



Mid-Willamette Chapter

<http://oatc-oregon.org/Mid-Willamette>

Volume7: Issue 3

June 2007

Meetings

June Meeting will be 6/20 in Lebanon - at Bing's 2416 Santiam Hwy

Now would be a great time to bring someone new to a meeting!

Our June Monthly meeting will be at Bing's restaurant in Lebanon. Come early for a no-host dinner beginning at 5:45. Business meeting will follow at 6:30. Education will begin at 7:00.

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Newsletter Contact

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Deadline: Please submit information by the first week of the month

President's Corner *Message from the President*

When you get this newsletter I hope that you are with me in Seaside at this years convention.

June 21,2007 will be the IRS Tax Practitioners meeting in Portland - see information elsewhere in this newsletter for more information.

All LTC'S I hope that you have all renewed your license and Business licenses as needed or will get it done by June 15,2007.

I am looking for committee members for a new nominating committee which is responsible for contacting members and asking if they would be willing to run for an office for our upcoming fiscal years (2008-2010). (Those on the committee are ineligible for nomination themselves.) If you know of someone that would make a good officer or Board member, ask them if they would to serve our chapter, and help us get their name on the ballot. If you are personally interested, please contact me directly. We need to get this done before next tax season, so that we have time to prepare for the election of officers. The new officers will take office in July 2008.

Also please keep thinking membership - our membership is what allows us to have some of the best tax education in the state at our regular meetings free. To quote Tom Peterson "FREE IS A VERY GOOD PRICE"

Friday June 29,2007 will be the ODR Tax Practitioner meeting at the Fish Bowl in Salem at 9:00 AM. These are very informative meetings and qualify for 2 hours of cpe. Also you can be put on the mailing list by e-mailing Ron Wagner.

Ronald.a.Wagner@state.or.us and ask him to include you on the list for minutes of the meetings.

ENJOY SUMMER ITS COMMING----I PROMISE.

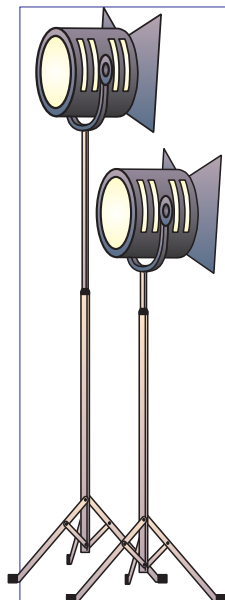
AVE



This month's education will be in Lebanon at Bing's. Education will be Duane Hunter and Karla Siclait from the State Board Office. July meeting will be 2 parts - first we will have a representative from AFLAC and REI Insurance speaking on the tax consequences of HSA's and other insurance benefit programs and the 2nd hour will be Kari Laswell doing a presentation on AMT. August will be Kay Dee Cole from the Corvallis Edward Jones office speaking on Oregon 529 plans and other financial planning issues. Kari needs to get feedback from you the members on what other items our group would like to hear. Please provide her with feedback - she is always open to suggestions - her email address is: mom@thelasswells.com All meetings will be at Bing's in Lebanon for the months of May - Aug. Kari is looking for a suitable meeting location in Corvallis for the months of Sept - Dec. let her know if you have any ideas.

Member Bio... Beverley Diercks

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I have lived in the Willamette Valley all of my life and on a farm nearly all of my life. Ralph and I celebrated our 50th wedding anniversary last October. We have 3 children, a daughter and 2 sons, 5 grandchildren and 2 great-grand children.

When my youngest child went to kindergarten, I went to college and took accounting and computer classes. That was back in the punch card days. This was also the first year that Linn-Benton Community College was in existence. That was the extent of my formal college days. From there on I took several tax classes at LBCC when licensing began. I did accounting and tax returns while my children were small and applied to be grandfathered in when the licensing laws came into affect. In 1977 I joined the Mid Willamette Chapter of the Association of Tax Consultants. I felt that since I had been grandfathered in I needed to be sure that I really was capable of doing tax returns so I took my Enrolled Agent's test and passed in 1978.

In the ensuing years the National Association of Tax Consultants came into existence and our state Association became the Oregon Association of Tax Consultants. Over the years I have been the Education Chair, Secretary, 2nd VP, 1st VP and President of our Chapter. On the State level I have participated as Education Chair, Tax Board Representative, ODR liaison, Chapter Development Chair, Officer Training Chair and Convention Chair. I have worked on many of the Conventions in various capacities and have had the opportunity to become well acquainted with the many wonderful practitioners across Oregon as well as other states. Though the years I have been honored with the Margaret Sills award and the Outstanding Service Award from our State Association. This year I have accepted the nomination for 2nd Vice President for OATC for the 2007-2009 term. I have also been given the opportunity to become friends with many outstanding educators as well as some great people at IRS and DOR. I would not have been so lucky had I not been actively involved in this great organization.

I left the corporate world in 1980 and have been self-employed since. My office is in my home near Scio and I have been fortunate to have excellent part time help. Until this year I have done both bookkeeping and tax preparation. I have cut back to only tax prep and my clients are mostly small businesses, farmers and ranchers.

News From The THE BOARD OF TAX PRACTITIONERS

Tax Practitioner Liaison Meeting

Oregon Department of Revenue Fishbowl meeting room

Friday, May 25, 2007

9:00a.m. - 11:00 a.m.

MINUTES

Introductions

All

Ron asked each person to make an introduction.

Processing Center Updates

General Updates

Year to date there have been 1,476,000 returns processed. As of today there are approximately 55,799 returns in processing. This includes present, current and previous years.

We are working on returns that were received on April 23, 2007.

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We will be including a copy of the previous month's General Business Meeting Minutes in the newsletter so that those of you who can't make it to the meetings have the opportunity to keep yourselves informed.

**Mid-Willamette Chapter
Oregon Association of Tax Consultants
General Business Meeting
Wed. May 16, 2007**

Location: Bing's Restaurant, Lebanon, OR

The meeting was called to order by President Ave Giddings at 6:27 pm. Minutes of the last meeting were in the newsletter. Ave read the minutes. Bill McKinney had one correction. Debbie McKinney made a motion to accept the minutes as corrected. Bev Diercks seconded the motion. Motion passed.

The Treasurer's Report was presented and approved

Total checking/savings \$1714.72

Total in CD \$8,149.55

Total Script \$907.14

There were 20 members present

Ave sent a get well card around for everyone to sign for Eric Arnoldus, wishing him well.

Unfinished business:

None reported

Education

UPCOMING EDUCATION:

June--Duane Hunter on ethics

July--Aflac & HSA benefits KARI LASSWELL AMT

Aug--Katie Cob 529 plans and specifics for Oregon Plan

Convention: June 13 - 16 in Seaside, OR, including headstart. Registration form in state OATC newsletter.

Beverly Diercks said that the new information looks fantastic. There is going to be 20 hours of education at Convention plus there will be some vendor education.

Sharon Starr reported that they had a good turn out for the seminar. The attendees were satisfied with the speakers.

New Business:

Bill McKinney and Cindy Clark are on the nominating committee for a new Board member to replace Nancy Kelley who is leaving the position.

There will be a meeting at ODR at the Revenue Building. This is the Tax Practitioner meeting and is very informative.

There being no further business the meeting adjourned at 7:05pm.

The education was *Adjustments to Income* presented by Debbie McKinney.

Respectfully submitted,

Cindy Clark--Past President

News From The

IRS



IRS/Tax Practitioner Liaison Meeting

June 21, 2007

9:00am to 12:00pm

Edith Gree/Wendell Wyatt Federal Building

1220 SW 3rd Ave Room 315

Portland

Contact Brian Wozniak:
Phone (503) 326-3343 or email:
Brian.Wozniak@irs.gov

IRS and Tax Practitioner leadership will provide filing season updates and discuss issues of concern to participating organizations. Agenda items include Power of Attorney authorizations and Dept of Revenue updates.

The IRS alerts taxpayers to the latest versions of an e-mail scam and urges them not to click on any links or open any attachments in unsolicited e-mails or e-mails from people they don't know. Get specific details on these scams in news release [IR-2007-109](#).

The IRS does not send out unsolicited e-mails or ask for detailed personal and financial information. Also, the IRS never asks people for the PIN numbers, passwords or similar secret access information for their credit card, bank or other financial accounts.

Read about the latest injunctions against tax return preparers and tax fraud promoters at DOJ's tax news and press releases web site:

www.usdoj.gov/tax/taxpress2007.htm

2007 IRS Nationwide Tax Forums are just around the corner. Go to:

[Https://www.taxforuminfo.com](https://www.taxforuminfo.com)

For more information

News From the Editor



FYI - due to technical problems this newsletter is going out late - we seem to have everything back up and running and hope that this won't happen again.

Have you signed up for the e-mail version of the newsletter yet? If not do so this month and help your

club save the cost of postage!

My e-mail address is: joanne@libertytax.com.

THE BOARD OF TAX PRACTITIONERS *Continued from page 2*

By May 28, 2007 all returns in house should be out of Mail Processing and have started their way through the processing system. Refunds should be received within 2 weeks from processed date.

Earlier this month there was a billing notice issue. The Oregon legislature asked DOR to provide statistics for the next year's forecast. In order to meet their timeline we pushed returns more quickly through the return processing system. This triggered tax due returns to be processed before the payment was applied to the liability. Billing notices were sent to taxpayers in error. This issue has been corrected; the penalty and interest for the effected taxpayers were reversed and DOR is sending out notices stating that the payment was received and applied. Those notices should go out shortly.

PO Box addresses changed. There was a question as to why the PO box for 2D barcode returns changed this year. Answer: It did not change. We will bring a list of all PO boxes to the next meeting. We have also received a suggestion that the labels DOR sends out should have the title of what the PO Box is for example DOR-Refund and then the address. This would make life easier for the preparers and cut down on the misdirected mail on DOR's end.

2D Barcode Update**Tom Boettger (947-2174)**

A 2D Barcode returns is a paper return that has a barcode similar to a UPC code that you would find in the grocery store. The barcode, the size of a credit card, captures all keyed information off the return. Once DOR receives a 2D barcode return, the barcode is scanned with a wand similar to the scanner at the grocery store check out. DOR is able to scan approximately 2,000 to 3,000 2D returns per hour vs. 100 returns per hour of the standard manually hand-keyed paper returns.

A mandate was put into place this year that requires software vendors include a barcode on all printed-paper returns. There are 26,000 left to process (this is about two days worth of work).

We have processed 328,060 2-D returns year-to-date. 187,269 returns were processed for all of last year.

Question: Is DOR having issue with reading the barcode on photocopied returns?

Answer: No, not that we are aware of.

Question: Is there any federal information that is transferred onto the Oregon 2D return?

Answer: Yes there is some information that flows through to the Oregon return.

ELF Update**Mark Ruth (503) 945-8731**

So far this year DOR has received 925,423 returns. Last year DOR received/processed 861,737 returns. E-filing now makes up more the 60% of all form types filed. DOR expects that there will be close to 1 million returns E-filed by the end of the 2006 tax year season.

Question: A few years ago the practitioners were told that E-filing would be mandated. Why hasn't that happened yet?

Answer: First, this is not something that DOR has control over; the mandate would come from the Legislature. There has not been any talk (that DOR has heard about) this session for an ELF mandate. Secondly, the voluntary use of ELF software has been extremely positive. Ron thinks that because of this the Legislature has not deemed it necessary for mandate.

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Question: Doesn't DOR receive the IRS schedules when a return is electronically filed?

Answer: DOR should be receiving all data that is submitted to the IRS but that is not always the case. This is a software issue. However, a lot of software vendors do not include this information because Oregon DOR does not require this to be attached to the original return. DOR made a decision many years ago not to have taxpayers submit all federal information to the return during the initial filing. This is because DOR has to retain all the paper information that it receives for seven years. There is a space issue. Instead DOR has asked taxpayers to only attach a copy of the front and back of the IRS return. In the event that additional schedules or information is needed to process the return the taxpayer will be contacted. The suggestion was made that maybe the practitioners could talk to the vendors as DOR has no control over the national standards that have been put into place for vendors. The case where the taxpayer has taken the federal standard subtraction on their federal return but itemized for Oregon only, *Continued on page 5 this schedule A* (marked OR only) can be faxed to the Suspense unit (503-945-8786) ahead of time to speed up the processing time.

Question: When is DOR going to offer ELF for Corporations, partnerships, Estates, and Trusts?

Answer: Ron is not sure when this will be available. Next month we will have representatives from the corporation and Estate section.

Tax Services and Withholding updates were not given, as there were not representatives available.

Ron asked if there were enough people interested from the Portland area that maybe DOR could hold two meetings a month. The first meeting could be at DOR and the second meeting could be in the Portland area. There a number of practitioners that like this idea and think that it would be beneficial. Ron will talk to the management team and see if this could be an option.

Thank you OATC for the coffee.

Next meeting will be held: Friday June_29, 2007 in the Fishbowl conference room located at the Oregon Department of Revenue.

OATC Tax Preparer Scholarship

Do you know someone who wants to be a Tax Preparer but may not have the ability to financially afford it? There is a scholarship offered by the Oregon Association of Tax Consultants to help someone in financial need prepare for and take the state licensing test. For more information contact Carol or Shari at the OATC office: 503-261-0878 (Thank you to Clackamas Chapter for this news item!)

Another IRS update of interest: Legislation signed last week simplifies reporting for husband and wife owned businesses. The new law, effective for tax years beginning after Dec 31, 2006, allows a husband and wife who file a join return to elect to report income or losses in proportion to their interest in the business and *not* as a partnership. They must be sole owners of the business and both must materially participate in the business to make this election. (From IRS e-News, Issue Number 2007-20 - item number 1)



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Return Service Requested

***Contains Dated
Material***

DISCLAIMER: *All material enclosed in this newsletter is as accurate and reliable as we can provide, but the possibility of human or mechanical error does exist. All persons using this information are cautioned to use all sources of information to arrive at a decision of tax law.*

Association Officers

<u>Office</u>	<u>NATC</u>	<u>OATC</u>	<u>MW Valley Chapter</u>
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<i>3rd VP:</i>		Eric Arnoldus 541-963-8304	
<i>Secretary:</i>	Barbara Culver 253-859-8567	Marie Dunkeson 541-884-1219	Brandie Stucky 541-541-8299
<i>Treasurer:</i>	Michael Graves 360-588-8077	Janet Dotson 541-343-6502	Tom Dundas 541-258-5600
<i>Board Members:</i>			Linda Harding Bill McKinney Nancy Kelley
<i>Past President:</i>	Linda Mussen 503-292-6252	Dave Kim 503-291-2570	Cynthia Clark 541-466-3144