

MESSAGE from the PRESIDENT



Winter Greetings to All!

THIS PRESIDENT'S MESSAGE IS VERY SPECIAL TO ME. 2017 marked my 20th anniversary as a NJ NATP member and my second year as the chapter's President. As my term ends, I am realizing more and more just how lucky I am to have met and been mentored by so many members of our organization. For me, it started in a grocery store. My manager, **ED**, was incredible with numbers and had a part time tax practice. Over many years of working together, he encouraged me to start my own practice. That was 1992. It was also Ed that encouraged me to become a NATP member and to take the enrolled agent exam. Now, 25 years later, I am very proud to continue having him as not only a mentor, and friend, but also as a respected peer.

I am sure that many of you have a similar story. Our chapter is filled with people who have referred friends and peers. The NJ NATP family is very strong and very important to each of us. The thought of having the ability to reach out to a peer for assistance or posing a question to a closed group on Facebook that is only for NJ NATP members has been very comforting and educational to many. Of the largest chapters in the country, NJ is the smallest state and has over eleven hundred members. I am very proud of our membership and hope you are as well.

I encourage you to become a more active member of our chapter. We are known nationally for our great education and hope you attend our seminars. Our Facebook page grows each week with over 30% of our membership visiting it. Help is always needed and greatly appreciated. Our board of directors is second to none and I could not be prouder of the work they do for our chapter. I have learned so much just be being in the same conversations with them. And there is always room for you to join the conversations as well.

We all know that the business we are in has several pressure packed times of the year. I would like to thank my wife and boys for their constant support, as well as NJ NATP for helping me along the way. I have enjoyed the last two years as president and appreciate the support you have given me. While I'm happy to remain on the board as a Director, I am equally happy knowing that our next President, Mary Rose Martino, will do an excellent job leading our great chapter.

Thank you again for your support and kind words. I wish you and your family a very Happy, Healthy and Safe Holiday Season, as well as much success in the upcoming tax season.

Respectfully,

Tom

Thomas Watkins, EA, has been a NATP member for 20 years and is the owner of Eagle Financial, an accounting and financial services company located in Oakland, NJ. He can be reached at eaglefinancial@gmail.com.

HAPPY HOLIDAYS TO ALL OF OUR MEMBERS!

*The Board of NJ NATP sincerely wishes
you and your loved ones a
Happy, Healthy and Prosperous New Year!*

SAVE THE DATES

JANUARY 13, 2018
NJ Famous State Tax Seminar

MAY 17, 2018
To be announced

JUNE 7, 2018
To be announced

AUGUST 6-9, 2018
National Conference in Anaheim, CA

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From the Editor

BY TERESA MARRON, CPA



WHILE YOU ARE ENJOYING PREPARING FOR THE UPCOMING HOLIDAYS, I hope you will enjoy this Winter Edition of the NJ Taxing Times! Dare I say it, but a new tax season is almost upon us! A new year that appears will be filled with all sorts of changes in our tax laws to contend with.

Your NATP always works to make sure you are informed with the Taxpro Monthly Magazine and Taxpro Weekly. These publications are chock full of pertinent information, so take advantage of these sources. I personally love using the NATP research services to save time for the more time consuming projects.

Our next NATP National Conference is a great place to have a relaxing vacation with other tax professionals from all over the country. At the same time, you will receive continuing professional education. Plan ahead and save the date for August 6-8, 2018, in Anaheim, California!

New Jersey will be holding its Famous State Seminar, it is called famous for a reason! This event draws a large crowd of regular attendees who come to hear our friends from the State of NJ prepare and inform us of issues and updates during the upcoming tax season. There are updates for New York, too, since so many of our clients live or work there. See the enclosed flyer for details and I hope to see you there.

I wish all of you a Happy Holiday Season and a productive tax season!

Teresa Marron, CPA, Toms River, NJ. Is the owner of a local accounting and tax practice since 2001. She spends her spare time reading and creating jewelry. She can be reached at tmarroncpa@gmail.com

COMMUNITY BETTERMENT

BY MARC STANDIG, EA, CFP®

THE NEW JERSEY CHAPTER OF NATP ANNUAL CONFERENCE AND FEDERAL TAX DAY brought in an almost record number of Box Tops. These small shards of cardboard, plastic or paper add up to provide benefits to schools. Our Chapter has continued to support the Midland School in North Branch, New Jersey. There are NATP members in Georgia, New York and Pennsylvania who also help the New Jersey Chapter with its collection efforts. In addition to the Box Tops from our members' own purchases, many of our members have talked about our Box Tops project with their clientele. They have increased their collection efforts through donations from their clients. During the Annual Conference and Federal Tax Day we also seek to help the Valerie Fund. The Valerie Fund is a New Jersey based nonprofit organization that helps fund research of childhood cancers and blood disorders. Cancer is a terrible disease. Cancer in children is horrible. Please help your Chapter help the Valerie Fund fight cancer.

The New Jersey Chapter also sponsors a fully paid week at summer camp for disabled scouts. This program is coordinated with the Monmouth Council of the Boy Scouts of America and is called the NJ-NATP Campership. When a disabled young scout attends camp, he or she may need some special services or a parent present during the week at camp. This program helps make that particular week more affordable and enable more disabled children to attend camp. The Boy Scouts has programs for boys and it also has coed programs. To date, the New Jersey Chapter has helped over sixteen disabled young people attend summer camp in the Catskills and learn about life saving, nature, making friends and having a great time. The Chapter usually mentions this program during the Famous New Jersey State Tax Seminar that is held in January of each year. If you think you would like to help make a difference in a young person's life, please help us help these children.

You don't have to wait until the fall or winter Chapter meetings to participate. If you are attending any NJ NATP meeting, bring in your Box Tops or a donation to one of our charitable beneficiaries. Just let one of the Board members know you have a donation. There are other ways to help the NJ NATP charitable beneficiaries. If you purchase goods from Amazon, consider the AmazonSmile program: <https://smile.amazon.com/>. Each time you make a purchase, Amazon will contribute to the charity of your choice. You won't have to wait for long to see the results! If you have not already signed-up for the AmazonSmile program, please consider enrolling. You will be able to help other people at no additional cost to you.

Thanks to all of you who have participated in the NJ NATP Community Betterment programs and to those of you who will in the future.

Marc Standig, EA has been on the Board of the New Jersey Chapter since the fall of 2005 and will be ending his term on December 31, 2017. The Community Betterment Committee has been one of his passions while on the Board. He hopes that the Chapter will continue its Community Betterment programs and get more members involved. It would be great to see a Team NJ-NATP at the Valerie Fund Walk and 5K in Verona Park. When he's not busy doing tax stuff Marc can be found exploring diners throughout New Jersey or with his wife listening to FM radio stations and hanging out in a coffee shop.

NJ UNCLAIMED PROPERTY RULES

BY MARILYN H. AYERS, CPA

RECENTLY I WAS ATTENDING A MANDATORY NJ CPA AUDITING UPDATE CLASS



and, to be honest, I was not very attentive until I heard the instructor mention the NJ Unclaimed Property Administration. Most of us are familiar with the UPA Laws, but the instructor referred to a recent reminder from NJ Unclaimed Property that all businesses with an operating presence in the State of New Jersey of their obligation to report abandoned or unclaimed funds to UPA. Property deemed to be abandoned as of June 30, 2017, should be reported and remitted no later than October 31, 2017. Negative reporting is required. That is what piqued my interest. In other words, every business with an operating presence in NJ must submit a report by October 31st each year stating they did not have any unclaimed property to report.

The FAQs available on the website state that negative reporting is required because it acts as a confirmation that the business did their necessary due diligence in reviewing their records for potential unclaimed property. Unclaimed or abandoned property is that check issued that is never cashed by the payee. There is a three year period for most types of payments except for wages. Wages are subject to a one year period. If a business issues a paycheck for summer help and that \$80.50 check is not cashed the holder or business must follow due diligence procedures.

Due diligence requirements state that the holder of any unclaimed property of \$50 or more sends a certified letter with return receipt requested to the apparent owner of the property at the last known address. The notice should inform the owner that the holder possesses unclaimed property that will be turned over to the State Treasurer unless the owner claims the property before the report is filed. That notice or letter should be mailed to the owner not more than 120 days or less than 60 days before filing the report. So if the report is due October 31st annually, somewhere between July 1st and August 31st those letters should be mailed.

Add one more item to your list when completing a business tax return. Remind clients to review their outstanding check list for payroll checks one year or older or all other checks three years and older. If you have any retail establishments, this would include any unused gift certificates.

Marilyn graduated from Rider University in June 1978 with a degree of Bachelor of Science in Accounting and earned her CPA license in 1990. Marilyn's practice, established in 1988, provides tax and accounting services to approximately 900 individual clients and businesses, where service is the number one priority. Marilyn has been a member of NATP since 2000 and served on the New Jersey Board of Directors from 2004 through 2016, including secretary, vice president and past president of the New Jersey Chapter. Marilyn is also a member of the AICPA and the New Jersey Society of CPAs.

5 WAYS TO ENSURE THAT YOUR BUSINESS DOESN'T SWALLOW YOUR LIFE

BY JULIE BAWDEN DAVIS

WORK LIFE BALANCE

WHETHER YOU'RE A VETERAN SMALL BUSINESS OWNER OR RUNNING A STARTUP, struggling to strike a balance between your work and your personal life is a common challenge. Mile-long to-do lists, smartphones delivering steady streams of email, and struggling to stay ahead of constantly evolving technology can make even the most levelheaded person feel overwhelmed.

|| If you're ready to invest a little more time into boosting your personal productivity, get our free eBook: 21 Days to Be a More Productive Business Owner Without Losing Sleep or Sanity today.

Amid all of the demands piled on you each day, it's important to remember that as the heart, soul and brains of your business, you must sustain your energy and talents. In order to do this, it's necessary to find work-life balance. These tips will help you do just that.

1. PRIORITIZE DAILY

Chances are you could work day and night and still not finish your long list of tasks—so don't bother trying. Instead of attempting to plow through an inhuman mountain of work, try this: every morning, choose three or four goals from your list—mixing business and personal—and make it your priority to finish those tasks no matter what happens. You'll end the day satisfied by having met your goals and energized to tackle the next day.

2. PRACTICE SAYING NO

This tactic is usually more effective for entrepreneurs who've been in business for a while and have a steady stream of customers, but it can also work for newbies. There comes a point when you can objectively analyze your various clients and determine which ones are draining your energy and resources. Muster up the courage to politely refuse their business in order to free up time to concentrate on your personal life.

3. DELEGATE WISELY

If you try to do everything for your business yourself, you'll be so buried in work that you'll never see the end of it. This all-consuming mindset might work temporarily while you're setting up shop, but if you want to have a balanced life, determine those tasks that only you can do well and focus on doing them. Delegate those jobs that someone

else can do just as well or better than you. This will allow you to finish your workday on time or early so you can get home to your personal life.

4. SEPARATE WORK AND HOME

Design your office space so it's focused on work. A family photo or two is okay, but avoid outfitting your workspace—either offsite or at home—with a lot of personal memorabilia. Likewise, avoid bringing work into your personal space. You'll only make yourself stressed and tense if you have a file folder from the office sitting in the living room when you're trying to relax with the family. In addition, a lot of personal items in your workspace are likely to have you thinking about home and feeling regretful about not being there. Instead, keeping yourself focused on work enables you to be more efficient so you can finish and go home.

5. MAKE GRADUAL CHANGES

When you've been working 24/7 on your business, creating a balanced life requires that you start with small steps. It's probably not realistic to immediately jump from working seven days a week to only four or five days. Gradually alter your schedule until you're working your ideal amount of hours. For instance, switch to working six days a week by taking off Sundays, and then when you've become accustomed to a six-day work week, take off every other Saturday as well.

Establishing a work-life balance might seem impossible initially, but if you take it slowly when it comes to rebalancing your life, you're likely to find yourself in a calmer, more content state of mind.

NEXT STEPS: You're busy. We get it. So why not let us do some work for you? By signing up for the weekly Small Biz Ahead Newsletter, you'll receive hand-picked articles, How-Tos and videos covering the latest in small biz tools and trends. We'll do the research while you spend your time where it counts: managing and growing your business.

Permission to publish this article was given by Julie Bawden Davis and was originally published in The Hartford SmallBiz Ahead website on June 17, 2015.

member in the SPOTLIGHT

BY TERESA MARRON, CPA
Sherril Diamond

SHERRY was honored this year at our NJ NATP Annual Conference as our **NJ Member of the Year**. Sherry has been a member of NATP since 1985 and served as Director on the NJ Chapter Board of Directors for nearly 20 years. She is an active Past President on our Board by assisting at all chapter events. In addition, Sherry contributes by teaching for our Chapter as well as other organizations.

Sherry opened her practice, The Tax Shop, Inc. in Cherry Hill in 1986. She became an enrolled agent in 1990 and specializes in individual tax preparation. Her practice also includes preparation of payroll, corporate, partnership and trust returns as well as audit and exam representation. She also serves as the CFO for Agency Consulting Group, Inc.



A Fond Farewell to MARC STANDIG

MARC STANDIG will be retiring from the Board effective January 1st. Marc has been on the board since 2004 and has worked very hard together with us to make the NJ NATP a strong, successful chapter. His work with our charitable activities has been exemplary. He has spent time and effort improving our Chapter's government relations with the IRS and the State of NJ. All of this hard work was recognized with the **Award for Leadership** from NATP National in 2015. We wish Marc all the best and say a most sincere "thank you" for all that he has accomplished for our Chapter!

Welcome New Members

For the second and third quarters of 2017, the NJ Chapter welcomed 20 new members:

MICHAEL BOYLE
SHANNON HAGAN
JOSEFINA GEORGE
LYNN ALEXANDRA WEINBERG
MARDOCHEE LOUIS
MARK BERRY
DANNY HUYNH
JENNY SEECHARAN
LEONARD KUPERSMITH,
NICOLE M. GOLDMAN
CARLOS F. FRASER, II
CHRISTOPHER THORNTON
JOHN M. TRAIER
LINDA RIDILLA
DARIO GONZALEZ
KATHLEEN GARGIULO
CARRIE FRANCIS
JONATHAN DONENFELD
FARED ASHRAF
ARMANDO RAMOS

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.

Many of your clients will be affected by THE NEW NJ VETERAN'S EXEMPTION

BY JOHN D. KELLY, CPA



MOST OF YOU SHOULD BE AWARE BY NOW that there is a new Veteran's Exemption available to a large segment of taxpayers who have served in, and been honorably discharged from the military.

This can result in a sizeable reduction in a taxpayer's state tax liability. If the taxpayer is at the highest, current tax rate of 8.97% this benefit would save as much as \$270. But for more modest incomes it still matters. Let's say you have clients filing Married Filing Joint and both are honorably discharged veterans with a 2017 New Jersey Taxable income of \$150,000. The applicable New Jersey Gross Income Tax rate on \$150,000 is 6.37%, but since the tax is graduated, the effective tax rate is 4.95% and the taxpayers would have a tax bill of around \$7,428. Since \$3,000 exemptions can be claimed for BOTH taxpayers (not for civil union partners or dependents), this couple will realize as much as \$297 in tax savings. This exemption is available to resident AND non-resident filers.

The Division of Taxation has a webpage dedicated to explaining this benefit - <http://www.state.nj.us/treasury/taxation/military/vetexemption.shtml> and it gives you a lot of information.

Here's some additional things to consider:

1. The required documentation is Form DD-214. For taxpayers unable to locate their copy, the following site provides information on obtaining a copy (<http://www.dd214.us/>). According to that site, the form can be requested by fax (314-801-9195) or by mail free of charge. There are lots of companies on the Internet who will charge for it, there is no reason to pay if the request is made soon as it will likely take 4 – 6 weeks to get the form. The Division of Taxation links to the National Archives <https://www.archives.gov/veterans/military-service-records> where many records, in addition to the DD-214, can be requested. The fax number is the same.
2. Jodi Kleuskens (CPA, MAcc) – Chair – NJSCPA State Tax Interest Group – gathered information directly from the Division of Taxation and has generously allowed me to reprint it here: “Prior to 1950 a Form DD-214 was not issued. There were many different types of forms that were issued prior to this time all of which the Division of Taxation will accept. The Division of Taxation will be updating their website with this information. Here is a list of other forms that can be submitted:
 - a. WD AGO 53
 - b. WD AGO 55
 - c. WD AGO 53-55
 - d. NAVPERS 553
 - e. NAVMC 78PD
 - f. NAVCG 553
 - g. Form 13038
3. Jodi further provides: “New Jersey has a very broad definition of a veteran, essentially anyone who served in active duty in the Armed Forces, reserves or National Guard is eligible if they were not dishonorably separated from services. During the time of training, guardsmen/women and reservists are considered in active

duty status. Essentially, unless a person was dishonorably discharged, any form of military service can apply.”

4. A Veterans Exemption Submission Form must also be submitted, and is available here http://www.state.nj.us/treasury/taxation/pdf/veterans_exemptionform.pdf. You can upload it with the DD-214 using the Division's secure site <https://www.njportal.com/DOR/TCM/#/>, fax it in to the Division of Taxation at 609-633-8427, or you can mail it in (address is on the form). The Division of Taxation strongly advises that taxpayers certify for this exemption in advance of filing their return. You can submit the document at the same time you file the 2017 New Jersey Gross Income Tax return (NJ-1040 or NJ-1040NR) but it cannot be attached to the return. It must be uploaded through the link provided on the site (<https://www.njportal.com/DOR/TCM/#/>) and you will receive an acknowledgement. A valid concern that many preparers may have is whether to collect the documents and do it for the taxpayer or let them do it themselves. A greater concern is whether taxpayers know about the exemption. As the preparer, you may not have had an occasion to learn of your clients' service in the military and it may be advisable to include a question in your tax organizers or to specifically ask taxpayers when you interview them prior to gathering documents or completing their returns.

This is a valuable benefit and it recognizes the sacrifice our veterans have made for all of us. Please tell your eligible taxpayers about New Jersey's Income Tax exemption for veterans.

Currently, Mr. Kelly is a sole practitioner, primarily specializing in individual and small business tax filing. His practice began in January 2016, after a 33-year career with the New Jersey Division of Taxation, serving in various administrative and supervisory capacities. His last post with the Division was as Chief of the 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. Reach him at john@johndkellycpa.com <http://www.johndkellycpa.com> • (609) 802-3057 • 9 W. Front St., Trenton NJ (840 Norway Ave., Hamilton NJ (either location, by appointment)

TO HAVE BASIC ESTATE DOCUMENTS OR NOT? A WARNING

BY DAVID A. SEMANCHIK, ESQ.

THIS IS THE STORY OF A MILLIONAIRE WIDOW named Mary Tutworth (whose name has been changed to protect her identity) who died without a will about ten years ago. Her husband, Mr. Tutworth, was a wealthy clothier from New York City. The Tutworths settled in a nice North Jersey suburb. They had no children but Mrs. Tutworth had many relatives all over the United States, many of which she was not even aware of.

Mr. Tutworth, being the man of the house and man about town, took care of all aspects of the family finances and amassed many millions of dollars in assets including their multimillion dollar home. When Mr. Tutworth died, Mary had no problem living in the manner in which she was accustomed – that is, until she became incapacitated. By the time the local Board of Social Services visited her, she was living in deplorable conditions with her dead brother.

Two of Mary's closest relatives were named co-guardians: Frank from New Hampshire was named guardian of Mary's assets and Jennifer from New York was named guardian of Mary's person. In a short while, about four years later, Frank died, leaving Mary's finances in shambles. Jennifer then took over full guardianship and took the next several years trying to put together Mary's finances. Before that happened, Mary died without a Last Will and Testament.

In another four months, Jennifer was appointed administrator of the Mary Tutworth's estate. In New Jersey, like many states, when someone dies without a will, every single person that is related to the deceased gets a piece of the estate. The closer you are to the deceased, the bigger part of pie you receive. What that means is that the personal representative of the estate, here the administrator Jennifer, has the unenviable task of piecing together a family tree from whatever information she can find. In this case, the local New Jersey relatives made themselves known loud and clear. The relatives in other states took years to locate by which time the local relatives hired local counsel to sue the administrator for failing to administer the estate in a timely fashion.

Finally, after years of litigation, the estate was settled not without the expenditure of thousands of dollars in legal fees on both sides. The problems started with the administrator engaging counsel without adequate knowledge and experience

in handling an estate of this size. The Federal Estate, New Jersey Estate, New Jersey Inheritance tax returns were either filed late and or erroneously since the correct relationship to the deceased was not initially determined resulting in unnecessary penalties and interest. Taxes were paid by the estate that should have been paid by some beneficiaries since the administrator failed to collect taxes from beneficiaries who received non probate assets. These are only some of the problems the administrator experienced in closing out this intestate estate.



Many, if not all, of the problems experienced by this administrator could have been avoided if only Mary had executed a Last Will and Testament before she became incapacitated. She could have named the Executor of her choice and left the estate to the persons she so desired, thereby making it simple to ascertain immediately who the beneficiaries were and their relationship to the decedent. Given the size of the estate, she could have been creative and perhaps conveyed part of the estate during or after her life to a trust to be administered for the benefit of her chosen charity or other beneficiary.

If you don't have a Last Will and Testament, then let your New Year's Resolution be to execute one. While you are at it, why not also execute a Durable Power of Attorney so that someone you trust handles your affairs should you become incapacitated and finally, a Living Will wherein you name someone to act as your health care representative to make health care decisions when you cannot. Have a blessed Holiday, Christmas season and Happy New Year knowing you have taken care of these essential estate documents.

David A. Semanchik, Esq. has been licensed to practice law since 1990. His specialty is Bankruptcy and he also provides commonsense law services in Toms River, NJ. He earned his black belt in karate and restores antique motorcycles. He can be reached at 732-240-4055 or info@semanchiklaw.com



EXEMPT PENSION INCOME

BY ROBERT D. FLACH

New Jersey, like most states, does not tax Social Security benefits. There are 13 states that tax Social Security - Colorado, Connecticut, Kansas, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Rhode Island, Utah, Vermont and West Virginia.

Similarly, New Jersey does not tax Railroad Retirement Tier 1 benefits, reported on Form RRB-1099, which are the equivalent of Social Security benefits. New Jersey also does not tax Railroad Retirement Tier 2 benefits, reported on Form RRB-1099-R, which are comparable to benefits from a private pension plan and treated as such on the federal return.

Section 14 (45 U.S.C. Section 231m) of the Railroad Retirement Act declares railroad retirement annuities are not taxable for individual State income tax purposes.

So, while you may be reporting Railroad Retirement Tier 2 benefits on Lines 16a and 16b of your federal Form 1040 (or 12a and 12b of Form 1040A), do not report these benefits as pension income on NJ-1040 Lines 19a or 19b.

Also, specifically exempt from New Jersey state taxation are –

- Pension payments received because of “total and permanent” disability prior to reaching age 65. Total and permanent disability means “total and permanent inability to engage in any substantial gainful activity because of any physical or mental impairment”. If you continue to receive disability pension payments after turning age 65 the payments are taxed as ordinary pension income on the NJ-1040.

- Military pensions and survivor's benefit payments resulting from service in the US Army, Navy, Air Force, Marine Corps, or Coast Guard, regardless of your age or disability status. This exemption does not apply to civil service pensions or annuities, even if the pension or annuity is based on credit for military service. Most military pensions and survivor's benefit payments are received from the US Defense Finance and Accounting Service while a civil service annuity is received through the US Office of Personnel Management.

FYI – the above article is taken from the pages of my THE JOY OF AVOIDING TAXES, the only book I know of that deals specifically with NJ-1040 tax planning and preparation. This book is available as an e-book for reading on Kindle at https://www.amazon.com/dp/B075B499QR/ref=rdr_kindle_ext_tmb.

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://wanderingtaxpro.blogspot.com>) since the summer of 2001, inspired by an NATP National Conference seminar, and also writes the blog THE TAX PROFESSIONAL (<http://thetaxprofessional.blogspot.com>) He has created and writes the websites FIND A TAX PROFESSIONAL (<http://www.findataxprofessional.com>) and A TAX PROFESSIONAL FOR TAX REFORM (<http://www.taxprofortaxreform.com>).

IRS UPDATE FOR E-SERVICE USERS – SECURE ACCESS MIGRATION AND REGISTRATION

BY ANTHONY J. MANZIANO, CPA, MST



IN LATE OCTOBER, the IRS announced that the move of e-Services to Secure Access authentication continues as we near tax season. Please review the following regarding e-Services and registration requirements for more details.

IRS e-Services will be moving to Secure Access to better protect taxpayers by upgrading its identity verification process for certain online self-help tools. The purpose is to prevent taxpayer impersonations and account takeovers by identity thieves. Because the Secure Access Authentication platform is more rigorous, it helps if you prepare to register in advance.

Currently, the Secure Access Authentication process applies to online tools such as “Get Transcript Online”, “Get an IP PIN” and “Your Tax Account.”

HERE'S WHAT NEW USERS NEED TO GET STARTED:

- A readily available email address;
- Your Social Security number;
- Your filing status and address from your last-filed tax return;
- Your personal account number from a:
 - credit card, or
 - home mortgage loan, or
 - home equity (second mortgage) loan, or
 - home equity line of credit (HELOC), or
 - car loan
- A readily available mobile phone. Only U.S.-based mobile phones may be used. Your name must be associated with the mobile phone account. Landlines, Skype, Google Voice or similar virtual phones as well as phones associated with pay-as-you-go plans cannot be used;
- If you have a “credit freeze” on your credit records through Equifax, it must be temporarily lifted before you can successfully complete this process.

The card cannot be American Express, a debit card or a corporate card issued in your name by your company or organization.

Because this process involves verification using financial records, there may be a “soft inquiry” placed on your credit report. This notice does not affect your credit score. The IRS does not retain your financial account information.

Note: If you have a pay-as-you-go mobile phone or a business/family plan mobile phone not associated with your name, you may request that we mail an activation code to the address we have on file for you. You still must have a text-enabled, U.S.-based phone to receive a security code text that completes the validation process and allows returning users to access their accounts.

FIRST-TIME USERS OF ANY SECURE ACCESS-SUPPORTED TOOL MUST:

- Submit name and email address to receive a confirmation code;
- Enter the emailed confirmation code;
- Provide SSN, date of birth, filing status and address on the last filed tax return;
- Provide some financial account information for verification such as the last eight digits of their credit card number or car loan number or home mortgage account number or home equity (second mortgage) loan number or home equity line of credit;
- Enter a mobile phone number to receive a six-digit activation code via text message OR request an activation code by mail (see below);
- Enter the activation code sent to mobile phone;
- Create username and password, create a site phrase and select a site image.

Tips for Successfully Authenticating Your Identity Through Secure Access

FIRST-TIME USERS WHO OPT FOR AN ACTIVATION CODE BY MAIL MUST:

- Select Activation Code by Mail when prompted;
- Create username and password, create a site phrase and select a site image;
- Allow 5 to 10 days for mail delivery of the activation code;
- Return to the self-help tool and enter your username and password;
- Enter the activation code at the prompt;
- Enter number for any type of text-enabled phone at the prompt; this may include a pay-as-you-go mobile phone or a business/family plan mobile phone not associated with your name;

- Check phone for a security code text;
- Enter the security code text at the prompt to complete the Secure Access validation process.

RETURNING USERS WITH EXISTING CREDENTIALS BUT NEW TO SECURE ACCESS MUST:

- Log in with an existing username and password;
- Submit financial account information for verification, for example, the last eight digits of a credit card number or car loan number or home mortgage account number or home equity (second mortgage) loan account number;
- Submit a mobile phone number to receive an activation code via text **OR** request an activation code by mail (see above);
- Enter the activation code.

RETURNING USERS WHO PREVIOUSLY COMPLETED THE SECURE ACCESS PROCESS MUST:

- Log in with an existing username and password;
- Receive a security code text via mobile phone provided during account set up;
- Enter the security code into secure access.

In early December the IRS issued this statement:

Act now to get your new e-Services account created by calling the e-Help Desk. We have additional assistors available to help you register and authenticate your identity. We will be moving e-Services behind the two-factor Secure Access process before the end of the year. At that time, all e-Services users without a Secure Access account will then be required to re-register using Secure Access authentication.

We are offering this phone option in advance of the Secure Access launch to help you avoid any delays that might affect your work. If you already have created an account using the Secure Access process via Get Transcript Online, for example, there is no further action you need to take.

To get started, call the e-Help desk at 1-888-841-4648 (select your language, then prompt 1 and remain on the line until a CSR picks up), 7:30 a.m. Eastern to 7 p.m. Eastern.

HERE'S HOW THIS WILL WORK:

- On the e-Help line, an assistor will ask a series of identity proofing questions based on your current and prior year tax returns and supporting information documents. If you are unable to authenticate by phone, you may make an appointment to go to an IRS office with two forms of identification. Once verified in person, you must call the e-Help Desk to continue this process.
- The phone assistor will create a Secure Access profile with a temporary password and issue you an activation code by mail, which you will receive within five to 10 days.
- You will use this activation code to complete Secure Access registration online, including registration of a text-enabled mobile phone to receive the security code you will need as part of the e-Services login process. If you want to use the IRS2Go app to generate your security code, you should wait to complete registration until Secure Access launches online and the app is available. Please act this week to avoid any delays or disruption to your e-Services access when we move e-Services behind Secure Access.

(Please note, it is unclear as to whether this advance phone option service will continue to be available by the time this issue of NJ Taxing Times is published.)

Anthony J. Manziano CPA, MST is Bylaws Committee Chair and has been a member of NATP since 1990. He 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. Professionally, Anthony provides Income and Estate Tax Planning & Consulting services to assist tax firms and colleagues as well as clients.

Congratulations to our New Executive Board and Board Members as of January 1, 2018

PRESIDENT MARY ROSE MARTINO, EA

MARY ROSE started as a tax practitioner with H & R Block back in the 90's but took some time off to raise her family. She returned to the field as a bookkeeper in 2003 and earned her Certified Bookkeeper designation from American Institute of Professional Bookkeepers (AIPB) in 2010. She has been a Quickbooks Pro for more than 8 years. Having earned proficiency in bookkeeping, the move back into tax preparation was an easy transition and she has been doing tax prep since 2005 both as an employee at the Tax Stop, Inc. and independently. She earned the Enrolled Agent designation in January of 2015 and has been a member of NATP since 2009. Mary Rose has been a member of the New Jersey Board of Directors since 2014 and has served as Treasurer for 2 years and as Vice President last year.



Ethan holds the Certified Public Accountant (CPA) license. He received his Bachelor of Science in Accounting from Seton Hall University. He is a regional chapter leader for HD Vest. Outside of the office, he enjoys golf, watching baseball, hockey, football and college basketball, traveling and spending time with his wife Tina and 9 year-old son T.J.

ALYCE R. TAYLOR

ALYCE R. TAYLOR became a tax professional in 2010, beginning as a consultant with the Taylor Tax Group, founded by Colette Taylor with offices in Barrington and Sea Isle City, NJ. She is now a full partner in the business and its development. Alyce has been an active member of NATP since 2013.



When Alyce joined the Taylor Tax Group in 2010 she brought the company up to technological speed, broadening its web presence and with social media. She specializes in individual and small business taxes, also handling all of the Financial Aid work for their clients (FAFSA, & CSS). She is now working to complete her EA.

With a masters degree in Educational Counseling, and a past career as a guidance counselor, Alyce has always found herself being the helper. Even as a tax professional she still strives to counsel, giving the best guidance for taxes and finances.

Alyce is very active in her college alumni, and is the class correspondent. She is also the Treasurer of the Barrington Business Association, past president of NFWC Collingswood Chapter, and is involved with many other volunteer organizations. When she is not doing taxes, her true love is travel and strives to take at least 1 great trip a year. Just last month she was in Thailand.



VICE PRESIDENT TERESA MARRON, CPA

TERESA MARRON has been in accounting for over 30 years, starting at Broza, Block and Rubino, CPA's for 15 years before starting her own tax and accounting practice. She is a QuickBooks Proadvisor. She is a graduate of Rutgers University School of Business. She has been a member of NJ NATP since 2008. She has served as a NJ NATP Board Member at Large for one year. She resides in Toms River and has an office in town.

SECRETARY KENNETH PORTERA, EA

KENNETH is the founder and operator of Kenneth Portera & Associates LLC, a year round tax preparation and accounting practice which he started in 2009. His firm provides tax controversy representation, tax preparation for individual, partnership, corporation, gift, estates and, non-profits. Prior to going off on his own he held positions of CEO, CFO, Treasurer, and Controller for a number well-known financial services companies. This is his second term as Secretary. He has been a member of NATP since 1987.



JOSEPH WISNEWSKI, CPA

JOE is a member of the American Institute of Certified Public Accountants and the New Jersey Society of Certified Public Accountants (NJCPA). He has over 30 years experience with income tax preparation and consulting and actively stays on top of emerging issue and regulations through participation in continuing education curriculum. Joe is very active with several service organizations including serving on the executive boards of the People for People Foundation of Gloucester County and Glassboro Rotary Club. He also volunteers his time to work with the Glassboro VFW, American Red Cross, and the NJCPA scholarship program. Joe is a Rowan University alumni and lives in Glassboro with his family.



TREASURER THOMAS DETITTA, CPA

TOM started his own tax and accounting practice in 2007 after a twenty five year career in corporate accounting. He earned an MBA from Illinois Benedictine College in 1998 and a Bachelor's degree in Accounting from William Paterson University in 1977. He has served on the NJ NATP board for seven years and is currently on his second term as Treasurer.

MEMBERS AT LARGE

ETHAN HUNDLEY, CPA

ETHAN HUNDLEY is a Certified Public Accountant and Chief Tax and Accounting Officer at Hundley Burn LLC located in the International Trade Center in Mount Olive. He has more than 20 years of experience in the accounting and financial services industries, as he also is a Certified Tax Coach and retirement planning specialist. He has helped hundreds of business owners and their families with various complex tax and financial needs, specializing in advanced tax planning and financial analysis.



Ethan has gained experience in the large corporate world, as he worked for Fortune 500 companies such as Sears Roebuck & Co. to Warner-Lambert Company. He joined his father's firm in 1995 and became a financial advisor with broker-dealer H.D. Vest Investment Services in 1998 as a way to provide a wider array of financial services to his clients.

member in the SPOTLIGHT

BY MARILYN AYERS, CPA

Julia Robinson

JULIA ROBINSON has done NJ NATP proud!! She was greatly honored with the National Award for Leadership by NATP this summer at the National Conference in Washington DC! She has worked tirelessly to constantly improve our NJ Chapter and it is very much appreciated! Congratulations Julia!

A Director for NJ NATP since 2007, she has served as Treasurer, Secretary and Vice President. Julia has been instrumental in helping our chapter stride towards excellence! She has been involved strategically in our education program for the last five years.

Julia is an RTRP and has been preparing tax returns since 1987, specializing in individual taxation. Her clients benefit from her attention to detail and her outstanding client service!

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Buffet Lunch 12:10 PM – 1:10 PM

2nd Session 1:10 PM – 4:50 PM

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Overview of NJ Taxation – John Ficara, NJ Acting Director

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Attendees will be responsible for reporting their CE credits in accordance with their respective reporting requirements. To ensure the integrity of this program, attendance will be periodically monitored for late arrivals or early departures and credits will be adjusted accordingly. NJ NATP is registered as a sponsor of Continuing Education for the Internal Revenue Service (Sponsor #458) and the NJ State Board of Accountancy (Sponsor #531) which has final authority on the acceptance of individual topics for CE credit. This program qualifies for 8 CPE Credits under New Jersey AC 13:29-6.7. Each credit is based on a 50-minute credit hour. Field of Study: Taxation. Prerequisite: None. Level of Knowledge: Basic.

NJ-NATP MEMBERS VOTE TO PASS NJ-BYLAWS AMENDMENT

BY ANTHONY J. MANZIANO, CPA, MST



On October 5, 2017, at our Annual Conference, the membership was asked to vote on a proposal to change our Bylaws Article IV, Regions and Article V, The Board of Directors. The proposed amendment would eliminate the five (5) separate geographical region divisions of our Chapter, while continuing to retain "At-Large" Directors.

Over 95% of the eligible attendees voted. Overwhelmingly, 84% of the votes were FOR the proposed amendment. We thank you for your participation!

With this Bylaws change, electing members to the NJ Chapter Board of Directors will no longer be limited based upon the candidates' specific Region within the State of New Jersey. We were effectively being hand-cuffed by that Region limitation because we were experiencing an excess of talented candidates in some Regions, while other Regions had no candidates running at all. Thus, open Board seats remained unfilled for an entire year, and sometimes longer, simply because of a lack of candidates in some Regions.

Your NJ Board continually strives to seek candidates and fill all open Board seats with new, qualified and ambitious members. Our membership is best served when we are able to fill ALL open Board seats with the good, talented candidates that come from any area of the state through our annual election process. The Board intends to strive for a continually dynamic, progressing Board, with new and fresh perspectives. Please be assured that we will continue to be mindful to serve all our members, from all areas of the State of New Jersey.

Anthony J. Manzano CPA, MST is Bylaws Committee Chair and has been a member of NATP since 1990. He 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. Professionally, Anthony provides Income and Estate Tax Planning & Consulting services to assist tax firms and colleagues as well as clients.

important REMINDERS

Our Chapter has its own website where you can find information on the New Jersey Chapter such as Chapter Announcements, upcoming seminars and helpful resources such as prior newsletters, state links and much more.

Our Chapter also has its own closed Facebook group where members can throw out questions and share information on events and other information that is helpful in our tax preparation field. Join now if you haven't done so already. You can find us as NJ NATP on Facebook.

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