



## MEETINGS



Everyone welcome - Members, spouses, friends, non-members, subscribers, IRS & CDOR personnel, and any other interested individuals!!

Your Board wants to see you!!! This month and in future months at our regularly scheduled dinner meetings. They are one of the best places to meet new members, share your ideas, learn new resources, and actually have fun while earning CPE credits.

Reservations may be called to Linda Ward at 303-221-6691 or e-mail to [linda@lward.biz](mailto:linda@lward.biz) no later than the Sunday before the meeting.

**No shows will be billed if a reservation is made.**

## DINNER MEETINGS

### MAY 27, 2008

#### Board Meeting

**Date:** Tuesday, May 27, 2008

**Time:** 5:15 PM Board Meeting  
6:00 PM Dinner  
7:00 PM Program

**Place:** Holiday Inn  
4849 Bannock St.  
at I-25 and I-70  
*Directions on page 7*

**Program:** Roundtable  
Voice your challenges and problems with the IRS, states, and tax programs. Bring specific concerns with policies, practices and procedures

### JUNE 24, 2008

#### Board Meeting

**Date:** Tuesday, June 24, 2008

**Time:** 5:30 PM Board Meeting  
6:00 PM Dinner  
6:30 PM Program

**Place:** Holiday Inn  
4849 Bannock St.  
at I-25 and I-70  
*Directions on page 7*

**Program:** Is Your Client's IRA an IOU to the IRS?

**Speaker:** **Aaron C. Hersch**  
America's IRA Centers

#### Cost for Dinner & Program:

Members .....	\$25.00
Non-members .....	\$30.00
Program Only .....	\$15.00

MAKE CHECKS PAYABLE TO CoSEA

**NO SHOWS WILL BE BILLED!**

## PRESIDENT'S MESSAGE

Dear Members:

There will be no President's Message in this issue as Mark Sehnert died unexpectedly on March 17, 2008.

Our new President, Helen Lammert-Sanchez, will resume the President's Message in the next July-August issue.

Yours,

*Jeanine*

Jeanine Buben-Croy, EA



### IN MEMORIUM

#### **Mark Edward Sehnert 1948-2008**

Mark died on March 17, 2008. He received his Bachelor of Arts Degree in Business Administration from the University of Colorado, Boulder, and lived in Alaska for 15 years before returning to Colorado. Mark was instrumental in getting enrolled agents on television for call-in conversations with the public. He had his own tax practice in Boulder, CO. He is survived by a daughter (husband, grandchild), a son, and special friend. We will miss Mark and his long-time contributions to CoSEA.

#### **Carl Franklin Martin 1929-2008**

Carl died on March 31, 2008. He received his Bachelors of Science Degree in Animal Husbandry from Iowa State University and served in Air Force ROTC. He was commissioned as a 2<sup>nd</sup> Lieutenant in the Air Force Reserves and he earned various military honors. Carl and his spouse Bette were active as tax preparers after moving to Colorado and purchased an H & R Block franchise in Monument, CO. Carl recently worked at Manitou Springs H & R Block branch. He is survived by his wife, brother (wife), sisters, five sons (wives), eighteen grandchildren, and other relatives. We will miss Carl and his quick smile.

## Jeanine's Journal

Dear Members:

It is sad to lose Mark Sehnert and Carl Martin from CoSEA and I send my prayers out to their families in their time of grief. Welcome to our new President, Helen Lammert-Sanchez, who will be taking over her position during a difficult transition for CoSEA. The board will be working hard to support Helen in her new leadership role and to provide the members with the best service available in our individual jobs.

I have provided some legislative updates on the Economic Stimulus Act, the new Circular 230, and a Colorado bill regarding preparer penalties. My intention is to provide the CoSEA members with continued relevant legislative news and other basic resources of interest to help us better operate our practices or perform in our jobs if we are employees.

Please send any ideas that you want to share with the members or want me to research to me as a WORD or PDF attachment directly to my e-mail at [jeaninetaxserv@yahoo.com](mailto:jeaninetaxserv@yahoo.com). The next newsletter will be drafted on June 15, 2008, so getting inserts to me by that time will ensure time to include contributions in the next print layout.

Yours,

*Jeanine*

Jeanine Buben-Croy, EA

303-432-7428 (Office)

303-432-2455 (Fax)

<http://www.jeaninetaxserv.com> (Business)

*“Come  
to the  
Meetings”*



# LEGISLATIVE NEWS

## Federal

### The Economic Stimulus Act

Source: IR-2008-70, May 7, 2008

The Internal Revenue Service (IRS) released a list of most-frequently-asked questions and answers on their website at [www.irs.gov](http://www.irs.gov). The Stimulus payments are sent automatically to eligible taxpayers who filed a 2007 tax return and many people have already received payments. The payments are issued according to the last two-digits of taxpayer Social Security numbers, and direct deposit payments are preceding paper checks as the payments go out.

Provided that your clients filed their 2007 tax returns by April 15, 2008, the following general sending schedule applies:

#### Direct Deposits

00-20, May 2  
21-75, May 9  
76-99, May 16

#### Paper Checks

00-09, May 16  
10-18, May 23  
19-25, May 30  
26-38, June 6  
39-51, June 13  
52-63, June 20  
64-75, June 27  
76-87, July 4  
88-99, July 11

If your clients filed their tax returns after April 15, 2008 but by October 15, 2008 with extensions, then they will get their stimulus payments after their tax returns are processed.

Many but not all taxpayers qualify for the maximum basic payment of \$600 for singles (\$1,200 for married filing jointly). Many parents also receive an extra \$300 per qualifying child born after December 31, 1995. Payments may be less than the maximum basic payment when:

- (1) Single with net tax liability less than \$600 (see Form 1040, Ln 57, + Ln 52).
- (2) Married with net income tax liability less than \$1,200.
- (3) Single with adjusted gross income (AGI) greater than \$75,000 (see Form 1040, Ln 37).
- (4) Married filling joint (JFJ) with AGI greater than \$150,000.
- (5) Owe back taxes that reduce payment.
- (6) Have non-tax federal debts like unpaid student loans and child-support that reduce payment.

It is important to note that near the time that taxpayers receive rebate payments, that they will also receive notices from the IRS explaining how their payments were calculated. Your clients must keep their notices as a record of their stimulus payment. They will get separate notices if they owe back taxes or non-tax debts offset or are deducted from their stimulus payments.

There is an Economic Stimulus Calculator on the IRS.gov website. You may figure the two parts to the stimulus payment here to verify client payments or your own payment. First the basic amount is based on tax liability, filing status or other qualifying income, if there is no tax liability. Second, an additional amount is based on whether a qualifying child is reported on the 2007 tax return.

There is a phase out for payment, where payment is reduced or eliminated, based on taxpayer income level. The stimulus payment phases out with adjusted gross income (AGI) over \$75,000 and married couples filing MFJ with AGIs over \$150,000.

I will be watching the progress and any new developments in the Economic Stimulus Act. New information will be reported in the CoSEA newsletter as it becomes available.

## Circular 230

Source: Internal Revenue Service Website; Continuing Professional Education 2008 DU Graduate Tax Program Catalog

Circular 230 was recently updated, so EAs will want to obtain a current copy to familiarize themselves with professional expectations of the Internal Revenue Service. Visit the IRS website at [www.irs.gov](http://www.irs.gov) and order the document under "Forms and Publications". You can then paste a copy on your computer desktop and/or print one out for your review.

Ethics credits for Enrolled Agent (EA) continued education licensing requirements are available from various certified professional education (CPE) resources each year. Our own CoSEA offers a one credit program at a regular meeting each year (September 23, 2008 this year).

The University of Denver Graduate Tax Program offers CPE credit programs several times a year. This year the Graduate Tax Program (GTP) includes: **Ethics in Tax Practice** for two hours on 10/21/7:00 a.m.; 11/19 5:30 P.m.; 12/29 8:30 a.m.; or 12/30 3:30 p.m. There is also a four credit course on **Ethics Standards Update and Review for Colorado CPAs in Public Practice** on 7/16/08 a.m., and 10/8/08 a.m. that EAs can take. Other unique programs of interest at DU GTP that might interest EAs are the seminars on **Employment Taxes** on 11/12/08 a.m. for 4 credits, **IRS Collections** on 9/8/08 p.m. for four credits, **IRS Controversies** on 9/10/08 full day for eight credits, **Multistate Corporate Income Taxation** on 10/20/08 full day for eight credits, **Sales & Use Taxes** on 6/25/08 or 9/18/08 full day for eight credits credits, and **Year-End Update for Return Preparers** on 1/30/2009 or 2/2/2009 full day for 8 credits. The textbooks provided to the participants of the IRS collections and controversies courses are particularly good references for practicing enrolled agents in my experience. Please call DU GTP at 303-871-6239 to register for the GTP courses that interest you.

There are many excellent local seminars offered by National Society of Accountants, National Society Tax Preparers, National Association Tax Preparers, Certified Public Accountants, and others each summer and fall. You can attend these activities as members or non-members of the sponsors.

Anyone in CoSEA that has other ethics or practice courses to recommend should send the information to me at [jeaninetaxserv@yahoo.com](mailto:jeaninetaxserv@yahoo.com) as a WORD attachment. I will be glad to inform our membership so that we all know our options available for credits for our continued professional (CPE) licensing requirements.

## Colorado

### State of Colorado

#### Source: House Bill 08-1138

There is a Colorado amendment to a statute, effective July, 2008, regarding reports and returns that EAs should take note of Section 2, 39-22-621(2) C.R.S. was amended to impose a \$500 penalty on paid preparers for any understatement of liability with regard to where the preparer knew or should have known there was not a realistic possibility of being sustained on its merits. The penalty will also be imposed on an employer if the preparer is an employee of said employer. The penalty would be collected for each tax return or claim for refund prepared.

The Executive Director may disclose the name of any tax return preparer to the Colorado Board of Accountancy who is a Certified Public Accountant (CPA) permitted to practice under Article 2 of Title 12, C.R.S. This would regard the CPA's conduct that incurred the penalty but for any exemption under Sub-paragraph (II).

What I am gathering from the specific mention of CPAs, is that their misconduct can be reported directly to the Colorado Board of Accountancy that licenses these professionals. There is no specific mention of EA professionals in the current statute. It merely refers to "paid preparers".

Please consult the legislative news status sheet, the legislative history, or the Session Laws to track the progress of this bill. I will share any further developments that I hear of in the future.

## **POSITIONS OPEN!!**

We are now looking for a vice president and public relations chairperson.

Please let one of Board members know if you are interested in serving in either of these positions.

## **ATTENTION CoSEA MEMBERS:**

Please send your updated contact information, *i.e.* addresses and/or e-mail to Alan Bates, call 720-535-7977 or email to [Alan.batestax@comcast.net](mailto:Alan.batestax@comcast.net). This will help your Board stay current and ensure that all notices, newsletters, etc. will be delivered in a timely manner.

Please note that your newsletters are e-mailed to you by Joan Lipinski, our printer. This is not spam, so please do not block this e-mail.

## **What Interests You? Know a Speaker?**

Linda Ward needs your suggestions on topics and new speakers. If you have any suggestions, please contact Linda at 303-221-6691 or email her at [linda@lward.biz](mailto:linda@lward.biz)



**“Get  
Ready  
To  
Learn”**

## Coming Events

- May 27, 2008** *Roundtable*
- June 24, 2008** *Is Your Client's IRA an IOU to the IRS?*
- July 22, 2008**
- August 26, 2008**
- September 23, 2008** *Ethics*
- October 28, 2008** *Colorado Tax Update*
- November 11, 2008** *IRS Tax Update*
- December** *CoSea Holiday Party*

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## A Touch Of Humor

A fine is a tax for doing something wrong.  
 A tax is a fine for doing something right.

A taxpayer is someone who works for the federal government but who doesn't have to take a civil service examination. – Ronald Reagan

Where there's a will, there's an Inheritance Tax.

### MEETING LOCATION

by Mildred A. Cassai, EA

Our meeting site is at the Holiday Inn at the Mousetrap. The address is 4849 Bannock Street, located northwest of the intersection of 1-25 and 1-70. Here's how to get there:

*Going east on 1-70:* exit onto Pecos, go left (north) over the freeway to 48th Ave. Go right (east) to Bannock, turn left to 4849 Bannock.

*Going west on 1-70:* exit onto Pecos, turn right (north) to 48th, turn right (east) to Bannock, go left.

*From 1-25:* exit at 58th Ave., go west to 2nd light west of freeway, at Bannock, turn left (south).

Visit our website at  
[www.taxproco.org](http://www.taxproco.org)

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The newsletter is sent bimonthly to all members of the Colorado Society of open Enrolled Agents, nonmember subscribers, selected members of the National Association of Enrolled Agents, government officials, and others. Additional mailings are targeted to other Enrolled Agents and/or other tax professionals.

Deadline is the 15th of the month prior to cover date (i.e. June 15 for July-August issue). Submit Word attachment to [jeaninetaxserv@yahoo.com](mailto:jeaninetaxserv@yahoo.com). Submit contracts and/or payments to Jeanine Buben-Croy, EA, 6606 W. 79th Ave., Arvada, CO 80003. Make checks payable to CoSEA.

If you know of a company or someone who wants to advertise in the Newsletter, please have them contact  
 Jeanine at  
 303-432-7428 or e-mail her at [jeaninetaxserv@yahoo.com](mailto:jeaninetaxserv@yahoo.com)

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