Dear Colleagues:

Must be the cold weather – I have had writer’s block for days now as I’ve tried on many occasions to write this column. Unfortunately, I also have tax-return-preparation block in the days between the beginning of February and the magic April deadline. THAT is far more serious than writer’s block since the clients are expecting me to have the answers always ready and to turn their shoebox of receipts and forms into a thing of accuracy, complete with a fat refund. With the exception of those in the medical field, I think tax professionals have one of the worst jobs when it comes to expectation levels of the client. A bad meal can be fixed with a different meal or a monetary concession on the bill; a bad haircut grows out in four weeks. But a bad tax return is a recipe for disaster in time spent to explain and fix. And let’s face it folks – we have little spare time in the next 75 or so days.

Fortunately, we belong to a super group of professionals who are there to answer your questions and help get you through the return-preparation block. You are encouraged to use the feature on the website to send a question, which is then routed to a board member or other chapter member we know with the expertise in the area you’re asking about. Sometimes we can’t get you an answer, but we’ll do our best to refer you to a knowledgeable person. That’s one of the best benefits of your membership – networking with so much talent and friendship. In the years I have been involved with PSEA, I enjoy most the camaraderie with the members and seeing how everyone interacts at the fEAst in the EAs and other places we commonly meet (Working Together East and West and continuing ed classes).

Along with the never-ending list of tax returns, the Board of Directors is working on plans for our June program in State College. Once again we will be offering 16 hours of CPE that you need and have asked for at a very reasonable price. Dave and Mary Mellem will be with us on Monday and Tuesday, June 13-14, 2011 to discuss new tax laws and developments, tax credits, corporate liquidation, entity comparison and ethics. So mark your calendars now to join us.

There will also be a membership meeting on June 13th. At that time, new officers and directors will be elected for the 2011-2012 operating year. The report of the nomination committee is included in this newsletter. If you are interested in serving on the board or an operating committee, please send me an email at lin706@aol.com and we’ll discuss your intentions and how best you can serve this society.
For those with social security numbers ending in 4, 5 or 6, we have been told by the NAEA Government liaison that we are still on hold for renewal. Even though our current cards indicate our status will expire 3/31/11, that is not true. So business as usual, but I urge you to gather your CPE information and be ready to complete the EA renewal form when the announcement is made that IRS is accepting those applications.

If you have NOT received your PTIN (either a new one or as a renewal) and your efforts online or on the telephone have gotten you nowhere, please call Bob Kerr at NAEA for assistance. If you mailed in your application, there is still a backlog of those forms that need to be processed.

I wish you all a good tax season— with little illness, some time for yourself and your family, no cranky clients and a fat checkbook balance for your hard work. We’ll be back in May to invite you again to join us for the feASt in the EAs.

Linda S. Bleil, EA
Lin706@aol.com

Nominations for Officers and Directors...

During the annual meeting on June 13th, 2011, Officers and Directors will be elected for the 2011-2012 year.

The list of candidates for the Board of Directors submitted to date and to be presented for voting at our Annual Meeting in State College on June 13, 2011 is presented. We are in need of more nominations for the Board of Directors so we urge any of you who are interested in serving to contact us as soon as possible. Forward a brief statement as to why that person should be considered to Kathy McCusker, EA, who is the Chair of the Nomination Committee. Kathy’s email address is kgmea@aol.com. Her committee includes Lisa McAllister, EA and Samantha Stewart, EA. See back page for contact information. Self-nomination is encouraged! Nominations can also be made from the floor at the annual meeting.

The current slate of candidates is as follows:

President: Samantha Stewart
First Vice President: Mary Ann Jesse
Second Vice President: Joan Hoover
Treasurer: Lynda Moscatello
Secretary: Kathryn McCusker
Directors: Lisa McAllister, Joni Cappuccio, Diana Dugan, Aaron Shirk, Bonnie Lewis

Please review this list and consider if you would like to serve on the Board. If you are willing to serve in any other capacity on a Committee or for the Feast of the East, please let us know.

(Note: Willie Nelson had also been nominated. His presence will be missed and we appreciate nominations for his place on the Board.)

Good bye Willie...

Our good friend and fellow board member Willie Nelson passed away on January 29, 2011 just four days before our most recent board meeting and his nomination to our board for the third time. Willie shared with us once the hard work and study that it took to become an EA. He cherished his designation and appreciated the additional prestige it brought. Willie exuded a quiet strength and I think there is a part of him that was defined by his email address—a warrior! Well done Willie! You’ve fought the good fight!
Upcoming Events...

SAVE THE DATE!!!

The fEAst in the EAs is scheduled for June 13th & 14th, 2011 in State College.

SOUTHEASTERN PA REGION

A group of EA’s from Southeast Pennsylvania meet monthly for breakfast except for during tax season. EA Breakfast Meetings are planned for the following dates in 2011 including January of 2012:

- May 4
- June 1
- July 6
- August 3
- September 7
- October 5
- November 2
- December 7
- Jan 4, 2012

Meetings are at Michael’s Deli and Restaurant of King of Prussia on Town Center Rd in the Valley Forge Center (one mile north of King of Prussia Mall on Rte. 202). Meetings begin about 9 a.m. There is no need to RSVP about attending, but if you have not yet attended a meeting and are not yet on the e-mail list, please contact Craig Argo to confirm the meeting hasn’t changed. Bring your questions, ideas, and experiences to exchange with other EA’s. Invite other EA’s to the meeting. Any ideas for special meeting topics, contact Craig Argo, 610-701-3319 or argotx-pro@verizon.net.

Anyone is welcome to attend these breakfast meetings. Attendees appreciate the chance to discuss specific tax issues or practice concerns with fellow EA’s and the occasional opportunity to meet with contacts from within the IRS.

Editor’s Notes...

I’ve enjoyed the nearly five years editing the PA EA Alert and have decided to take some time to step away to take care of some family needs. Consequently we have a pressing need for one or more members to take on the duties of editing both this publication and distributing any other communications.

This publication is needed to communicate to members what is happening to serve Enrolled Agents in Pennsylvania. This organization basically represents the expertise and involvement of our members in helping promote the expertise of Enrolled Agents.

The PA EA Alert notifies to Pennsylvania and federal tax authorities that we have a vested interest in promoting ethical and competent tax preparation and representation services. We have a lot of work to do yet to elevate the status of Enrolled Agents to be recognized equally with other Circular 230 professionals in the state of Pennsylvania. The knowledge and professionalism of our members are necessary to promote what we’ve known all along; Enrolled Agents are focused on providing the best in tax expertise to the clients we serve.

Supporting our members through this quarterly publication is needed. The community would be even better served if our organization can provide a team of members who can help each other accomplish this and other communication goals.

I invite you to express your interest in helping out to any of the members of the executive board listed on the last page of this newsletter. The responsibilities for the August/September newsletter and other organization communications will begin on July 1, 2011. By all means contact me either by email or by phone at 717-371-2898 if you have any questions. It’s been a pleasure serving this community and I look forward to the continued progress of this publication and the organization it represents.

- Michelle Long, Editor

P.S. I’d be remiss if I didn’t remind you to include the email pa.enrolledagents.nl@gmail.com in your address book to prevent newsletter bounce backs. Thanks!
News and Views…

IRS News

Just a reminder that Tax Talk Today has posted it’s 2011 Program Schedule of affordable CPE courses on its website.

A lot of ARRA legislation was relevant to 2010 and will be important to know as you’re preparing taxes. Refer to the IRS information page on the American Recovery and Reinvestment Act.

Handy tax season references on the IRS website are:

Electronic Reading Room
List of Training and Communication Tools
List of CP notices and their purpose
Information page on appeals
Information needed to file returns for clients
EFTPS scam information
List of local IRS offices in Pennsylvania

The IRS has also posted an article about planned visits to 2500 preparers during tax filing season 2011 to verify compliance with existing tax return preparer requirements. Practitioners doing large volumes of Schedule A, C or E will be receiving the most scrutiny. More here about the responsibilities of tax return preparer. Areas of concern include due diligence, tax client records, privacy and accuracy.

Nationwide Tax Forums Online

The brochure on the page 6 was forwarded to us by Pennsylvania IRS liaison Narina Bchtikian to remind us of this year’s tax forums and also that archived forums are available.

Stockpiling Returns

Please note for those EROs who’ve been concerned about running afoot of the stockpiling rules, the IRS is providing an exception since there has been a delay in the efiling process. In most practitioner’s cases this would be holding returns beyond 3 days of having a completed return to transmit. More information can be found on the IRS website.

Training Tools for Tax Professionals

Find electronic resources for to assist tax pros with timely information and specific tax training topics.

Pennsylvania News

In the most recent state update, Pennsylvania reminds preparers that simultaneously filed Federal/PA returns will be held by software vendors and not filed until the IRS is cleared for receiving these efiles. Until acknowledgement is received from the state, the state has not received the efiled return.

This edition of the Pennsylvania Tax Update also has a handy 4 page reference guide for the 2011 due dates of various individual and business state taxes, employer deposits and business entity reports.

Ohio News

The following information was forwarded to us from Ohio:

For those of you who do Ohio personal income tax returns, please note that your software may not be correct for these returns. The Ohio legislature signed a tax bill on 12/15/10 to conform with the Federal law as of that date. However, Congress signed The Tax Relief Act of 2010 on 12/17/10. The Ohio legislature is working to conform the Ohio laws to match with the federal laws, but that could take until the middle to late February to enact. At issue are the add back items on the Ohio return. You will need to check your software to be sure you have the latest updates for Ohio returns.

PSEA special incentive for new members...

Know any Enrolled Agents you can introduce to NAEA and PSEA? On page of this newsletter is a letter from our board offering a $25.00 discount on CPE fees for the fEAst to anyone joining by April 30, 2011. If you have any questions, just get in touch with Samantha Stewart, EA.

Another helpful website...

Are you trying to figure out what township a client lives in? Go to the Census Bureau’s Factfinder and click on “street address” in the Address Search box. Type in the street address and you’ll get municipal info that will aide in your local tax preparation. After you visit that site go to Municipal Statistics for tax rates in Pennsylvania by municipality.
News and Views…(cont.)

**NAEA Resources**

**Academic Associate Membership**

If you know of any students enrolled in an accredited accounting, tax or finance program, make them aware of NAEAs Academic Associate membership. This is also open to instructors in such programs. The national application fee is $28 and membership is $35. Additional membership in the state affiliate is optional. Information with a link to the application is on the [NAEA website](http://www.naea.org).

**NAEA Tax Season Resources**

Login to the membership portal for access to NAEAs Tax Research Service. The tax knowledge database contains 3,000 articles compiled from frequently asked questions by other tax professionals available at no cost to members. More research assistance is available on a standard and extensive basis for either a one time fee of $35 for standard questions or $75 per hour for specific case research. See NAEA’s informative [slide presentation](http://www.naea.org) for information on how to access the service and if you select the fee based service, how to submit the information to get the research you need.

**Member Community Webboard**

Many members have benefitted from logging onto [www.naea.org](http://www.naea.org) and checking either archived posts or submitting their own question. The boards have a search feature which might help you find an answer to a specific question. Or maybe locate an excel spreadsheet to help you organize client data. And if you need a chuckle some topics are on the lighter side.

**Marketing Materials**

Member Resources is also a great place to find print material for customizable ads, client letters, brochures and educational flyers.

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**SAVE THE DATE FOR THE NATIONAL MEETING!!!**

**NAEA National Conference**

**Las Vegas**

**August 7-10, 2011**

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**Steelers vs. Packers Redux in June**

Mary and Dave “Cheesehead” Mellem from Green Bay will be our speakers again at the fEAst. We’ve been blessed by their wealth of knowledge and look forward to their interesting presentations and excellent materials. That being said, the board unfortunately lost their wager that the Steelers would win the Superbowl, so if you see some board members wearing green and gold the first day of the fEAst, they’re just honoring their part of the deal. So be prepared for some good-natured abuse from our illustrious speakers. Guess after all these years of giving the Mellems Penn State and Steelers gear, it was just a matter of time before some payback. Still and all...who knows...maybe someone will have something up a black and gold sleeve...or a blue one...or a green one...

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**Treasurer’s Report...**

Financial reports as of January 15, 2011 are on pages 8 and 9.

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*Under reasonable assumptions, the federal government is likely to face deficits in excess of 6 percent of GDP by late in the decade, even with a strong economy, with the debt-GDP ratio reaching 98 percent by 2021.* ~ [Tax Policy Center](http://www.taxpolicycenter.org)
IRS National Public Liaison Delivers
The Nationwide Tax Forums Online (NTFO)

The IRS Nationwide Tax Forums Online (NTFO) provides information for tax professionals from the speakers at the IRS Nationwide Tax Forums. Another cost-effective way to fulfill mandatory educational requirements.

- NTFO available on your computer 24/7
- Audit courses for free!
- Receive CPE Credit!
- 22 seminars to choose from
- No Travel Cost
- Fit into a busy schedule
- Do at your own pace
- Download Information
- See Interactive Video
- View and Print Power Points
- Flexibility! Great Value! Instant results

Visit the IRS Nationwide Tax Forums Online at http://www.irstaxforumsonline.com

We also encourage you to attend the IRS Nationwide Tax Forums for the complete forum experience. You can earn CPE credits, network with tax professionals and IRS staff, get a case resolved in the Case Resolution Room, and get hands-on help in the IRS Preparer Services Room.

Visit http://www.irstartxforum.com for information on the upcoming 2011 IRS Nationwide Tax Forum
SPECIAL MEMBERSHIP OPPORTUNITY

December 31, 2010

Dear Fellow Enrolled Agent:

As an Enrolled Agent and tax professional, the success of your practice is important to you. Some of the keys to having a successful practice are having current tax information at your fingertips, having access to continuing professional education (CPE) to enhance your knowledge and networking with others in the profession. Membership in the National Association of Enrolled Agents (NAEA) and the Pennsylvania Society of Enrolled Agents (PSEA) offers you this and more. We are the only professional organization in Pennsylvania that represents the interests of Enrolled Agents exclusively.

As a member, you will receive a weekly newsletter from the National Association of Enrolled Agents as well as state newsletters with information important to Pennsylvania Enrolled Agents. Periodic emails concerning breaking news on changes in the tax laws are also sent to members.

PSEA hosts or sponsors quality affordable educational events in the areas of tax and representation, offering at least 16 CPE credits including 2 hours of Ethics. PSEA members receive registration fee discounts at our hosted events. These events include the Feast of the East in June of each year in State College, and the Western Working Together and Eastern Working Together seminars. Join PSEA by April 30, 2011 and receive a credit of $25 off the already reasonable cost of the 2011 Feast in the East.

You also can network online with hundreds of EA’s in Pennsylvania, across the country and around the world. NAEA provides a web board where members can post questions and begin discussions with other members.

A major benefit to members is access to NAEA’s new on-line tax knowledge base. This tool is included in the membership dues. Custom tax research questions may be submitted as well for a modest, flat rate charge.

As a member, you will have representation in Washington, DC as our NAEA staff, officers and members are frequently asked to testify before Congress on pending tax legislation. Additionally, PSEA’s new Governmental Liaison Committee will monitor prospective changes in Pennsylvania tax law.

PSEA and NAEA are the only state and national organizations working solely for the benefit of Enrolled Agents. Imagine the benefit to your practice by having the support of organizations whose primary focus is on your professional designation. There is an April 30th, 2011 application deadline to receive the $25 credit to the 2011 Feast so join today. We hope to welcome you as a new member very soon and that we may see you at our next event.

For more information about NAEA and PSEA, please do not hesitate to call us at 1-866-475-7732 or email us at psemembership@gmail.com. Please browse our organization’s websites at www.naea.org and www.paeunrolledagents.com for more information. Personal email addresses for each PSEA board member are listed on the PSEA website.

Very truly yours,
PSEA Board of Directors
Treasurer’s Report...

Pennsylvania Society of Enrolled Agents
Profit & Loss Ending January 15, 2011
(2 year comparison)

<table>
<thead>
<tr>
<th>Income</th>
<th>Jul 1, '10 - Jan 15, 11</th>
<th>Jul 1, '09 - Jan 15, 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dues Income</td>
<td>14,625.00</td>
<td>13,790.00</td>
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<tr>
<td>FOE</td>
<td>40.00</td>
<td>75.00</td>
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<tr>
<td>Initiation Fees</td>
<td>378.00</td>
<td>126.00</td>
</tr>
<tr>
<td>Interest Income</td>
<td>6.43</td>
<td>78.51</td>
</tr>
<tr>
<td>Other Registrations</td>
<td>377.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Total Income</td>
<td>15,426.43</td>
<td>14,069.51</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Expense</th>
<th>Jul 1, '10 - Jan 15, 11</th>
<th>Jul 1, '09 - Jan 15, 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board Meeting</td>
<td>1,439.79</td>
<td>1,872.25</td>
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<tr>
<td>Education</td>
<td>377.00</td>
<td>150.00</td>
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<tr>
<td>FEAst</td>
<td>140.00</td>
<td>1,060.23</td>
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<tr>
<td>Government Relations</td>
<td>549.56</td>
<td>45.00</td>
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<tr>
<td>Membership</td>
<td>56.42</td>
<td>339.08</td>
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<td>NAEA Meetings</td>
<td>251.58</td>
<td>500.00</td>
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<tr>
<td>Newsletter Expenses</td>
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<td>0.00</td>
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<tr>
<td>Office Supplies</td>
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<td>Postage</td>
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<td>Telephone</td>
<td>213.23</td>
<td>84.63</td>
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<tr>
<td>Website</td>
<td>116.70</td>
<td>176.70</td>
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<tr>
<td>Working Together</td>
<td>475.00</td>
<td>550.00</td>
</tr>
<tr>
<td>Total Expense</td>
<td>3,990.54</td>
<td>4,864.98</td>
</tr>
</tbody>
</table>

Net Ordinary Income 11,435.89 9,204.53

Net Income 11,435.89 9,204.53
Treasurer’s Report...

Pennsylvania Society of Enrolled Agents
Balance Sheet Ending January 15, 2011
(2 year comparison)

<table>
<thead>
<tr>
<th></th>
<th>Jan 15, 11</th>
<th>Jan 15, 10</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Checking/Savings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Everbank Checking</td>
<td>0.00</td>
<td>10.05</td>
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<tr>
<td>Everbank Money Market</td>
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<td>2.73</td>
</tr>
<tr>
<td>PNC Checking</td>
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<td>2,957.87</td>
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<tr>
<td>PNC Money Market</td>
<td>12,164.51</td>
<td>17,130.04</td>
</tr>
<tr>
<td>Total Checking/Savings</td>
<td>20,257.52</td>
<td>20,100.69</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>20,257.52</td>
<td>20,100.69</td>
</tr>
<tr>
<td><strong>Fixed Assets</strong></td>
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<td></td>
</tr>
<tr>
<td>LCD Projector</td>
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<td>747.99</td>
</tr>
<tr>
<td><strong>Total Fixed Assets</strong></td>
<td>597.99</td>
<td>747.99</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>20,855.51</td>
<td>20,848.68</td>
</tr>
</tbody>
</table>

| **LIABILITIES & EQUITY** |   |   |
| **Equity**               |   |   |
| Unrestrict (retained earnings) | 9,419.62 | 11,644.15 |
| Net Income               | 11,435.89 | 9,204.53 |
| **Total Equity**         | 20,855.51 | 20,848.68 |
| **TOTAL LIABILITIES & EQUITY** | 20,855.51 | 20,848.68 |
Your PSEA Board works hard to provide you with the benefits of membership. Please consider joining the Board in a Board Member or Committee capacity to improve the benefits for all of our members.

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Pennsylvania Society
of Enrolled Agents
An affiliate of National Society of Enrolled Agents

Visit our website at www.paenrolledagents.com

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