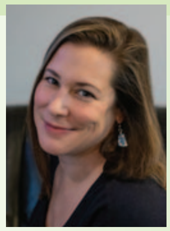
New Jersey Chapter NATP National Association of Tax Professionals

Vol. XXXVIX No. 1

SPRING 2024

NJ Taxing TIMES

MESSAGE from the PRESIDENT



Dear Members,

IT WAS A FRIGID START TO THIS SEASON. Many of us probably found it hard to make it into the office on a daily basis. But here we are, and before we all come up for air again, it will be Spring. Let's just hope that we don't get sick in the process. We all push ourselves too hard this time of year, and we must each remember to take care of our bodies and our minds. Take some time to rest and even more time to spend with our loved ones.

Coming this June 12, we will be presenting a seminar on preparation of Non-Profits. Many of you asked for this topic to be covered so we complied. **Helen O'Planick** will be the instructor for 4 hours. We are hoping to secure the **Clarion** in Toms River for this event, and possibly offer a simulcast at another location. Keep an eye out for more details.

As usual, our **Famous New Jersey State Tax Seminar** was a huge success! It is the one event where we see so many of you, and this year so many of you came! The members of the State who spent their Saturday with us were very knowledgeable and had a lot to tell us about changes coming in the future. **Kathryn Keane** presented the late breaking topics that keep us informed before the start of the season, as well an a New York update.

Back in December, **Jason Daughtry, EA,** and an NTPI Fellow, lead us in an depth presentation on **Due Diligence and Preparer Audits**. We all know about Due Diligence and Preparer Compliance, but Jason elaborated for us what it really is that the IRS is looking for. Everyone that attended raved about this topic. We plan to offer it again sometime in 2024. Keep an eye out for this one.

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? And a special event for the NJ members who attend? More to follow!

As you all know, NJ NATP takes the education of 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.

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 and Secretary of NJNATP and has finished serving her first year as President.

save the DATE

NON-PROFITS HALF DAY SEMINAR
WEDNESDAY, JUNE 12, 2024
Location: TBA - possible simulcast

NATP TAXPOSIUM
JULY 22-24, 2024
Location: Dolphin Hotel, Orlando, Florida

WEBINAR
WEDNESDAY, AUGUST 7, 2024
Topic: TBA

NJNATP ANNUAL CONFERENCE
THURSDAY, SEPTEMBER 26, 2024
SPEAKER: *Kathryn Keane*
Date & Location: *TBA*

NJNATP TAX FORUM - WASHINGTON, DC
OCTOBER 18-20, 2024
OCTOBER 18:
National hosted Leadership Session
OCTOBER 19-20: *NATP Tax Forum*
Details to follow

THURSDAY, DECEMBER 5, 2024
Topics, Speaker & Location: *TBA*

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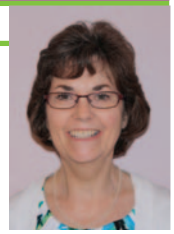
NJ TAX TIP OF THE QUARTER
SPRING, 2024

BY MARILYN H. AYERS, CPA



DOESN'T FEBRUARY COME FASTER AND FASTER EACH YEAR? Another tax season is upon us, and I am still filing 2021 and 2022 tax returns for those professional procrastinators! Our experience tells us that tax laws will constantly change but it seems that the filing requirements and program issues are the changes that are the most difficult to deal with.

During our **"Famous" New Jersey State Tax Seminar** held on Saturday, January 13, 2024, we learned of the Division of Taxation's plan to modernize its tax filing system. Beginning with sales tax in mid to late 2024, filers and tax preparers will experience a new way to interact with the tax online system through a new taxpayer portal. Registration will be required for both taxpayers and tax preparers with an integrated tax system. Stay tuned for updates during the year.

Here are a few important updates in preparing 2023 tax returns:

- The NJ Child Tax Credit was increased to $1,000 for each dependent who is age 5 or younger for those residents with taxable income of $80,0000 or less. It is not available for those taxpayers with a filing status of married filing separately.
- The Philadelphia nonresident wage tax rate was 3.44% for the entire year.
- There was no NJ Disability insurance contribution for employees in 2023, so there will be no credit for excess DI only for NJ FLI withheld and NJ UI/WF/SWF.
- The Convenience of the Employer sourcing rule was enacted last year and was effective January 1, 2023. It applies to nonresident employees working for a NJ employer who are residents of states that also impose a similar test, such as Delaware or New York. It doesn't apply to Pennsylvania residents because of the reciprocal agreement in place, as well as Connecticut.
- Don't forget about the three new deductions for taxpayers who are saving or paying for college. If your 2023 NJ gross income is less than $200,000, they can deduct:
  - Up to $10,000 of contributions to a NJ BEST college savings account during the year
  - Up to $2,500 of principal and interest paid on student loans during the year under the NJ CLASS program
  - Up to $10,000 for tuition costs if the taxpayer, spouse, or their dependent enroll in, or attend a NJ institution of higher education.
- The Stay NJ Program established during the 2023-2024 budget will begin with the tax year 2026. A task force was established to develop recommendations to the Governor and Legislature no later than May 30, 2024. These recommendations will include how to restructure and consolidate the current programs with this new program. Stay tuned for further information.

Have a great tax season, please stay healthy. As our friend **Kathryn Keane**, reminds us: put yourself first so you can help others! Just like the flight attendants tell us, put the oxygen mask on yourself first so you can help those around you!

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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 NewJersey Society of CPAs.

From the Editor
BY JEAN MILLERCHIP, EA

HERE WE GO! ARE YOU READY???

Hopefully, you were able to attend the **Famous NJ State Tax Seminar** on January 13th- in person and a packed room of attendees! We had our usual excellent speakers from Taxation University, with the addition of **Jacob Foy**. Jacob has been unable to come to speak for the past few years, but we welcomed him back, as he spoke about property tax relief, with an introduction into **STAYNJ**, which will start in 2026. Stay tuned- you are going to need to know all the property relief programs will work together! Of course, our own **Kathryn Keane** updated us on NYS and some late breaking federal updates. Thanks to **Pat DeSanto, VP,** for chairing this event and all who assisted. Truly a success.

NATP speaker, **AJ Reynolds,** did a very timely webinar on January 9th and 10th, on **Beneficial Ownership Information (BOI)** and **FinCEN.** We all need to know about BOI reporting, and who needs to comply. Hopefully, you were able to hear it.

The NJ Chapter is very happy to welcome new members to the Board of Directors: **Tina Parmigiano** from Barnegat and **Lisa Daughtry** from Mays Landing were elected at the Annual Meeting in September. **Alicia Foster** from Columbus has volunteered for several committees, and was taking pictures at the State Seminar. Welcome to all! New ideas and suggestions are always a positive!

Keep on the lookout for upcoming educational events. Many of you have asked for a seminar on non-profits, and we listened. Tentatively scheduled for Jun 12th, and possibly a simulcast. The locations are TBA, as well as the time- probably a half day seminar.

Give some thought to **Taxposium** this year at the Dolphin Hotel in Orlando from July 22-24th. As always, a fun NJ event will be planned for the NJ members who attend.

The **East Coast NATP Tax Forum**, which was in Baltimore in 2023, will be in Washington DC in October. **Leadership session** is October 18th- with the 2 day Tax Forum following. Plenty of things to see in DC if you want to extend your time!

Now – ***ready for tax season!*** Remember that NATP is always there for you – especially with our research department. Use your questions! If you are a premium member, you have 5 free research questions- I think I used all of mine last year!

As always, take time for yourself, and stay healthy! You come first, so take care of you, so you can help your family and your clients. Watching the ocean always calms me.

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.***

MANAGING EXPECTATIONS

BY PAT DE SANTO, CPA

AS TAX SEASON APPROACHES, we find ourselves inundated with client inquiries, concerns, and expectations. Managing these expectations effectively is crucial for maintaining client satisfaction, fostering trust, and ultimately, ensuring a successful client-accountant relationship. In this article, we'll explore some strategies and best practices for accountants to navigate and manage tax client expectations efficiently.

Clear and proactive communication is the cornerstone of managing tax client expectations. From the initial client meeting to the completion of tax filings, we must establish open channels of communication to discuss timelines, processes, and potential outcomes. Setting realistic expectations regarding response times, document requirements, and the overall tax preparation process helps to avoid misunderstandings and frustration down the line.

Many clients have limited understanding of tax laws, regulations, and the complexities involved in the preparation process. As trusted advisors, we should take the time to educate our clients about relevant tax issues, potential deductions, and changes in tax legislation that may impact them. By providing clear explanations and guidance, we can empower clients to make informed decisions and manage their expectations more effectively.

One of the most common sources of dissatisfaction among tax clients is unexpected fees or costs associated with their tax preparation services. To manage client expectations in this regard, we should be transparent about their fee structure from the outset. Clearly outline the services included in the fee, any additional charges for complex tax situations, and the payment schedule. Providing clients with a detailed breakdown of costs helps to avoid surprises and ensures transparency in the client-accountant relationship.

Tax season can be a stressful time for both tax preparers and clients, with looming deadlines and last-minute document submissions. To manage client expectations effectively, we should establish realistic timelines for the tax preparation process and communicate them clearly to clients. Setting deadlines for document submission, review meetings, and final filing dates helps to keep the process on track and reduces the likelihood of delays or misunderstandings.

In the event of an IRS audit or inquiry, managing client expectations becomes even more critical. We should prepare clients for the possibility of an audit, explaining the process, potential outcomes, and their role in providing documentation and support. By managing expectations during audits transparently and proactively, we can mitigate client anxiety and navigate the audit process more effectively.

Managing tax client expectations is a multifaceted process that requires clear communication, transparency, and proactive engagement. By implementing these strategies, we can effectively navigate client interactions during tax season, fostering trust, satisfaction, and long-term client relationships. Ultimately, by managing expectations successfully, we can deliver a superior client experience and achieve better outcomes for our clients.

***

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.

STATE MEMBER OF THE YEAR

MARYROSE is one of only a few NJ Directors to have served in all officer positions during her time on the Board. She kept the precise records as a treasurer; as VP, she was in charge of education, making sure that the educational events were timely and of interest to the attendees; as president for 2 years, she led the chapter professionally, and as the current secretary, her minutes are carefully recorded. She has always been the one who picks up the pieces, and fills in whenever and wherever she is needed, whether it is making sure the coffee is refilled at a seminar, taking care of having the written materials printed and ready for attendees, and so many other important tasks.

MaryRose has served on many of the committees of NJNATP, and is an participant at every Board meeting.

In your years on the NJ Board, you have worked to make us a better chapter in so may ways. You truly deserve to be the State member of the Year!

The NJ Chapter has been presenting this award since 2008. Following is a list of all who have received it over the years.

2008	Jean Millerchip
2009	Willie Lau
2010	Robert Flach
2011	Colette Taylor
2012	Chuck Wyland
2013	Barbara Fletcher
2014	Marilyn Ayers
2015	Jaimee Hammer
2016	Joyce Skerlanitz
2017	Sherry Diamond
2018	Kathryn Keane
2019	Ken Portera
2020	Marc Standig
2021	Julia Robinson
2022	Teresa Marron
2023	MaryRose Martino

MARYROSE MARTINO RECEIVING THE STATE MEMBER OF THE YEAR AWARD FOR 2023 FROM PAST PRESIDENT, COLETTE TAYLOR AT THE FAMOUS NJ STATE TAX SEMINAR ON JANUARY 13, 2024 AT APA HOTEL IN ISELIN.

SPOTLIGHT ON NATP: Happenings

BY TERESA MARRON CPA

DID YOU KNOW THAT YOU CAN BE REWARDED FOR RECRUITING NEW MEMBERS?

Yes, did you know that if you reach out to friends and colleagues and get them to join, that you can get $15 gift cards for each new member and there are additional reward levels!

Sponsor 1-2 new members and get a $15 gift card to use on NATP products and events.

Sponsor 3 new members and you can receive a $225 gift card to apply towards your next membership renewal.

Sponsor 7 new members and you get a free admission to Taxposium, the $225 gift card towards membership renewal and a $15 gift card for each new member!

If you are the top recruiter you will receive all of the prizes and $1,000 cash!

This is what you have to do to make this happen:

1. Connect with friends and colleagues in your office and other professional events.

2. Have them go to **https://www.natptax.com** where they can go to the Member section and **Join**.

3. Make sure you instruct them to fill in your name in the field where is asks "Who recommended you to NATP?"

4. Every new member you recruit you will start getting a $15 gift card

We all know that NATP has the tax industry's best education and updates. Members have access to the tools and information to prepare returns that best serve your clients. They will also be able to be part of a community of professionals. They can network not only at live events but on Facebook as well. Please reach out to us if you have any questions.

SUNDAY IS MY DAY

BY JOE WISNIEWSKI, CPA

If you're working seven days a week during tax season and still feel stressed out or that you'll never get everything done by April 15, I have a suggestion. Take Sundays off.

Maintaining balance and productivity during this time of year are vital to our health and relationships with family, friends and clients. Not working those extra 10 hours on Sunday may just be the trick to keeping things in perspective and saving our mental health!

Most of us realize tax season is probably the most demanding time of the year for tax professionals. Completing work by due dates, understanding ever changing tax regulations, and responding to clients questions, can be very demanding and lead to work long hours, burnout, stress, and inefficiencies.

Give yourself a break. Try implementing a policy of taking Sundays off! Here are just a few reasons to consider why this may actually be a boost to your output and a reduction of your stress level:

1. REST AND REJUVENATION: Working continuously without breaks can lead to fatigue, decreased productivity, and calculation overload. Taking Sundays off allows us to rest, recharge the brain cells, and start off Monday with renewed energy and focus.

2. WORK-LIFE BALANCE: We're all aware that tax season can be a significant disruption in our work-life balance. There's little, if any time for personal activities and relaxation. Baseball season officially opens in late March or early April. However by the time we get to look at the standings, all we hear is what teams are doing before the July trade deadline! Save Sundays for hobbies, binge watching, and spending time with loved ones. It's a great day for a family dinner. I officially removed my full length cardboard cutout from our dinner table several years ago.

3. ENHANCED PRODUCTIVITY: I, unfortunately learned later rather than sooner in my career that working excessive hours does not necessarily equate to increased output! Regular breaks and time off can actually improve efficiency and creativity. Giving yourself that Sunday break will likely provide a fresh perspective and enable you to work more effectively throughout the week.

4. PREVENTION OF BURNOUT: In our field of work Burnout can be either a catch all phase for overworked; or a serious state of depression brought on by tax season. By scheduling regular breaks into your schedule you may find it's much easier to keep the fire going and maintain your mental and emotional well-being.

5. IMPROVED CLIENT SERVICE: We all readily accept our charge of servicing our clients. They value our expertise, respect our knowledge and professionalism, and generally like us as individuals. Clients can also be demanding individual who want us to always be attentive, responsive, and capable of delivering high-quality work on time. None of us should work under those parameters 24x7. Giving yourself a break on Sundays allows us to refocus and approach client interactions with greater attentiveness and enthusiasm. It leads to a win/win in the long run.

If you're think this all sounds good but it's not happening in your office, try a sample. Plan and discipline yourself to take the next Sunday off. Set your priorities for the week knowing you will be off on Sunday. Delegate responsibilities where possible, and communicate with staff members and clients that you will not be accessible on Sunday. DO NOT TEXT OR READ EMAIL.

Sunday can become YOUR day during tax season. The benefits of taking in a matinee, or playing with your children or grandchildren during the busiest time of the year, can certainly put perspective in your life and work. Make your Sundays a day of rest and rejuvenation! It will likely pay dividends in all aspects of your life.

Hundley Advisors
1 Mill Ridge Lane, Suite 201A • Chester, NJ 07930
Office: (973) 940-0175 • Fax: (888) 345-5059
hundleyadvisors.com

Tax-Saving Tips – Winter 2024

BY ETHAN HUNDLEY

Corporate Transparency Act Requires BOI Reporting to FinCEN

The Corporate Transparency Act (CTA) is upon us. It took effect on January 1, 2024, and imposes a new federal filing requirement for most corporations, limited liability companies (LLCs), and other business entities.

Corporations, LLCs, and other entities subject to the CTA are called "reporting companies." People who form new reporting companies during 2024 must file a beneficial ownership information (BOI) report with the Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) within 90 days of forming the company.

The owners of reporting companies created before 2024 must also file a BOI report, but they have until January 1, 2025 (but think December 31, 2024).

Some businesses are exempt from filing—for example, large operating companies, which the CTA defines as those with over 20 employees and $5 million in income. There are other, narrower exemptions as well.

The BOI report must contain the name, the birth date, the address, and an ID number and image of that ID for each "beneficial owner" of the reporting company. These are the human beings who (1) own or control at least 25 percent of the company or (2) exercise "substantial control" over the company.

The BOI report is filed online at a new federal database called BOSS (an acronym for Beneficial Ownership Secure System). There is no filing fee.

Government law enforcement and security agencies will use the data from BOI reports to help combat money laundering, tax evasion, terrorism, and other crimes. It will not be available to the public.

Naturally, people have lots of questions about the BOI report filing requirements—for example:

- Do you have to file a BOI report if you own a single rental property in an LLC? (Yes.)
- Do you have to file 10 BOI reports if you own 10 LLCs? (Yes.)
- Can certified public accountants, enrolled agents, and other non-lawyers file BOI reports for clients without running afoul of unauthorized practice of law rules? (Unclear.)
- Are registered agents responsible for filing the BOI report? (No.)
- Do the self-employed have to file? (No.)
- Do I need to list a street address in the BOI report? (Yes.)
- Do I need to list my Social Security number in the BOI report? (No.)
- Do I need to list my attorney in the BOI report? (Maybe.)
- Must I file an updated BOI report if a beneficial owner leaves the company? (Yes.)
- Do I have to list my minor child in a BOI report? (No.)
- Will criminals file BOI reports? (Who knows?)

Famous NJ State Tax Seminar

January 13, 2024

ATTENDEES AT THE FAMOUS NJ STATE SEMINAR ON JANUARY 13, 2024 LEARNING THE NY STATE UPDATES FROM KATHRYN KEANE.

JACOB FOY, ONE OF OUR TOP NOTCH SPEAKERS, TELLING US ABOUT THE ANCHOR AND THE STAYNJ PROGRAMS.

THANKS FOR YOUR GENEROSITY!!

NJNATP adopted Angels Community Outreach several years as our annual charity, after reading how this wonderful organization began.

Every year, at the Famous NJ State Tax Seminar, NJNATP collects warm clothing and other accessories to be delivered to Angels Community Outreach.

NJ Board member, Joe Wisniewski, is pictured presenting the 7 boxes of winter clothing and accessories, as well as several very welcome monetary donations, to Elissa Darrow, director of The Angels Community Outreach in Pitman, NJ.

Many thanks to the NJ members for their continued generosity- it is so appreciated.

If anyone wants to still donate to this worthy cause, the website is: **Angelsoutreach.org** and their phone number is **856-625-8652.**

Website:	**www.njnatp.com**
or Call:	**856.546.7201**

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NJ-NATP CHAPTER OFFICE
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