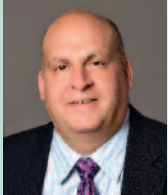


MESSAGE from the PRESIDENT



GREETINGS FROM THE NEW JERSEY CHAPTER OF NATP. We have been hard at work putting together a set of seminars that our members have requested. We would like to thank the New Jersey members for their input, help and support. We are always looking for volunteers to help us and we have been very

fortunate in the past. I look forward to working with you this year as our Chapter continues to grow.

In 2016, the NJ Chapter was awarded a national award for our communications program to our members. I am proud to say that we will continue to provide our members with biweekly emails, a website (www.njnatp.com) full of information, a Facebook site dedicated to our members, four engaging newsletters and emails of special importance from time to time. We also have Community Betterment programs such as our NJ-NATP Boy Scout Campership, Valerie Fund Charity Auction and of course our Box Tops for the Midland School. Through Community Betterment we hope to establish a great identity for our organization and its members within our state. All of this does not happen on its own. Our Board of Directors puts a lot of time in making this happen and have found their work very rewarding. Please contact any of our Board if you would like to help others while increasing your knowledge and having some fun by serving on our Board.

So far, we are planning at least four energetic seminars this year for our members. In addition, NATP has planned their tax forum in Atlantic City from September 18-19. This is going to be a very good event and I hope that you will be able to attend. With approximately forty hours of education available in our state this year, our members are sure to have some of the best opportunities in the country to increase their tax knowledge. In addition to the education opportunities, there will be time to socialize with other NATP members from NJ and around the country.

We would also like you to mark your calendar for the **NATP National Conference** in Washington DC from **August 7th thru 10th**. This is a tremendous event each year and a great opportunity for our members to take over twenty five hours of continuing education from nationally recognized speakers.

I hope that you have had a successful tax season thus far and wish you our best for the remainder. Our members are some of the best in the country and I am very thankful to have the opportunity to be part of our New Jersey Chapter leadership in 2017.

I look forward to seeing you at the seminars this year.

Sincerely yours,

Tom

Thomas Watkins, EA, has been a NATP member for 19 years and is the owner of Eagle Financial, an accounting and financial services company located in Totowa, NJ. He can be reached at: eaglefinancial@gmail.com.

AWARDS AT THE FAMOUS NEW JERSEY STATE TAX SEMINAR



L-R: MARIA KVETKUS, TOM WATKINS, EA AND RICHARD HERZOG, EA. MARIA AND RICHARD ARE WINNERS TO THE ATLANTIC CITY NATP TAX FORUM.



L-R: GARY STRANZ, CPA AND TOM WATKINS, EA. GARY IS THE WINNER OF A FREE ALL DAY NJ-NATP SEMINAR.

SAVE THE DATES!

- May 16, 2017:** INTERNATIONAL TAXATION PRIMER WITH PENNSYLVANIA LINE BY LINE
- June 8, 2017:** TO BE ANNOUNCED
- October 5, 2017:** NJ CHAPTER OF NATP ANNUAL MEETING & FEDERAL TAX DAY
- December 7, 2017:** TO BE ANNOUNCED
- January 13, 2018:** FAMOUS NEW JERSEY STATE TAX SEMINAR

Check www.njnatp.com for updates under the Events tab. Check the NJ-NATP Facebook® page! Education that is second to none in the great State of New Jersey and some pretty darn good company to hang out with as well!

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From the Editor

BY MARC S. STANDIG, EA

THE GREAT 2017 TAX SEASON RACE IS ON! The large commercial vendors of tax preparation are now giving away refund anticipation loans and will prepare some tax returns for free! Wow Free!!! Think about how the public must value our services. Let yourself fall behind in the profession and it won't be before long that you find yourself wondering what's going on in the world of tax. Set yourself apart from the crowd and stay educated in the field of taxation. Not only does your New Jersey Chapter of NATP have great seminars offered throughout the year, but NATP is renown for its commitment to professional education. NATP's conference this summer is in Washington, D.C. This is just a stone's throw from Nelson's Corner or Madison or just about anywhere in New Jersey. There will be education opportunities as well as a multitude of networking and a lot of fun. There is also informal education through your Chapter. Check out the lively discussions on the member only facebook® page. There are all sorts of discussions about tax issues happening almost every day. Your membership with NATP provides a quarterly journal and monthly newsletters. Our Chapter's own newsletter comes out four times per year with articles that should help you stay current. By the way, if you feel the desire to express yourself, write an article! Maybe you want to write about something technical or maybe something about a life experience. Write!

Your Chapter also has some Community Betterment initiatives. We've collected funds for The Valerie Fund in an effort to support research of childhood cancer and blood disorders. Your Chapter also supports disabled Boy Scouts with a campership program that bears the NJ-NATP name. We've sent over a dozen disabled youth to summer camp. This is something you can be proud of and tell your clients. You belong to a wonderful organization that cares about educating its members and helping the people of New Jersey.

I am pleased to announce that the Summer Edition of *NJ Taxing Times* will be edited by one of our most recent additions to the Chapter Board, **Teresa Marron, CPA**. Ms. Marron has contributed to our publication and has some wonderful ideas to help take this newsletter to the next level. I will return for the autumn edition and Ms. Marron will then take over the helm for the winter issue. I am excited to see the style variations that come about when the editor changes. I expect great things to happen when Ms. Marron gets to work.

If you feel you can help our Chapter bring better programs and services to our membership, please consider joining the Board. The magic starts at the Board. Elections are coming up on October 5 at the Annual Meeting and Federal Tax Day. Please contact one of the current Board Members (see the back page) and let them know you are interested.

Marc Standig, EA's office is located in bucolic southern Middlesex County in the Township of Monroe. Sunday morning is when he frequents various diners throughout New Jersey with his family. When he's not working on tax returns or driving to a diner, he enjoys watching the families of geese cross the road that runs past his office. You do know why geese cross the road in front of Marc's office, don't you? Marc can be reached at standig@yahoo.com.

Welcome New Members

In the fourth quarter of 2016, the NJ Chapter welcomed 27 new members:

GREISY A. BRETON
BERNARD A. BUKOWSKI
PEGGY DANISHEFSKY
MARK DEMKO
WILLIAM DOONER
GRACE TONGSOU FAN
ANITA FINKLE
ROBERT GREGG
CARMEN P. GRIMALDI
GERARD BRIAN GRUENFELDER
BIMAL KUMAR GUPTA
ROSA MIRIAM HERRERA
JAHEDUL ISLAM
DANA JOHNSON

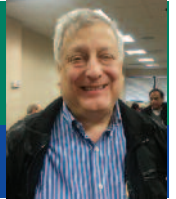
ROSEMARIE KING
MARK MAZZIOTTI
VIRGINIA MILLER
MANI NARLA
B. OYEDEJI
MARGARITA ORTIZ
ADRIANA PERRY
SEAN PATRICK REARDON
GARY L. RUSSIKOFF
JOSEPH R. SOCCIO
IVY D. STEPHENS
PATRICIA VILLANO
RONALD WILLIAMS

Kindly forgive any inadvertent misspelling of names.

Please join the NJ Chapter at any or all of our many education events. If you ever have any questions, the contact numbers of the NJ Board of Directors are always on the back page of the newsletter.

WHO GAINS FROM VOLUNTEERISM?

BY WARREN LAPENTA



YOU MAY NOT KNOW IT, but when you are asked to volunteer, someone has just given you an opportunity. If you decide to accept the challenge, I can tell you from my personal experience that not only will you be helping an organization, you will also go on a personal journey that will enrich your life.

From my time as a charter Board member to being a past president of NJ-NATP, I held many positions. I was able to help develop and grow the Chapter while at the same time have both personal and professional growth. By volunteering to be on the NJ-NATP Board of Directors you get a safe place to develop your business skills while learning new things and making a contribution.

I learned how to work effectively with others in an environment where I was not their superior and still accomplish our goals. I took on Chapter responsibilities that allowed me to develop my leadership skills and share them with other Board members. I had the privilege of working with great people and making lasting friendships. I looked forward to going to a Board meeting not just to do work, but to see my friends.

Over the years I have volunteered my time to different organizations and each time I have come away better off than I had been before. So the answer to the question is **everybody gains from volunteering.**

Warren has 40 years of experience in corporate accounting and tax preparation. He joined NATP in 1987 and was a founder of the NJ-NATP Chapter in 1989. He was on the NJ-NATP Board for over 12 years and was the third President from 1993 to 1995. He recently retired from corporate accounting and maintains his tax practice. He also enjoys camping and having family time with his 6 grandchildren. Warren can be reached at warren.lapenta@comcast.net

SALES AND USE TAX MOMENT

BY MARTY STEIN EA, MST

Do you have clients that are not subject to collecting sales tax or do not have a Certificate of Authority?

Some examples are Real Estate Agencies, Doctors, Dentists, Attorneys and you tax people! A business incurs use tax if it purchases taxable property or services without payment of sales tax, or pays a rate of 7% and whose average annual use tax for the last three calendar years is \$2,000 or less. These clients need penalty protection and should file a New Jersey ST-18B by May 1, 2017. The penalties in New Jersey are expensive, plus the statute never closes, if the Division of Taxation discovers your client's non-compliance.

Marty Stein, EA, MST can be contacted at: martystax@aol.com

How I Became an Enrolled Agent? Sort of...

BY MARIBEL DELVALLE, EA



I WAS HAPPILY WORKING FOR A SMALL BANK in midtown Manhattan for 25 years, when in 2013 a bigger bank bought my small bank and I received a “reduction in work force”, better known as “you will no longer work here”.

At the bank I had a very decent salary, I was an officer, I liked my co-workers of so many years, and overall, I was happy there and I thought I was going to retire there. When I left, the bank gave me a nice severance package and I was lucky enough to get my pension too, and other perks that came along. So, what was next? What was I to do? How do you get out of your comfort zone after so many years doing the same thing? It was hard at the beginning. Changing routines and habits that I had for so long, like, catching my NJTransit train every morning at the North Elizabeth station, changing from sneakers to heels before getting to the office, and not having my Penn Station rush hour, was not easy. However, I began to like the time off. Oh yes!!

I got a part-time job at a local business and I also decided to study something, not sure of what I wanted to study though, just to keep the mind busy, and the brain working. To do that, I purchased a very costly review course to seat for the CPA exam and actually sat for the REG test, but did not pass it. I knew I was not going to try it again. Then, I thought about doing what I really wanted to do, for the longest time, and that was to become an Enrolled Agent.

I learned to prepare taxes many years ago from an EA who is very knowledgeable on taxation. I have been doing taxes for over twenty years, mainly mine, my family and friends at no charge. Actually, when one of the leading tax preparation software came out in the mid 80's, I was hesitant to try it. I first did my own taxes by hand, which was the only way I knew how, and then I compared it to the software, and to my surprise, they matched. I have also volunteered at VITA centers, where you don't get paid either, but I had fun doing it. I have also worked as manager and tax preparer during tax seasons, for a large franchise company. All these, while still working at the bank. I just love doing taxes and enjoy it, even when customers don't bring in all their paper work.

So, I started looking at the EA requirements, and the IRS gives you a 2-years window to pass all 3 exams of the SEE (Special Enrollment Examination). Again, I bought review-course software for EAs, which I cannot praise enough. It was great; it had

plenty of drill questions, plenty of test exams, which resembled the actual test taken at Prometrics.

On November 2014, I took and passed Part 1, Individuals, and on December, 2014, I passed Part 3 which is Representation, Practice and Procedures. Not easy at all, but was able to pass them on the first try. Such a great feeling! Candidates who pass the test are not provided with a score, but passing score is within the range of 105-130. The reason I took these two examinations first was because, through research, I learned that I should “tackle the easier” ones first.

Having achieved passing grades on the first two exams, my ego got inflated and said “piece of cake”, I can do this, Part 2 Business can't be that bad. Well, I sat for the first time on August, 2015, and got a score of 90. Failing scores are reported numerically between a 40-104 scaled range. They will only tell you a grade if you failed the test, as well as a diagnostic indicator as a feedback to show weaknesses where additional study is necessary. Ok, so I tried taking the test again on October, 2015 and this time my score was 92, close but no cigar. Ok, so I tried again February, 2016 and my score was 89.

Something was wrong. At the time, my father, who is 81 now, was going through brain surgeries, nursing homes, and I had to take care of him, he is better now, but my energy was low. So, now my 2-year window for passing the EA exam is closing up on me, it's been months since I last glanced at the studying material, and I am thinking: I have to finish what I started, I have to close this cycle, I'm not starting all over again. So, which try is this now to take the test? Oh, it's my FOURTH time to try again. On November, 2016, I took the exam and guess what? I PASSED. Don't know the score though, they don't tell you when you pass.

Having passed all three exams, I electronically filed Form 23, paid the fee, and as I write this article, am waiting for the IRS to send my designation. I strongly believe that if you persevere in your passion and what your heart goes for, you will succeed. There is a learning path to take and the rewards are satisfying. *Do what you love, Love what you do.*

I have been a NATP member for almost 4 years and currently still at my part-time job, and ready for tax season. I have a BS in Management from Kean University and a Masters in Accountancy from University of Phoenix. My husband and I are selling our first flipped house. Maribel may be reached at: mdv18@outlook.com

New Due Dates Now in Effect for 2016 Returns

BY ANTHONY J MANZIANO CPA, MST



| Type | Form | Original Due Date | Extended Due Date |
|------------------------|------------|-------------------|-------------------|
| Partnerships | 1065 | 3/15 | 9/15 |
| S Corporation | 1120S | 3/15 | 9/15 |
| C Corporations | 1120 | 4/15 | 9/15 |
| Trusts and Estates | 1041 | 4/15 | 9/30 |
| Employee Benefit Plans | 5500 | 7/31 | 10/15 |
| Nonprofit | 990 | 5/15 | 11/15 |
| FBAR | FinCen 114 | 4/15 | 10/15 |

Financial Accounts (FBAR). (See the Chart at left). These new due dates will generally apply to returns for tax years beginning after Dec. 31, 2015.

Notable changes are that C Corporation due dates are pushed one month later to the 15th day of the fourth month following the year end; Partnerships will be due a month earlier to the 15th day of the third month; Trust extensions will be for 5½ months; Form 5500 shall have an automatic 3½ month extension period; extensions for Forms 990 returns shall be an automatic 6-month period. TD F 90-22.1, relating to Report of Foreign Bank and Financial Accounts, shall be due April 15 with a maximum extension for a 6-month period ending on October 15.

Anthony J Manziano CPA, MST provides Income and Estate Tax Planning & Consulting services to assist tax firms and colleagues as well as clients. Anthony has been a member of NATP since 1990 and has served on the NJ-NATP Board of Directors since 2010; he previously served on the Board of Trustees of the NJ Society of Certified Public Accountants as Vice-President and has served as Chair of Government Relations as well as their Political Action Committees. Anthony may be reached at: anthony@manzianocpa.com

PL 114-41 which was passed on July 31, 2016 included modifications to original filing and extended due dates for certain tax returns including Partnerships, Estate and Trusts, C Corporations, Exempt Organizations, Benefit Plans and Report of Foreign Bank and

MY BEST FILING SEASON TAX ADVICE FOR NJ TAX PREPARERS

BY ROBERT D. FLACH



AS A VETERAN TAX PROFESSIONAL AND AUTHOR I have often been asked over the years by friends, family, clients, readers, and cocktail party guests, "What is your best tax advice?"

I have written about my best tax advice for taxpayers, which is do not accept tax advice from anyone other than a professional tax preparer.

But what about my best tax advice for fellow NJ tax professionals? After some thought I have come up with my "top five" list.

(1) Reconcile the federal wages reported in Box 1 of Form W-2 to the state wages reported in Box 16. Identify the differences.

Remember that employee payments for health insurance under a Section 125 cafeteria plan, while "pre-tax" for federal purposes, are included in NJ state taxable wages. So these payments can be used as a medical deduction on the NJ-1040.

And I have found in the past that out-of-state based employers have occasionally reported NJ state taxable wages incorrectly.

(2) Do separate tax calculations to compare filing joint versus filing separately for all dual income married couples.

Because of the way the state tax tables are written, it is often "more better" for dual income couples to file separate NJ tax returns. But remember that to be able to file separate NJ-1040s you usually must also file separate federal returns.

(3) Review and apply the US Government Obligation percentages for mutual fund dividends when reporting taxable dividend income on the NJ-1040. And also review and apply the individual state and US territory percentages when reporting taxable and tax-exempt income from mutual bond funds on the NJ-1040.

Earnings on direct obligations of the United States, such as Series E and I Savings Bonds, Treasury Bills, Treasury Bonds, and Treasury Notes, while taxed by Uncle Sam, are exempt from NJ state income taxes. As are the portion of dividends paid by mutual funds that are attributable to interest earned on direct federal obligations.

And federal law prohibits states from imposing an income tax on interest from obligations issued by the Governments of Puerto Rico, Guam, the Virgin Islands,

Northern Mariana Islands, or American Samoa. Income from bonds issued by these US territories are exempt from NJ state income tax.

The applicable direct obligations of the US Government and individual state and US territory source percentages for mutual funds are usually available in the "Tax Center" of the websites of the individual fund "houses", like Fidelity, Vanguard, Oppenheimer, Dreyfus, et cetera.

(4) If you have New Jersey resident clients who work in New York ask them to tell you the number of days they worked at locations outside of the State of New York - visiting clients, attending conferences, conventions, seminars and workshops, attending meetings, working at branch offices, et cetera.

You can use these days to reduce the amount of wages subject to NY state income tax as a non-resident. Days worked at home in New Jersey do not count. You will also need to know the total number of vacation, sick, personal, and other non-working days for the year.

(5) When reporting "Net Profits From Business" on the NJ-1040 deduct the remaining 50% of meal and entertainment expenses that were not allowed on the federal return.

You can deduct only 50% of meals and entertainment in determining net taxable profit on the federal Schedule C, but the amount of net profits taxed by NJ allows for a full 100% deduction.

So what is your best tax filing season advice?

Northeast PA resident Robert D. Flach has been preparing 1040s since 1972, and has been a member of NATP since 1987 (and a founding member of the NJ Chapter). He has been writing the popular tax blog THE WANDERING TAX PRO (<http://lwanderingtaxpro.blogspot.com>) since the summer of 2001, inspired by an NATP National Conference seminar, and has created and writes the websites THE TAX PROFESSIONAL (<http://thetaxprofessional.webs.com>), FIND A TAX PROFESSIONAL (<http://www.findataxprofessional.com>), and TAX PROFESSIONALS FOR TAX REFORM (<http://www.taxprosfortaxreform.com>).



TAXPAYER ASSISTANCE CORPORATION

BY AGOSTINO & ASSOCIATES

TAXPAYER ASSISTANCE CORPORATION (sometimes "TAC-1") is the public service division of Agostino & Associates. Taxpayer Assistance Centers (sometimes "TAC-2") is a 501(c)(3) organization. Together, these entities (collectively "TAC"):

- (a) provide free monthly training to its Attorney, CFP® certificant, CPA, and EA volunteers to provide volunteers with the skills to represent taxpayers from filing of the tax return through trial before the United States Tax Court,
- (b) prepare volunteers for the NonAttorney Admission Examination for the United States Tax Court,
- (c) provide assistance and volunteers to the Northern New Jersey's Low Income Tax Clinics,
- (d) represent low income taxpayers of northern, New Jersey before the IRS,
- (e) attend the New York area calendar calls of the United States Tax Court and assist the ABA sponsored calendar call programs volunteers, and
- (f) educate local elected representatives of the challenges facing New Jersey's tax controversy community.

The activities of TAC's volunteers and the outreach provided to Low Income Taxpayer are coordinated by its most active volunteers including, but not limited to: Cecil Buxo, EA, Diane Corsbie, CFP®, EA, USTCP, Jeffrey Dirmann, Esq., Desa Lazar, Esq., Mary Sunderland, CFP®, EA, USTCP, Michael Wallace, EA and Caren Zahn, EA.

Tax Professionals [attorneys, CFP® certificant, CPA, and EA] interested in learning more about TAC, its free seminars, attending at United States Tax Court calendar and/or interested in volunteering should contact Desa Lazar, Esq. [LAZAR@TAC-NJ.ORG] or Jeffrey Dirmann, Esq. [JDIRMANN@AGOSTINOLAW.COM]. Tax Professionals knowing a Low Income Taxpayer that qualifies and needs pro bono assistance can email AGOSTINO@TAC-NJ.ORG

VUKAS SCHOLARSHIP

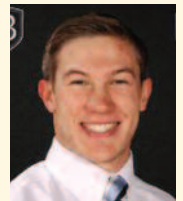
BY CHRISTOPHER VUKAS

I am sorry that I could not attend the NJ NATP scholarship presentation as I am competing in a swim meet in New Hampshire at Keene State College. Hopefully, at the time of this reading, we remain undefeated and look forward to an undefeated season.

I wanted to thank the NJ NATP and the NJ NATP scholarship committee, especially Tom DeTitta, for this tremendous honor. I really enjoyed my conversation with Tom and the kind words he provided regarding my personal and professional accomplishments.

I would also like to thank and recognize my sponsor, Mr. Anthony Berlangieri, for identifying the opportunity and encouraging me to apply for the NJ NATP scholarship. His support was instrumental and greatly appreciated.

I thank you again for awarding me this outstanding scholarship and please know that my commitment to academic excellence will continue.



NJ NATP Scholarship Program

BY TERESA MARRON, CPA



THE NJ NATP SCHOLARSHIP PROGRAM has been suspended for 2017. We are deciding if there is a better way to serve our membership by changing the types and amounts of awards. A work group has been formed to give input to the direction of the scholarship program in the coming years. The findings will be presented at a future board meeting.

Teresa Marron, CPA is the program chair and may be reached at: teresa@tmarroncpa.com



BUILDING THE AMERICAN DREAM

ONE CLIENT AT A TIME

BY DMYTRO ARSHYNOV, EA, CAA

I IMMIGRATED TO THE UNITED STATES FROM UKRAINE alone at the age of fifteen. I arrived at JFK Airport with nothing more than a quarter in my pocket. With some community help I managed to attend Yeshiva University where I earned a B.S. in Finance. While still at the university I met my wife and we welcomed our first child. I now had a family to support and realized I had to find a reliable source of income.

Things didn't come easy, though. I got a job as a bookkeeper at a healthcare company. I was an immigrant who barely spoke the language and it was a difficult barrier to break. This was further compounded by my need to acquire many new technical skills that had to be learned on the job.

Within a few months, my hard work paid off. Management noticed how I had applied myself to mastering my line of work and promoted me to a full-charge bookkeeper position. It was then that one of the company owners

approached me to assist with some bookkeeping for one of his other companies on a contract basis. Although this was new to me, I gave it my best shot. Soon I started getting similar offers from other people who I met in the course of my work.

About a year later, one of my co-workers asked if I can do her taxes. It was a simple individual return with a W-2, no dependents or itemized deductions. This was a straightforward task that was just perfect for me at that time.

At some point, a client of mine was confronted with a serious payroll tax issue involving Trust Fund Recovery Penalties (TFRP). Several companies had worked the case, failed to resolve the issues and actually caused more



continued on page 7

BULK SALES IN NEW JERSEY - *What's an Accountant to do?*

BY JOHN D. KELLY, CPA

ACCOUNTANTS WITHOUT LAW LICENSES cannot practice law, but may be asked by their business clients to provide information and assistance when that business is sold. You should be aware of the New Jersey Bulk Sale Law ((P.L. 1995 chapter 161 (C54:32B-22C) and amended in 2007 and 2011 by P.L. 2007, c. 100, sec. 5 and P.L.2011, c. 124, sec. 1 (codified as N.J.S.A. 54:50-38)). This is not sales of inventory in the regular course of business, but the actual sale of the business. Most often, this involves the sale of realty and things get hectic as the closing date approaches. Let's look at the process...

What is the "bulk sale law" and what does it do?

A bulk sale occurs when "a person shall make a sale, transfer, or assignment in bulk of any part or the whole of the person's business assets... otherwise than in the ordinary course of business..." In other words, if your client is selling all or part of his or her business, the purchaser must notify the Division of Taxation within 10 days of the date of sale.

Why is the State involved?

The State is protecting their money (potential taxes due) and thereby protects the buyer from liabilities of which the buyer may be unaware. All the debts of the business, including outstanding tax debts may not be communicated to the buyer. Unscrupulous sellers may want to 'stick' the buyer with tax debt, or they may not legitimately know that there are taxes that are unpaid as of the date of the sale. Employer taxes and sales taxes are the most common liabilities that may be passed, unknowingly, to the buyer. The moment the assets are transferred, the buyer steps into the shoes of the former owner and assumes his or her indebtedness.

What is required of the purchaser?

The purchaser must notify the Director of the Division of Taxation, within ten (10) business days (i.e. excluding weekends and holidays) prior to the closing date. In many cases, this is when realty transfers at closing.

Most, if not all the information in this article can be found on the Division of Taxation's website at <http://www.state.nj.us/treasury/taxation/faqbulksale.shtml> A form (C-9600 - NOTIFICATION OF SALE, TRANSFER, OR ASSIGNMENT IN BULK) must be completed by the purchaser. **HERE IS A .PDF LINK TO THE FORM http://www.state.nj.us/treasury/taxation/pdf/other_forms/misc/c9600.pdf** Key information that must be provided by the purchaser on the C-9600 includes a valid New Jersey tax ID number for both the Seller and Purchaser, a specific closing date, which must be at least 10 business days after submission, proper mailing addresses for both parties and/or their attorneys, signed and submitted by the Purchaser or their attorney and a copy of the executed contract of sale, court order or assignment agreement clearly showing the sales price and all the terms and conditions of the transfer.

In South Jersey, title companies handle closings and in North Jersey attorneys handle closings. Most, not all real estate attorneys and title company professionals are

aware of this law, but if they are not, the purchaser is still ultimately responsible for compliance.

But the closing is tomorrow and this is not done, I just found out and my client is fuming!!

The Division of Taxation's Bulk Sales Unit (phone 609-292-6604) may be able to respond within the 10-day notice period but the law requires the purchaser to abide by that time frame.



The Division will calculate an amount that must be escrowed by the seller from the sales proceeds to account for taxes due (including the income taxes due from the seller on the sale of real estate). Yes, the seller may not owe the calculated amount when her or she files his or her personal income tax form the following year, meaning he or she will be due a refund.

Are there any exceptions for certain sales?

Yes, the law allows for avoidance of these procedures if the sale is solely "the sale, transfer or assignment of a simple dwelling house if the seller, transferrer or assignor is an "individual," "estate," or "trust" as those terms are used for the purposes of the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq." but the law "shall apply to the sale, transfer or assignment of a simple dwelling house if the seller, transferrer or assignor is a business entity, including but not limited to a corporation or a partnership." Sell Grandma's shore house as the executor or executrix of her estate, bulk sales procedures do not apply. Sell Granny's shore house through your family corporation, bulk sale procedures do apply.

One final point to remember, if the buyer does not comply with the bulk sale law, the buyer is responsible for all the taxes due. Compliance ensures that the buyer is protected from unpleasant surprises.

John Kelly, Owner, John D Kelly, CPA LLC, previously served as Chief of the New Jersey Division of Taxation's Office of Legislative Analysis and Disclosure, reviewing pending legislation to determine its impact on state tax law and the operations of the Division of Taxation, ensuring compliance with the Open Public Records Act and New Jersey's tax confidentiality laws. That office, under his direction, also performed ministerial processing functions for several state tax credit and incentive programs and helped to produce the State Tax Expenditure Report. John has had a long and varied public speaking career within and outside the Division of Taxation. This experience included both volunteer groups and professional associations. John graduated from Glassboro State College (now Rowan University) with a Bachelor of Arts in Psychology in 1976. He received his Master's in Business Administration from Rider University in 1985. He received a Masters in Accounting and Financial Management from Keller Graduate School of Management in 2013 and earned his CPA license in 2014. John may be reached at john@johndkellycpa.com or (609) 802-3057. Like him on facebook®.

HELP WANTED



NO, UNCLE SAM DOESN'T WANT YOU, NJ-NATP WANTS YOU!

Benefits:

- ❖ Free education at NJ-NATP Seminars
- ❖ Travel reimbursement to Board Meetings
- ❖ Free dinner at NJ-NATP Board Meetings
- ❖ Free hotel the night before our 2 all-day seminars
- ❖ Ability to network with knowledgeable peers
- ❖ Work with a truly dedicated group of professionals

❖ What does a NJ-NATP Director do?

NJ-NATP Directors help set up policy and monitor the operations of the Chapter.

❖ What are the requirements?

You must attend the annual Leadership and 5 Board Meetings; each held evenings lasting about 3 hours including dinner. You must attend our two all-day NJ-NATP seminars. You may attend our additional seminars with CPE credits included.

❖ What are the qualifications?

You must be a member in good standing of NATP. You should have attended several chapter functions. You must also apply to become a candidate.

❖ How can you become a candidate?

Please contact Marilyn H Ayers, Chair, with any questions you may have. Submit your resume to marilyn@mhacpanj.com or call 732-477-2281.

Submit a brief resume of your tax experience including education and other pertinent outside activities. You must include a statement explaining what you expect you can bring to the NJ-NATP Board of Directors. (1-2 pages maximum)

IMPORTANT: Please DO NOT include your salary history or any other personal information that you do not wish to have publicly disseminated to the voting membership during the election process.

BUILDING THE AMERICAN DREAM

ONE CLIENT AT A TIME

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damage in the process. At his wits end, he reached out to me for help. Although I had not yet received my EA license I thought this would give me some critical experience in the field. I took the case.

For this task, it was important to understand the nuts and bolts of tax representation, especially TFRP. This led me to double check payroll tax returns. As I began investigating the case, I discovered duplicates and checks that were never issued to employees. I filed amended returns which immediately translated into major savings for the company. Then I instructed my friend to request First Time Penalty Abatement relief with the IRS and State Department of Taxation for one of the periods, as well as request an Installment Agreement to make the payments manageable. This was just what the company could afford at the time and it was granted.

Another important step was guiding the negotiations with the bank to release monies that had been levied as well as monies owed to us by other parties. This enabled his business to function in the interim and pay off tax liabilities. I realized that in addition to learning the subject matter it was my diligence and persistence that was key.

As I deepened my understanding of the legal intricacies, I became interested in becoming an Enrolled Agent and offer my services to the public. By maximizing the time of my daily commute, I studied the necessary material and mastered the subject within a short period of time.

Soon after that experience my green card finally arrived. Although I was now a permanent resident of the U.S., there were many young people that I knew who were struggling with the same legal and financial issues that I had experienced. I then applied for the Certified Acceptance Agent program that would enable me to review and certify documents as well as streamline the ITIN (Individual Tax Identification Number) process, and help ensure that my clients would not have their documents lost by the IRS. Together with my background and education, I was in a unique position to help my fellow immigrants meet these challenges and get them the relief they needed.

As I came to understand, being in the field of taxation requires that you remain informed of all current laws and standards. You need to constantly educate yourself so that you are up-to-date on tax changes, technology and everything in between. Doing all of this as a solo practitioner can be hard.

Immigrating to another country and building a successful career is a difficult process. It requires a lot of determination, ingenuity and patience. But if you are persistent and work hard, you can earn a solid income and position yourself to lead a life of achievement and success. Things like learning a new language and adjusting to a new culture don't come easy, but with thoughtful effort and a stroke of providence, you will be surprised how much you can achieve.

I found out about NATP and its New Jersey Chapter when thinking of ways to expand my client base and tap into the collective support available from within the tax community. Once I joined, I benefitted immeasurably from the knowledge, support and camaraderie that is available through the Chapter's programs and services. I had the pleasure of meeting some very bright and ambitious professionals with whom I began to network and I look forward to continuing our collaboration and giving back to our tax professional community.

Dreams don't work unless you do.

Dmytro Arshynov, EA, CAA and his wife Bogdana are raising two very ambitious kids in Fair Lawn, NJ. Dmytro really enjoys reading tax law on a regular basis in addition to playing piano, magic tricks, juggling fire, at the end of the day after full-time job as a comptroller and running his tax practice DMA Financial Management LLC. He can be reached at darshynov@dmafm.com or 646-266-5766

Website: www.njnatp.com or call 973-812-2870

NJ-NATP BOARD OF DIRECTORS 2017

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TELEPHONE DIRECTORY

NJ PRACTITIONER HOTLINE

609-633-6657 for Personal Income Tax
609-633-6905 for Business Tax

IRS PRACTITIONER HOTLINE

For practitioners with POA on file to call about a specific client problem:
866-860-4259
Tax Law Questions: 800-829-1040

NJ-NATP CHAPTER OFFICE

TEL 973-812-2870
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