto:widders5@windstream.net)

## *Celebrities Wanted:*

Have you spoken publicly with respect to tax topics? Perhaps you have appeared on television or had articles published? If so, the Chapter of the Year Committee wants to hear from you. The Communications Section of the Chapter of the Year application awards points for members who have had articles published or made a public presentation. Documentation of such activities is required to be included with the application. Please forward information to Chapter President Patti Blum at [widders@windstream.net](mailto:widders@windstream.net). The application deadline is June 1 however the committee will collect the documentation throughout the year.

## **ELECTRONIC FUNDS TRANSFER (EFT)** **THRESHOLD LOWERED TO \$1,000**

Reprinted from the PA Dept. of Revenue's website with the permission of the Department's Press Office

Act 71 of 2013 lowers the electronic fundtransfer (EFT) threshold from \$10,000 to \$1,000 for taxes other than personal income tax. Effective Jan. 1, 2014, payments of \$1,000 or more of any of the following taxes must be made electronically.

- Sales/ Use Tax
- Employer Withholding
- Liquid Fuels Tax
- Fuel Use Tax
- Mutual Thrift Institutions Tax
- Oil Company Franchise Tax
- Malt Beverage Tax
- Motor Carrier Road Tax
- Corporate net Income Tax
- Capital Stock/Foreign Franchise Tax
- Bank Shares Tax
- Title Insurance and Trust Company Shares Tax
- Insurance Premiums Tax
- Public Utility Realty Tax
- Gross Receipts Tax

Taxpayers subject to the electronic payment requirement must remit the payments by automated clearing house (ACH) debit, ACH credit or credit card.

All payments of these taxes of \$1,000 or more must be made by an approved EFT method, and taxpayers of other payments – regardless of tax type or amount – are encouraged to voluntarily remit payments via EFT.

Businesses making EFT payments should register to file and remit online through e-TIDES. Taxpayers not currently registered for e-TIDES are encouraged to visit [www.etides.state.pa.us](http://www.etides.state.pa.us) for additional information.

Failure to comply with the EFT requirement may result in assessment of penalty of 3 percent on each payment (up to \$500) required to be made by EFT but not made by ACH credit, ACH debit or credit card.

---

## **REVENUE DEPARTMENT REMINDS PRACTITIONERS TO USE FAX COVER SHEET FOR PERSONAL INCOME TAX RETURNS**

Reprinted from the PA Dept. of Revenue's website with the permission of the Department's Press Office

The Department of Revenue encourages tax practitioners to utilize [fax cover sheet, DEx-93](#), to send information for electronically filed personal income tax returns or for correspondence sent in response to a department request. This fax technology ensures faxed information is correctly identified and processed to the appropriate account within days of fax receipt.

The fax cover sheet provides a safe, effective and efficient way of sending information to the department. Information must be faxed for each individual taxpayer and each tax year. Practitioners and their client can generally expect faster, more accurate account postings and timely refunds when using the DEx-93.

## *BOARD OF APPEALS CLARIFIES WHEN POWER OF ATTORNEY DOCUMENTATION IS REQUIRED*

Reprinted from the PA Dept. of Revenue's website with the permission of the Department's Press Office

Depending on how a petition to the Board of Appeals is signed, a [Power of Attorney/Declaration of Representative form \(REV-677\)](#) may be required to authorize the board to communicate with a taxpayer's representative.

REV-677 authorizes department representatives to speak about confidential tax matters with designated third parties. When a petition is submitted to the Board of Appeals signed only by a taxpayer's representative, the board requires written authorization to discuss confidential tax information with that representative. In this case, the Power of Attorney/Declaration of Representative (REV-677) must directly relate to the periods that are under appeal and should be dated within 30 days of the time period(s) of the appeal.

Authorization received for a prior appeal may only be used for a subsequent appeal if the written authorization contains the specific time period for which it is effective and that time period must include the subsequent periods under appeal.

In cases where the petitioner and his or her representative sign the petition for appeal, no further documentation is required.

Questions regarding the REV-677 and tax appeals should be directed to the Board of Appeals at 717-783-3664.

---

---

### *Synopsis of Nov. 18 Board of Directors Meeting Clarion Hotel and Conference Center, New Cumberland, PA*

The meeting was called to order at 9:04am by President Blum with ten present, two excused, one unexcused, and two guests. President Blum introduced the National Board representative, Gerard Cannito and thanked everyone for coming. No corrections were made to the secretary's report and it was accepted. No questions were asked of the treasurer and his report was accepted. Rebecca Mangold audited the treasurer's records and gave a letter showing the audit passed inspection. An Education Committee meeting is scheduled for December 4<sup>th</sup> to start our 2014 offerings. Looking at having the Annual on November 7-8 at the same location, the Clarion, in New Cumberland. Rebecca stated we have 1,200 members. Sam stated the articles for the next issue of the newsletter are due December 16<sup>th</sup>. Gerard will write an article. AC Stickel will write an article for the newsletter about the consolidated local returns and problems they have had. Dave Fleming stated we have five Board Members up for re-election. Two have stated they will stay on and two new members will join the Board. Patty Turner sent out 1,248 postcards listing the 2013 education events; the Board decided to send the postcards again in 2014. Patti would like new photos for the website gallery. This year the treasurer handled all the registrations for the Western Working Together through our website. Contracts were sent to all instructors for the first time. A small loss was incurred by cancelling the East seminar. We will have a Toys-For-Tots collection again this year and an auction of items for the Knickerbocker fund. The theme for the Chapter Showcase in Orlando will be Sports in PA. The committee will have a luncheon and a meet and greet. The Board voted to allow National to process our CPE and registrations starting in 2014. AC will be our State Tax Today representative. The Board started the calendar of events for 2014. Motion to adjourn at 11:58 was passed. Next Board Meeting will be January 3<sup>rd</sup> as a teleconference.

Respectfully submitted by Kathryn Bowman, Secretary

## The Financial Page

<b><u>Income &amp; Expenses Year to Date</u></b>	<b><u>Balance Sheet</u></b>
as of 30 November 2013	
<b>REVENUES</b>	
Dues	12,837.00
Incentive	1,941.58
Printed materials	580.84
Commissions	1,336.00
Vendors/Advertising	30.00
Interest	6.14
Seminars	3,875.00
Scholarship	369.00
Misc. Receipts	150.00
TOTAL REVENUES	<u>21,125.56</u>
<b>EXPENSES</b>	
Newsletter - Postage	48.94
Newsletter - Printing	141.37
Newsletter - Misc.	800.00
SUBTOTAL	<u>990.31</u>
<b>Administration -</b>	
Officer Reimbursmnt	900.00
Insurance	150.00
Audit	150.00
Office Expenses	288.30
Bank & PayPal Fees	291.44
Mileage	293.80
PA State Fees	70.00
SUBTOTAL	<u>2,143.54</u>
<b>Board of Directors -</b>	
Conference Calls	1,005.98
Mileage Reimb.	1,906.96
Meals	170.10
Meeting Fees	440.00
SUBTOTAL	<u>3,523.04</u>
<b>Committees -</b>	
Executive	
Seminars	1,063.08
Printed Material	415.80
Promotions	696.77
Web Site	541.60
SUBTOTAL	<u>2,717.25</u>
<b>Conferences -</b>	
State Seminars	7,151.97
National Conference	1,534.60
SUBTOTAL	<u>8686.57</u>
Scholarship	<u>500.00</u>
TOTAL EXPENSES	<u>18,560.71</u>
<b>NET INCOME</b>	<u>2,564.85</u>
<b>ASSETS</b>	
Current Assets:	
Commercial Bank Checking	9,998.38
Commercial Bank Savings	13,481.46
Commercial Bank PayPal	<u>703.60</u>
Total Current Assets:	24,183.44
Property and Equipment:	
Equipment - Accum Depr	<u>-2,260.00</u>
Total Property and Equipment:	182.10
Other Assets:	
Total Other Assets:	<u>                    </u>
Total Assets:	<u>24,365.54</u>
<b>LIABILITIES AND CAPITAL</b>	
Current Liabilities:	
Total Current Liabilities:	<u>                    </u>
Long-Term Liabilities:	
Total Long-Term Liabilities:	<u>                    </u>
Total Liabilities:	<u>                    </u>
Capital:	
Retained Earnings:	21,800.69
Net Income:	<u>2,564.85</u>
Total Capital:	<u>24,365.54</u>
Total Liabilities & Capital:	24,365.54

## PA-NATP NEWS Advertising Space Available

Your ad on these pages can reach 1200 PA tax professionals.

### **Classified Ad Rates**

#### NATP Member rates, up to 100 words:

1 Issue \$20.00

2 Issues, same ad \$30.00

3 Issues, same ad \$40.00

4 Issues, same ad \$50.00

Additional words flat rate 50¢ per word for 1- 4 issues, member and nonmember.

#### Non-Member rates, up to 100 words:

1 Issue \$30.00

2 Issues, same ad \$45.00

3 Issues, same ad \$60.00

4 Issues, same ad \$75.00

### **Display Ad Rates**

#### NATP Member rates:

Full page \$150.00

Half page \$ 85.00

Quarter page \$ 50.00

#### Non-Member rates:

Full page \$225.00

Half page \$125.00

Quarter page \$75.00

All ads must be prepaid and tax/accounting/financial planning related.

#### Mail checks, payable to PA-NATP, to the treasurer:

Richard L. Miller, CFP

168 McCabe Dr

Greensburg, PA 15601

#### Send ads to the newsletter editor:

Samuel Wingard

2652 Barnard Rd

Dayton, PA 16222

[sam1040@windstream.net](mailto:sam1040@windstream.net)

## 2014 PA-NATP Board of Directors

<p><b>Region 1 (Philadelphia)</b></p> <p>VACANCY (14)</p> <p>Charles C. Evans Jr. (16) Downingtown, PA 19335 <a href="mailto:evansjrc@verizon.net">evansjrc@verizon.net</a></p> <p>Drew Stump, RTRP (15) 610-683-9319 Kutztown, PA 19530 <a href="mailto:dmstump@hometownnu.com">dmstump@hometownnu.com</a></p> <p><b>Region 2 (South Central)</b></p> <p>Patricia Turner, EA (15) - <b>1<sup>st</sup> Vice-President</b> 717-299-1686 Lancaster, PA 17603 <a href="mailto:ptytrnr@comcast.net">ptytrnr@comcast.net</a></p> <p>Erica Lutz (16) 610-488-0295 Bernville, PA 19506 <a href="mailto:erica@mainstreettaxandaccounting.com">erica@mainstreettaxandaccounting.com</a></p> <p>Rebecca Mangold EA (14) - <b>2<sup>nd</sup> Vice President</b> 717-285-4181 Lancaster, PA 17601 <a href="mailto:rmtaxservice@comcast.net">rmtaxservice@comcast.net</a></p> <p><b>Region 3 (South West)</b></p> <p>VACANCY (16)</p> <p>A.C. Stickel (14) 814-944-9000 Altoona, PA 16602 <a href="mailto:acstickel@abstaxshelter.com">acstickel@abstaxshelter.com</a></p> <p>Samuel Wingard, RTRP (15) - <b>Secretary/Newsletter Editor</b> 814-257-8404 Dayton, PA 16222 <a href="mailto:sam1040@windstream.net">sam1040@windstream.net</a></p>	<p><b>Region 4 (North West)</b></p> <p>Patti Blum (16) - <b>President</b> 814-968-5919 Sheffield, PA 16347 <a href="mailto:widders5@windstream.net">widders5@windstream.net</a></p> <p>David Fleming, EA (14) 814-764-3371 Fairmount City, PA 16224 <a href="mailto:dflemming00@windstream.net">dflemming00@windstream.net</a></p> <p>Justina Tushak, CPA, EA (15) 814-456-1040 Erie, PA 16508 <a href="mailto:jtushak@tushakaccounting.com">jtushak@tushakaccounting.com</a></p> <p><b>Region 5 (North East)</b></p> <p>Kathryn Bowman, EA (15) - <b>Treasurer</b> 717-273-2742 Lebanon, PA 17042 <a href="mailto:kbowmanea@comcast.net">kbowmanea@comcast.net</a></p> <p>Susan E Bure (16) 724-763-3049 Manorville, PA 16238 <a href="mailto:accountingbysue@windstream.net">accountingbysue@windstream.net</a></p> <p>Joyce Jones (14) 724-924-9722 New Castle, PA <a href="mailto:joycejones@zoominternet.net">joycejones@zoominternet.net</a></p> <p><b>At Large</b></p> <p>VACANCY (14)</p> <p>Angela Leasure, EA - <b>Historian</b> Erie, PA 16509 <a href="mailto:TAXAL@aol.com">TAXAL@aol.com</a></p> <p>Jeff Cohick, EA - <b>Delegate</b> 717 249-5321 Carlisle, PA 17013 <a href="mailto:jcohick@cohickassoc.com">jcohick@cohickassoc.com</a></p> <p>Denise E Brandt, EA - <b>Delegate</b> 610-488-0295 Bernville, PA 19506 <a href="mailto:denise@mainstreettaxandaccounting.com">denise@mainstreettaxandaccounting.com</a></p>
--	---