

# IAPA TODAY



*The Newsletter for Idaho's Accounting & Tax Professionals*

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*www.iapacct.com*

## ***President's Message: Help is Available on Many Avenues***

*By IAPA President Michael Chakarun, CPA, MBA*

Well here it is, late September already and only one more income tax filing deadline to deal with. Seems like only yesterday that it was April 15, or was it April 18 this year? It is also tax seminar time for us. IAPA offers quality professional education at an affordable price. In October we have two seminars in Twin Falls—an eight hour Gear Up Business Entities and an eight hour Small Business A to Z on October 6 and 7. Our 16 hour Gear Up 1040 series will be in Idaho Fall on October 27 and 28 with a 2 hours ethics session on the 27. The 1040 program and ethics seminar moves to Boise on November 7 and 8. You can register using the IAPA website at [www.iapacct.com](http://www.iapacct.com). We will also have an IAPA board meeting on November 8 at 4:30 p.m. after the conclusion of this seminar. Don't miss the opportunity to receive these quality updates from Gear Up!

I had the privilege to help represent IAPA at the National Society of Accountants (NSA) annual meeting in Anchorage, Alaska this August. An important order of business at the meeting was a proposed bylaw revision that would add the IRS Registered Tax Preparer (RTP) designation to the list of ways an individual can become an active member of NSA with full voting rights. Under the existing bylaws, unless these individuals held another credential, they could only qualify as an associate member with no voting rights even

though they pay the same dues as an active member. All the national tax organizations are fighting to recruit new members from the pool of RTP's created by the new IRS tax preparer regulations. NSA believes that awarding full membership privileges, coupled with NSA's other member benefits, will improve its recruiting prospects. I supported the bylaw change because I believe we need to find ways to encourage RTP's to join professional organizations, preferably IAPA and NSA. The bylaw revision passed with little, if any dissent.

We heard a presentation from Nina Olson, the IRS National Taxpayer Advocate. She had some good news for the tax community and a little bad news as well. The good news was that the IRS is ready to implement the new Customer Account Data Engine (CADE II). This new system, will allow IRS personnel to make daily updates to taxpayer accounts. Under the old system a change could take a week or more to post to an account. This posting delay often resulted in the IRS sending out erroneous notices—an account issue could be resolved but a notice would be generated before the change hit the account. Another positive feature is that a taxpayer could receive a refund in as little as four days. Also on the good news front is that the IRS has relaxed the offer in compromise program which means practitioners may have a bet-



*IAPA President Michael Chakarun,  
CPA, New Meadows*

ter chance getting an offer accepted for their clients. Seems the IRS is shifting some offer in compromise work back to revenue officers in the field. The bad news is that the IRS is gearing for a 5% across the board budget cut for fiscal 2012. Why is this bad? Ms. Olson said if we think IRS response time is bad now, it will get a lot worse.

Ms. Olson is one of the bright lights working at the IRS and is willing to listen to practitioner issues and concerns. She welcomes input from practitioners and gives out her email address. It is: [Nina.E.Olson@IRS.gov](mailto:Nina.E.Olson@IRS.gov). If you ever have an intractable problem with the IRS, I would highly recommend that you contact your local office of the National Taxpayer Advocate Service for assistance. They

*(Continued on page 2)*

can cut through IRS red tape in an emergency. Form 911 will get the process moving.

We also heard from Leann Ruf, the IRS Return Prepare Regulation Implementation Team Lead, Communications. Ms. Ruf gave us a few interesting statistics: 723,000 individuals have registered to receive a PTIN and 62% of PTIN holders are not CPAs, Enrolled Agents or lawyers. The new registered return preparer exam will basically cover Publication 17, "Your Federal Income Tax" material and will cost from \$100-\$125. Several members of the audience expressed concern that the test will be too easy and be of limited use as a competency exam. In my opinion, the IRS is afraid that if the test is too difficult, it may force some preparers underground (such as not signing returns) and/or reduce the pool of people preparing tax returns. Ms. Ruf stated that PTIN renewals will begin in October and will be good for one calendar year. On an organizational note, Ms. Ruf reported that the duties of administering the Enrolled Agent program will move from the Office of Professional Responsibility (OPR) to the new regis-

tered return preparer office. OPR will only be responsible for professional conduct matters concerning Enrolled Agents, CPAs and RTPs.

*"There is strength  
in numbers...."*

Representatives from the National association of State boards of Accountancy (NASBA) briefed the convention on current activities at NASBA. A hot issue right now is the adoption of International Financial Reporting Standards (IFRS) by the United States. NASBA's policy right now is to encourage US accounting regulatory bodies to take a go-slow down approach on adoption of international standards until such time as IFRS can be shown to be better than US generally accepted accounting principles. Other hot-button issues are international mobility for CPAs (we pretty much have CPA mobility within the US) and international delivery of the CPA exam.

After meeting with my counterparts from other state associations at the NSA meeting, I realized we all faced two common problems: the recruitment of new members and the delivery of quality CPE at an affordable price. On the CPE side, the IAPA Board is exploring ways to expand our ability to offer one to two hour web-based CPE seminars on a local basis, maybe using an IAPA member's conference room during the lunch hour or similar facilities. On the membership side, I encourage each of us to recruit one new member between now and the start of tax season. There is strength in numbers and the additional resources provided by new members will give us the ability to expand and improve the quality of our CPE and other member benefits.

I hope that each of you will have a successful conclusion of the 2011 filing season, attend an IAPA seminar or two, take some time off and be ready to hit the ground running in 2012.

## *State NSA Director's Message – NSA Works for Us!*

*by LaFonda Merrick, ABA, ATP, CSA*

WOW! What an awesome time we had at the 66th NSA Annual Meeting last month in Anchorage. Representing the IAPA were Mike Chakarun, Jeniele Rowley, Elizabeth Gonzalez, Wilma Christensen, Kendall Egbert, Lupe Espinoza, Emily Call, Travis Call and myself. We attended various business meetings, had outstanding CPE sessions, and networked with delegates from around the country. NSA members from all over want to hang around IAPA - we are always having fun and anxious to talk to others!

When asked to give his final remarks, outgoing NSA President Donny Woods reiterated the importance of team work and that it takes a team to get things done! With a year of challenges, Donny shared his pride in serving and that everyone has "unexpected" obstacles - it's how you deal with them as a leader that makes the difference.

After her installation, President Sharon Cook shared her

thoughts and goals for the year. She sees the success of our organization strongly rooted in connecting with other members and mentoring professionals new in our industry. The three T's were introduced - **Talk, Teach and Thank** - what a great foundation to build on for all of us.

The Membership By-Law proposal was voted on and passed by the delegates in attendance at the general membership meeting. A Registered Tax Return Preparer will qualify for NSA active member status as long as they meet the other member requirements. This is an exciting step for NSA; it is so important for all of us to embrace the changing industry and fulfill our mission to protect the right to practice for all.

We also heard from Nina Olson, National Taxpayer Advocate. She spoke of the challenges facing the IRS with various budget cuts, and that our job is not going to get

easier. We will see longer processing times with correspondence and audits, as well as unnecessary correspondence that we have to take the time to answer. Rough road ahead in dealing with the IRS! Leann Ruf, Communication Director for the IRS Return Preparer Office, presented her updates. Among other things, she reminded us that all PTIN holders will be on a calendar year renewal. Also, it will be the Return Preparer Office that oversees CPE, for RTRPs and EAs as well. OPR will just focus on Circular 230 compliance. For all the PTIN news, visit the NSA website, [www.nsacct.org](http://www.nsacct.org), and click on the box for Tax Preparer Registration News and Updates.

As IAPA continues to be award winning, NSA and the other affiliated state organizations have a wealth of leaders, talent, and knowledge. It was inspiring to hear some of the thoughts and ideas that were shared among the new officers and leaders as well as other NSA members.

It is truly an honor to belong to such an outstanding organization.

Mark your calendars now and plan to attend the 67th NSA Annual Meeting next year on Maui, August 22–25, 2012. The room rates for the convention are unbelievable! Make your reservations now at the Hyatt Regency, Maui, detailing you are with NSA.

If you are interested in becoming a member of [NSA](#), or are a current member and would like to serve at the national level, please send me an email at [lafonda@merrickaccounting.com](mailto:lafonda@merrickaccounting.com).

NSA continues to be in the forefront for main street accountants – membership and involvement is invaluable – *it is time for you to engage!*

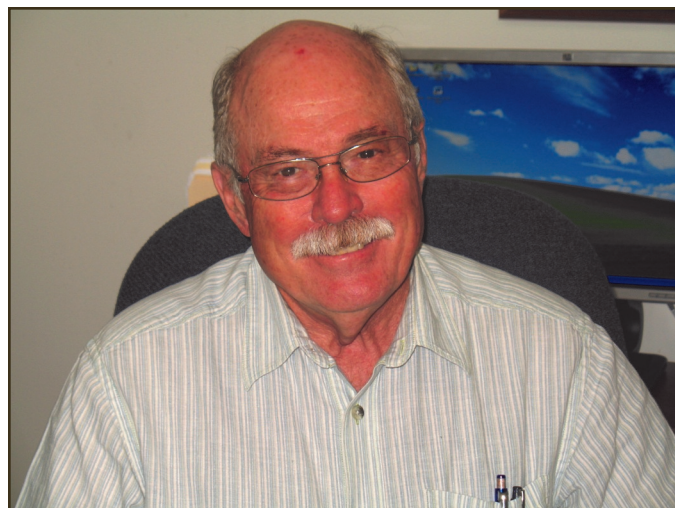
## *IAPA Member Profile: Richard Jackson, CPA, Boise*

### **IAPA Member Rich Jackson Named to Idaho State Tax Commission**

In July Idaho Governor C.L. "Butch" Otter announced the appointment of Rich Jackson, CPA, of Emmett, to a six-year term on the Idaho State Tax Commission. He filled the vacancy left after Otter's June appointment of then-commissioner Sam Haws to head the Idaho Commission on Aging.

Now 67, Jackson said serving on the Tax Commission was something that had been on his 'bucket list' of things to accomplish, so he expressed his interest to serve. To avoid conflicts of interest, he left his accounting practice and stepped down several committees on which he served, including chairman of the Idaho Legislative Compensation Committee, treasurer of the Boise Metro Chamber PAC, the Idaho Manufactured Housing Board, and treasurer of the Idaho House of Representatives' Republican Caucus.

Jackson has a long history with Idaho. He attended schools in Weiser and then graduated from the University of Idaho in 1966. He served two years in the military and was stationed in Germany. Upon his return to civilian life, he worked in Othello, WA., for 10 years and then returned to Idaho to practice accounting in Payette. In 1990 he headed to Boise to work in tax accounting for Presnell Gage and then Jackson Cole. He has taught accounting courses over the years and enjoys it. Jackson's role on the State Tax Commission is to oversee Sales & Use Tax as well as Revenue Operations, Audits and Collections. He enjoys working with the other three tax commissioners – Bob Geddes, Tom Katsilometes and David Langhorst.



*IAPA Member Richard Jackson, CPA, Boise, was appointed to the Idaho State Tax Commission this summer by Governor Butch Otter.*

"The Commission doors are always open if someone gets into a corner," Jackson said. His advice? If you receive an inquiry from the Tax Commission, by all means follow up and provide all the information – we want the right information to work from and try to be fair and equitable for all."

If you have any questions or comments for Rich, you may contact him at 208-334-7500 or email him at [rich.jackson@tax.idaho.gov](mailto:rich.jackson@tax.idaho.gov).

## Stay Informed with NSA's Member Connect by LaFonda Merrick, NSA State Director

This month's Member Benefit of the Month highlights our new online member connect. Member connect is a great way to communicate and connect with members across the nation and members in your own ASO. This is a great networking opportunity without leaving your office!

Navigate to [www.nsaacct.org](http://www.nsaacct.org) and click on the members' only section. Log in using your user ID and password. Once you're logged in you will see the

first section called Getting Started. This is a great place to start. Filling this part out intuitively connects you to other people. Live in California? You will be able to see other NSA members who live in California! It will associate you with other members who have the same education, credentials, size of practice, role in your practice, years of experience, and gives the world a chance to know who you are.

You can even link your profile to your

Face Book page, Twitter account, LinkedIn account and other social media avenues! This has improved my presence in the internet world and has helped existing and new clients find me. In the ever changing world in the cloud, you will be able to stake your claim while others are still trying to figure out how it all works! Try it! Log on today and join the 3000+ other NSA members who are already networking and connecting!

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### Audit Professionals at Eide Bailly, Top 25 CPA Firm

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Audit Professionals are offered the opportunity to work with clients within the healthcare industry as well as a variety of other industries. Primary responsibilities are to prepare for and perform financial audits by working with a team of other great professionals.

Internally, Audit Professionals will assist with planning and scheduling audit engagements. After fieldwork is performed, they will proof accounting-related documents and will reconcile accounts to specific controls.

Externally, Audit Professionals will work at a client site with their audit engagement team. Each member of the team performs various components of the audit - gathering information from the client, reviewing and compiling client financial data, and preparing work papers and reports.

#### **TO BE SUCCESSFUL IN THIS ROLE, an Audit Professional will have**

- A Bachelor's degree in Accounting with 150 credit hours completed upon graduation.
- A CPA license is preferred - or at least a demonstration that you are working towards obtaining your CPA license.
- 2-5 years of experience auditing clients is required, with a strong preference for audit experience within the healthcare industry.
- Strong verbal and written communication skills are necessary, as you will be talking with and working with high level finance and business professionals on a regular basis.
- You also need to be able to manage multiple projects and meet deadlines.

This opportunity requires frequent travel to client locations (25% to 50%). You will need some form of transportation to get to your client office locations. Healthcare Audit Professionals work overtime on a regular basis. You should be able to work 50-55 hours during busy season, which runs for a couple of months during the year.

We are looking for a strong Audit Professionals to join our team. If you think you are a good fit, please submit your resume online at [www.eidebailly.com/careers](http://www.eidebailly.com/careers).

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## *Idaho Tax Commission sets 2012 homeowner's exemption*

**BOISE, IDAHO** — The maximum homeowner's exemption for 2012 will decrease to \$83,974, according to calculations by the Idaho State Tax Commission. The maximum exemption for 2011 is \$92,040.

"The decrease reflects falling housing prices in 2010 and through the second quarter of 2011," said Alan Dornfest, property tax policy supervisor for the Tax Commission. He added, "The exemption ceiling is tied by law to changes in the Idaho House Price Index calculated by the Federal Housing Finance Agency."

Idaho provides a partial property tax exemption to qualified homeowners for their primary dwelling and up to one acre of land. The law exempts 50 percent of the assessed value from taxation; however, the exemption can't exceed the maximum value that changes each year.

"There will be no change in the amount of the homeowner's exemption for anyone whose home has a 2012 market value under \$167,948," explained Dornfest. "The impact of the exemption on property taxes will depend on how much 2012 property values change."

Idaho's homeowner's exemption began in 1980, with a maximum of \$10,000. It remained at that level until 1983, when it was raised to \$50,000 by voter initiative. The 2006 Idaho Legislature raised the exemption to \$75,000 and tied future numbers to the House Price Index.



### *What do accountants do in their spare time? Train for Sheepdog Trials, of course!* By Barb Neiwert

At least that's what Terri Zurcher, EA, of Middleton does.

Training her border collies to compete in regional and national Sheepdog Trials has become a passion for Terri. She feels she is still a novice at the sport, but that doesn't stop her from participating with her ever-present smile and gracious demeanor.

She was in Hailey this past weekend as one of 51 handlers who were running their dogs through a difficult course set up in Quigley Canyon as part of

the 15th Annual Trailing of the Sheep Festival. This event was a national point qualifier and the course—more than 450 yards long—is one of the largest in the Northwest.

Key elements to Sheepdog Trials include communication and performance between the handler and the dog. Through voice commands and whistles, the handler instructs the dog to find a group of five sheep. The dogs have just 11 minutes to herd them back down the course, through a series of gates, into a slightly marked circle, separate the sheep into two groups, regroup them, and then herd them into a small pen the sits mid-field. The trust and obedience of these dogs is truly a remarkable thing to watch!

When you see Terri at the Gear Up 1040 in Boise next month, say hi and wish her well. Her dog Annee is just like Terri—a real charm!



PO Box 1106  
Hailey, Idaho 83333-1106

### Condolences

In July we learned of the passing of one of our long-time IAPA members—**Tom Daily**, LPA, of Rupert. Tom passed away on July 11 at the age of 63 after complications of a stroke. Our condolences to his family and co-workers.

### Welcome New IAPA Members

Two new members have joined ranks with the Association. Please welcome **Dallas Millington**, CPA from Boise and **Anita Hager**, CPA, of Coeur d'Alene.

### Idaho State Tax Commission Gives Relief for Hurricane Irene Victims

The Idaho State Tax Commission is extending tax filing and payment deadlines for taxpayers affected by Hurricane Irene in CT, MA, NH, NJ, NY, NC, PR and VT.

Taxpayers have until Oct. 31, 2011, to mail any completed returns along with payments due from the date the disaster struck through Oct. 31. This follows the IRS extension date.

The relief is for all Idaho tax types, including income tax, sales, tax income tax withholding and others. The relief applies to both individuals and businesses in the disaster areas, as well as to those whose tax records are located there.

To qualify for the extension, taxpayers should write "HURRICAN ITENE" in red ink at the top of their tax return. If they receive penalties or are charged interest for filing returns or paying taxes late, they should call the Tax Commission—800-972-7660.

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### 2011 Seminar Schedule 1-888-866-2160

- |            |   |
|------------|---|
| Oct. 27-28 | <b>Gear Up 1040</b><br>8 am-4:30 pm<br>Idaho Falls Shilo Inn              |
| Oct. 27    | <b>Gear Up Ethics</b><br>4:45 pm—7 pm<br>Idaho Falls Shilo Inn            |
| Nov. 7-8   | <b>Gear Up 1040</b><br>8 am-4:30 pm<br>Boise, The<br>Riverside Hotel      |
| Nov. 7     | <b>Gear Up Ethics</b><br>4:45 pm to 7 pm<br>Boise, The<br>Riverside Hotel |
| Nov. 8     | <b>IAPA Board Meeting</b><br>4:30 p.m. The<br>Riverside Hotel,<br>Boise   |
|            | New Owners: DoubleTree Riverside<br>is now The Riverside Hotel            |

*"IAPA Today" is the official publication of the Idaho Association of Public Accountants. Editor: Barbara Neiwert, P.O. Box 1106, Hailey, Idaho 83333, toll free 1-888-866-2160. Opinions expressed herein are those of the individual writer and not necessarily those of the Association or editor. Advancement of the profession of public accountancy is the principal aim of the publication.*

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