

## MESSAGE from the PRESIDENT

Dear Members,



**AM AFRAID TO ADMIT IT**, but it is almost that time again. In the meantime, take some time for yourself and enjoy the slower season.

It is this time of year that I try to focus my time on education. If you are like me, then you really do not want to miss this topic coming in December. Jason Daughtry, EA, and an NTPI Fellow will be leading us in depth on Due Diligence and Preparer Audits. We all know about due Diligence and Preparer Compliance, but Jason will elaborate for us what it really is that the IRS is looking for. Plus, who does not want some extra CE credits at the end of the year! Check out the course on the NATP website and then join us December 12th at the APA Hotel, Woodbridge NJ.

As usual, we will be holding our Famous New Jersey State Tax Seminar. There are so many state topics being covered this year. We, as an organization, love this event for many reasons. Mostly because it is the one event that we see so many of you. And second most exciting is the late breaking topics that keep us informed before the start of the season. And yes, we love getting all the information we can fit into a full day, on this great state's Tax Topics. We hope to see you January 13, 2024 at the APA Hotel.

**Planning ahead for 2024?** Don't forget that the National Taxposium will be held at the Dolphin Hotel in Walt Disney World, Orlando July 22-24. CPE and a family vacation?

As you all know, NJ NATP takes educating their members very seriously. If you have suggestions for topics, ideas for new venues or anything else that you think will help us in mapping out what it is you all are looking for, we want to know. We are in the process of planning the 2024 events, and all input is appreciated.

*If you haven't already, please consider liking the NJ NATP member Facebook page.* The discussions on this page are very informative and sometimes humorous. Plus you can always look on this page to see upcoming NJ events.

In these times of great turmoil, look around and enjoy the moments you have with your loved ones. Please have a peaceful and safe Holiday Season.

Sincerely,  
**Alyce R. Taylor**

*Alyce has been a member of NATP for over 10 years. She is a partner at Taylor Tax Group with her mother, former NJ President and National Board Director, Colette A G Taylor. Their practice is Barrington NJ and Alyce is in the beginning stages of opening another practice in Sea Isle City, NJ. Alyce has served as the Vice President of NJNATP for the past 2 years and almost finished serving her first year as President.*

## save the DATE

### FAMOUS NJNATP NJ STATE TAX SEMINAR

**SATURDAY, JANUARY 13, 2024**

**SPEAKER: Kathryn Keane**

**Location:** APA Hotel, Iselin, NJ

**Topics:** Individual and Business updates,  
 Property Tax relief/ANCHOR/NJ STAY -  
 credits for tax's paid to other jurisdictions/  
 Employer withholdings review  
 NY updates and late breaking updates

**SATURDAY, JUNE 12, 2024**

**Topics, Speakers & Location:** To be announced

### NATP TAXPOSIUM

**JULY 22-24, 2024**

**Location:** Dolphin Hotel, Orlando, Florida

### WEBINAR

**WEDNESDAY, AUGUST 7, 2024**

**Location:** Dolphin Hotel, Orlando, Florida

### NJNATP ANNUAL CONFERENCE

**JULY 22-24, 2024**

**Date & Location:** To be announced

**THURSDAY, DECEMBER 5, 2024**

**Topics, Speaker & Location:** To be announced

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# NJ TAX TIP OF THE QUARTER

## WINTER, 2023

BY MARILYN H. AYERS, CPA

**W**ISHING ALL OF YOU VERY HAPPY HOLIDAYS AS ANOTHER YEAR DRAWS TO A CLOSE.

It is hard to believe that tax season will be here in just a few weeks. As always, there are many changes this year for both federal returns and NJ. I hope you will join us for our annual **NJ Famous Tax Seminar** on Saturday, January 13, 2024 at the APA Hotel in Iselin for NJ updates, NY updates and last minute Federal updates presented by **Kathryn Keane, EA**. I hope to see you all there!



**2020 ANCHOR PROGRAM** – As part of the 2023-2024 NJ budget, another round of Anchor benefits will be issued starting in November for those home owners and renters. The 2020 application is for renters and homeowners as of October 1, 2020. Rebates are issued on a rolling basis by application date. The deadline for filing is December 29, 2023. There are increased benefits for those over age 65. The Anchor benefit is treated just like the Homestead Rebate program and is not taxable on the NJ return.

**STAY NJ PROGRAM** – A new program was established in the 2024 budget for those over age 65 who own a primary residence in NJ beginning with tax year 2025. According to information posted online in May, if a taxpayer is eligible for both the Anchor rebate and the PTR, they will receive the greater of either the Stay NJ credit or the combined Anchor and PTR reimbursement. The division was tasked with creating a single application form for residents to apply for all three benefits in the future.

**PTR REIMBURSEMENT PROGRAM** – The budget enacted also included a provision to expand the eligibility of the Senior Freeze program next year from roughly \$100,000 to \$150,000. Hopefully we will learn more about these limits at our January seminar.

**CONVENIENCE OF THE EMPLOYER SOURCING RULE** – This was enacted on July 21, 2023 with an effective date of on and after January 1, 2023. Under this rule, a nonresident taxpayers' employee compensation from a NJ employer for the performance of personal services is sourced to the employer's location in New Jersey if the employee is working from an out-of-state location (remote worker) for their own convenience, rather than the necessity of their employer. It only applies to nonresident employees working for a NJ employer who are residents of states that also impose a similar test, such as Delaware and New York. It does not apply to Pennsylvania residents because of the reciprocal agreement in place, as well as Connecticut. There is more information on the website.

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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.

## From the Editor

BY JEAN MILLERCHIP, EA



**H**OW CAN IT BE DECEMBER ALREADY? Wasn't it just Labor Day and we were planning our upcoming education as well as looking toward the fall season? Before the upcoming holidays, NJNATP is putting on a morning seminar regarding **Due Diligence and Preparer Audits**, taught by our own Jason Daughtry! It will be held at the APA Hotel and provides you with 4 CE credits. Very important information!

Hopefully, you have registered for the **Famous NJNATP State Tax Seminar** on January 13, 2024. Again, it will be held at the APA in Iselin, and will provide us with excellent presentations from the speakers from Taxation University- always timely topics, as well as a NY Update and any late breaking updates presented by Kathryn Keane. You want to attend! Flyer is enclosed in this newsletter.

I am especially excited about this newsletter, as we have many diversified articles submitted by a variety of members! Make sure you read the articles on Cybersecurity; Cryptocurrency — both very timely topics. There is the Quarterly Tax Tip of the Quarter, as well as the ongoing Spotlight on NATP Happenings; articles on membership and hiring interns, as well as a reminder to you that we will be collecting warm winter clothing and other items for our annual donation to Angels of God charity. These will be collected at the Famous NJ State Seminar in January and then dropped off at the Angels of God facility. Please help!!!

Look ahead to the Save the Date article on the first page. As you can see, we have no date or location for our Annual Conference in the fall. We are waiting to hear the date and location of the NATP Tax Forum on the East Coast, so as to avoid a timing conflict. Details of all upcoming events will be made known to the members through this newsletter, our Facebook page, the NJNATP website, Chapter News, and e blasts. Interesting topics are being planned for 2024!

Don't forget to renew your PTIN!!!!

Just think, in a few weeks, the days will gradually start getting longer!! A new tax season will be upon us, with all its quirks and crazy problems! Make sure you are prepared with all the education NATP has to offer.

My very best wishes to all of you for a very happy holiday season. Hoping you will be able to spend precious time with families- this time is priceless.

Stay safe and healthy. I hope to see many of you on January 13th.

Until next time.....

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Jean Millerchip, EA has been in the tax business since 1976, and is in private practice in Lavallette, New Jersey. She earned her EA license in 1985. Jean has been a member of NATP since 1988, and served on the NJ Board of Directors from 1991 until 2009, in various positions, including Treasurer, Secretary, Vice President and President. In 2008, Jean was elected to the National Board of Directors, and served a full 9 year term, during which she served as the National Vice president for 5 years and the National President for 2 years. Jean can be reached at [jean.millerchip@gmail.com](mailto:jean.millerchip@gmail.com).

# HANDLING CLIENTS WITH CRYPTOCURRENCY TRANSACTIONS

BY PAT DE SANTO, CPA



**A**S THE WORLD OF FINANCE EVOLVES, an increasing number of taxpayers are venturing into the realm of cryptocurrency. For us tax preparers, this presents a unique set of challenges and opportunities. Navigating the complexities of crypto transactions requires a solid understanding of tax regulations, technology, and the unique characteristics of digital assets. Let's explore some essential steps we can take to get prepared when dealing with clients involved in cryptocurrency transactions.

Before diving into crypto tax preparation, take the time to educate yourself on the specific taxation rules and guidelines related to cryptocurrency transactions. Understand how the IRS treats various types of crypto transactions, such as buying, selling, mining, and staking. Stay informed about any recent updates or changes in crypto taxation laws.

When dealing with clients who have engaged in cryptocurrency transactions, request a comprehensive transaction history. This includes details of all purchases, sales, transfers, and any other relevant activities. Ensure that your clients provide information on the cost basis, date of acquisition, and fair market value at the time of each transaction.

Consider using specialized cryptocurrency accounting tools to streamline the process. These tools can help in tracking transactions, calculating gains and losses, and generating comprehensive reports. Some popular options include CoinTracking, CryptoTrader.Tax, and TokenTax.

Accurate classification of crypto transactions is crucial for proper tax reporting. Understand the distinction between capital gains, ordinary income, and other taxable events related to cryptocurrency. Classify transactions based on their nature, such as short-term or long-term capital gains, and apply the appropriate tax rates.

Cryptocurrency events such as hard forks and airdrops can complicate tax calculations. Understand the tax implications of these events and guide your clients on how to report them accurately. Determine the fair market value of new assets received through forks or airdrops and report the income accordingly.

Emphasize the importance of maintaining detailed records for cryptocurrency transactions. Clients should keep records of wallet addresses, transaction IDs, dates, and any other relevant information. Proper recordkeeping will not only facilitate accurate tax reporting but also serve as documentation in case of an audit.

Help your clients develop tax-efficient strategies for managing their cryptocurrency holdings. Discuss options such as tax-loss harvesting, strategic selling to minimize capital gains, and potential deductions related to crypto transactions.

As cryptocurrencies continue to gain popularity, we must adapt to the changing landscape. By staying informed, utilizing specialized tools, and educating clients on their responsibilities, tax professionals can navigate the complexities of cryptocurrency transactions with confidence. Taking a proactive approach to crypto tax preparation ensures compliance, fosters trust with clients, and positions us as knowledgeable experts in this evolving field.

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*Pasquale (Pat) De Santo, Jr is the sole proprietor of Tax and Finance Simplified LLC, based in Sicklerville, NJ, where he lives with wife, Amy and his 2 children. Pat has been a member of NATP since 2012; he was elected to the NJNATP Board in 2022, beginning his term in 2023.*

*In addition to holding the CPA designation, Pat earned his BA in Finance from Stockton University in 1996, followed by his MA in Business Administration from Drexel University in 2004. He also works full time for Lockheed Martin Corporation as their Corporate Supplier Diversity Program Manager.*



# SPOTLIGHT ON NATP: Happenings

BY TERESA MARRON CPA



## HOW CAN YOUR MEMBERSHIP CAN HELP YOU GET A HIGHER LEVEL OF PROFESSIONALISM?

One of the many membership benefits is the AFSP Program. So you may ask: What is the AFSP Program and what does it mean to me? This voluntary program recognizes the efforts of return preparers who are generally not attorneys, certified public accountants or enrolled agents. It was designed to encourage education and filing season readiness. The IRS issues an Annual Filing Season Program Record of Completion to return preparers who obtain a certain number of continuing education hours in preparation for a specific tax year.

The Annual Filing Season Program (AFSP) is a voluntary program that aims to recognize the efforts of non-credentialed tax return preparers who aspire to a higher level of professionalism. The program requires non-exempt tax preparers to complete 18 hours of continuing education (CE) each year, including a six-hour federal tax law refresher course with a test <sup>5</sup>.

The term “exempt” related to the IRS Annual Filing Season

Program (AFSP) does not mean exempt from the program itself. It just means you are exempt from one part of the program: the Annual Federal Tax Refresher (AFTR) course, which is a 6-hour course with a timed final exam. In other words, once you pass the initial exam, you will need to maintain it with 6 hours of CPE and an annual exam each year afterward.

Every level of NATP membership, from basic to premium, includes a self study course and exam to gain this important credential for those who want to display a higher level of tax preparation knowledge to their clients and potential new client.

The NATP AFTR course and exam is a self-study course that is an included benefit to all members. This course provides the materials you need to pass the examination and obtain your AFSP Record of Completion.

This course is a very valuable benefit and if you are not currently practicing as an AFTP Professional, EA or CPA, then this is something that you can look into to boost your own personal tax knowledge and professional image for this coming tax season.



## INTERNS

BY MARILYN H. AYERS, CPA

Every business owner I talk to, including our own industry, complains about the same thing – lack of help. Over the past few years, many people have retired or moved on to higher paying jobs or moved out of state. These changes have decreased the pool of potential employees. But our workload has not decreased, for many of us the workload has increased as people in our profession retire. Have you ever considered hiring an intern just for tax season?

I have hired a few interns over the years, and they are easy to find. My first time around, I called the local college and asked to speak with someone in the accounting department and before I knew it I had resumes! Did you know that most colleges require their students to have an internship in their chosen field to graduate? How about a senior in the local high school considering accounting as their profession?

Interns come without much knowledge or experience but with a lot of energy and willingness. I remember my own internship in college and am so thankful that I was given that opportunity and many more during my professional life that brought me to where I am today. It is wonderful to pass along that opportunity, to pay it forward!

No matter how small your office, even a home office, there is plenty of work to go around during tax season. Scanning, copying, and filing are time consuming, and an intern will be happy to help. Make sure you take the time to explain what you want them to do, how to do it and why. It will relieve some stress of the busy season and give a student an opportunity to see firsthand how a tax office works. Perhaps you will inspire someone to join our wonderful profession!

# SECURE YOUR NETWORK!

BY DENNIS O'BRIEN

**S**INCE 2004, the government has declared October as Cyber Security Month. The National Tax Security Awareness Week is November 27 to December 1. These awareness periods are provided to raise awareness about the importance of cybersecurity. Cybersecurity is the practice of protecting computer systems, networks, and sensitive information from unauthorized access, theft, or damage. Cybercrime is a growing threat to individuals, businesses, and governments. It can take many forms, including identity theft, phishing scams, ransomware attacks, and more.

We continually hear about corporations being hacked. The computer systems of Okta and Mr. Cooper Mortgage were compromised in November. Fidelity National Financial, or FNF, a real estate services company that bills itself as the “leading provider of title insurance and escrow services, and North America’s largest title insurance company,” announced that it had experienced a cyberattack.

According to Statista, there were 154.93 million ransomware attacks worldwide in Q4 2022 and 493.32 million for the whole year, with the estimated cost of cybercrime in 2022 being a jaw-dropping \$7.08 trillion.

Around 68.42% of all cyberattacks worldwide in 2022 were ransomware. That means one thing – around \$4.84 trillion global financial losses attributed to cyberattacks in 2022 come from ransomware.

After ransom payments, 21% were still unable to recover their lost data. Ransom has been paid by cities, education institutions, hospitals, and many types of businesses.

The IRS requires you to have a WISP, Written Information Security Plan. It should be updated every year. It should be reviewed periodically to ensure that it is current and accurate. As tax professionals, we are more inclined to see phishing attacks and social engineering attacks. Keeping your software up to date with patches and updates is important. That includes software for your

cell phones apps, iPads, laptops, and desktop computers. One non-current app can be used to harvest information and can be added to the dark web.



**To protect your computer from cybercrime, it is important to follow some basic security measures. Here are some tips:**

- Install antivirus software and keep it up to date.
- Use strong passwords and change them regularly.
- Keep your operating system and software up to date with the latest security patches.
- Be cautious when opening email attachments or clicking on links from unknown sources.
- Use two-factor authentication whenever possible.
- Back up your data regularly to protect against data loss.

**For your backups, consider the 3-2-1 Rule.**

- There should be 3 copies of data
- On 2 different media (cloud, USB drive, etc.)
- With 1 copy being off-site (home, office, etc.)

**Don't fully rely on cloud backups. They have been compromised also.**

Paper and pencil tax returns do not exist anymore. Your technology is a primary piece of your business. Protect it and it will protect you.

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*Dennis has been preparing tax returns since 1990. He became a financial advisor in 1995 and formed his practice in 2004. He currently serves on several non-profit boards and has held the positions of Chair, Treasurer and Committee Chair. Dennis became a member of NATP in 2005, and is currently serving his first term on the NJNATP Board of Directors.*

# membership

BY MARILYN H. AYERS, CPA



**JOINED NATP AFTER ATTENDING THE “FAMOUS” NJ NATP SEMINAR**, held each January nearly 25 years ago. It was, in my opinion, the best event I had ever attended. The format all these years has remained unchanged. The seminar is dedicated to NJ tax topics presented by the State experts with a NY presentation by Kathryn Keane, EA. There are so many choices out there for federal topics, but not state topics. I finally could ask those nagging NJ questions!

Over the years, I have come to value my NATP membership for so many more things than just the outstanding education at both the National and State level. The support of our profession by NATP, the networking, the other state volunteers available to answer questions and the research are just a few of the many benefits. I could not run my practice without their Support.

So, the question is: have you renewed your membership yet for 2024 and more importantly, have you shared your love of NATP with a fellow tax guru in your circle of associates? I know if registration of tax professionals is required in the future, that our membership numbers will soar as folks look to NATP for guidance. But why wait until then? Our non-members are missing out on so much more!

*Wishing you a  
Merry everything  
and a  
Happy & Healthy  
Holiday Season!*





The New Jersey Chapter  
of the  
National Association of Tax Professionals

**Famous NJ State Tax Seminar**  
**Saturday, January 13, 2024**



**APA Hotel Woodbridge**  
**120 Wood Ave South**  
**Iselin, NJ 08830**

**Buffet Breakfast and Lunch will be served!**

**Registration begins at 7:30 AM**

**8:00 am– NJ Chapter President Alyce Taylor**

**8:15 am -Keynote –Marita Sciarrotta Director, NJ Division of Taxation**

**Individual & Business Tax Updates – Employer Withholdings review – Property Tax Relief**

**ANCHOR / NJ Stay - Credits for Tax's Paid to Other Jurisdictions**

**NY State Updates**

**Late Breaking Federal Updates/Hot Topics**

**Presented by Taxation University's**

**Christina Quinones, Michael Kovacs, Jacob Foy, Abra Watson**

**NY & Updates by**

**Kathryn Keane, EA**

❄ At this year's seminar we will be collecting winter clothing items (scarves, hats, mittens, gloves) to support The Angels Community Outreach. We encourage you to continue this tradition by making a clothing or monetary donation at the seminar. Information can be found at <https://angelsoutreach.org>. We thank you for your support. ❄

**8 CPE CREDITS\***

**Members: \$250**

**Non-Members: \$300**

**Cancellation after 1/10/202: \$10**

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/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 have final authority on the acceptance of individual topics for CE credit. This program does not qualify for CE credit for EAs under Treasury Department Circular 230, Section 10(g). It qualifies for 8 CPE Credit under New Jersey AC 13:29-6.7. Each credit is based on a 50-minute credit hour. Field of Study: State Tax Topic/Updates (7) Federal Tax Law/Updates (1). Prerequisite: None. Level of Knowledge: Basic.



# Congratulations to THE NJNATP OFFICERS FOR 2024!

**PRESIDENT:** Alyce Taylor  
**VICE PRESIDENT:** Pat De Santo  
**SECRETARY:** Maryrose Martino  
**TREASURER:** James Jiminez

*Very best wishes for a most successful 2024!*



**FROM LEFT IN PICTURE:** Pat De Santo, Maryrose Martino, Alyce Taylor and James Jiminez.

## WARM WINTER CLOTHING NEEDED FOR ANGELS OF GOD CHARITY!!!

Do we have any crafters who knit, crochet, quilt? As we have done in past years, the NJ Chapter plans to continue to donate warm items of clothing again this year. We need mittens, hats, scarves, sox, and any other items, both for adults and children. Blankets and afghans are also welcome!

Please bring the items to the Famous NJ State Seminar on January 13, 2024. One of our Board members, Joe Wisniewski, will deliver them to Angels of God. It is so rewarding to know that we are all helping those in need.

**Website:** [www.njnatp.com](http://www.njnatp.com)

**or Call:** **856.546.7201**

### NJ-NATP BOARD OF DIRECTORS 2023

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|   | <b>Joe Wisniewski</b><br>Pitman<br>(856) 256-0330      |  |

### 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 856-546-7201  
FAX 856-546-4678

#### INTERNET ADDRESS

**NJ CHAPTER**  
[www.njnatp.com](http://www.njnatp.com)  
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Directory of National Members  
[www.taxprofessionals.com](http://www.taxprofessionals.com)