



The Accountant

Official Publication

of the North Carolina Society of Accountants

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May 2015



A Message From The President

Margie H. Strider



Margie H. Strider

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2015 Convention Registration attached

My, how quick time flies. It is already more than three weeks since the official tax season came to an end. I know most of us are glad to see this frustrating 3 1/2 months over with. Extension information will start dragging in which always extends our tax season for several months; then-it starts all over again. I hope everyone had a few days off to relax and get their senses back in sync from such a hard season.

May is here, and Mother's Day will be approaching in the next few days. We should give thanks to our "mothers" for giving birth to us, in turn, allowing us to enjoy our daily blessings and liberty we all have in the USA. There is no greater sacrifice on earth than being a parent, especially a mother. "To all the mothers whose children are fighting in wars--and mothers whose children are growing up with wars raging all around them or with terrorism threatening their safety--wishes of strength, love, hope, and joy to our mothers this Mother's Day. We are all exceptional women in our motherhood. God bless you all--especially Mothers and Happy Mother's Day!"

Our Spring PAS, of which I trust you have already registered, will soon be here with a Board meeting following lunch; then our Leadership Meeting with the participants and mentors will take place immediately following the Board meeting. This all will take place on May 15 at Pinewood Country Club, Asheboro, beginning at 8 am. We are working with Pinewood planning the menu for our lunch that will be served after the seminar. We need a head count immediately in order to have enough materials and lunch for all those in attendance. Participants in the Leadership Development program will be able to get a "required" segment of the leadership program by attending the board meeting that will take place prior to our Leadership meeting. All participants and mentors **must** bring his/her notebook as we will be reviewing some material during our meeting. All notebooks assigned to everyone whether a participant or mentor will be turned in at this event as I need to evaluate activities that are part of the Leadership Development Program before the annual convention. If you haven't registered, please do so immediately. I feel we all will benefit as business owners and/or employees from the information presented during the seminar. This class is one that we have never had before and is taught by attorneys.

Only about a month after our Spring PAS will be our annual NCSA Convention in Blowing Rock at The Chetola Resort. Again, I would love to see a great attendance at this event. Lots of fun has been planned as well as a four (4) hour accounting CE class on Wednesday morning. Be sure to reserve your room with Chetola directly before the cut-off date and mail your completed form to Candace Cansler, our Executive Director or complete your registration form on the web page for the convention. Again we need a head count in the very near future to have available all resources necessary for this event.

I have only two more up-coming events to occur during my year as President of NCSA. I look forward to seeing each of you at both of these events. I want to thank all those that have assisted me this year with making each segment of my year possible.



Chapter News

Our chapters are getting back to normal after tax season. Convention is just around the corner, and with that brings changes in leadership at our chapters. Are YOU willing to serve NCSA? It all starts in your local chapter, faithfully attending meetings, being willing to serve in a line office position in your chapter, or representing your chapter on the NCSA Board of Directors. As we look toward a new year of NCSA what can you do to serve your chapter and your society. You can start by supporting your local chapter; read on to see what's been going on around our state.

Burlington

The Burlington Chapter met on Thursday, April 23rd at Kimbers in Gibsonville. Nine chapter members and three guests were present for a Tax Season Recap roundtable meeting. The Burlington chapter normally meets on the 4th Thursday of each month. For more information about the Burlington chapter contact Jim Holmes at jholmes.acct@yahoo.com

Cape Fear

The Cape Fear chapter met on Monday, April 20th at The Brass Lantern in Dunn. Speaker **Mark Reynolds** gave an informative presentation on Data Security. The chapter normally meets the 1st Monday after the 15th each month. For more information contact Merry Arnett at mparnett@embarqmail.com

Central

The Central Chapter held their monthly meeting on Monday, April 27th at Sagebrush Steakhouse. The meeting topic was part I of Technology for Today's Accountant led by NCSA President Elect **Ron Powell**. Next month we will conclude with part II on Monday, May 18th. Central Chapter meets on the 4th Monday of each month. For more information contact Kevin Robinson at kevrob@triad.rr.com

Charlotte

The Charlotte Chapter normally meets on the 4th Thursday of each month. For more information contact Louise Pistole at pistole9@windstream.net

Eastern

The Eastern Chapter met on Tuesday, April 28th at McAlister's Deli in Greenville. NCSA President Elect **Ron Powell** presented Part I of Technology for Today's Accountant. The Eastern chapter meets on the 4th Tuesday each month. For more information contact Ronald Powell at ron@powellaccounting.com

Hickory

The Hickory Chapter normally meets the last Monday of each month. For more information contact Susan Dale Moore at susan@dalesaccounting.com

Piedmont

The Piedmont Chapter met on Thursday, April 30th at Sagebrush in Kernersville. Members shared Tax Season Horror Stories and welcomed NCSA President Elect **Ron Powell** as their special guest. Piedmont Chapter normally meets on the last Thursday of each month. For more information contact Carol Smith at clstaxes@bellsouth.net

Raleigh

The Raleigh Chapter met on Tuesday, April 28th at Manchesters on Leesville Rd in North Raleigh. The chapter leaders led a roundtable discussion of the members and guests tax season issues. The Raleigh Chapter meets on the 4th Tuesday of each month. For more information contact Stephen Metelits at metelits@usa.net

Sandhills-Sanford

The Sandhills-Sanford Chapter met for a roundtable discussion on Thursday, April 30th at Table on the Green in Pinehurst. For more information contact Mark Bouchier at mbouchier@mabaccounting.net

Western

The Western Chapter met on Tuesday, April 28th at the Gondolier Italian Restaurant. The meeting was a roundtable tax season discussion. Next month NCSA Past President **J. R. Lawson** will speak on Business Valuations and Dispositions. For more information contact John McKinney at johnm@accuraaccounting.com.

Wilmington

The Wilmington Chapter met on Monday, April 27th at McAlister's Deli with Susan Corliss Bland speaking on Assessing a New Client's QuickBooks file. The chapter also celebrated the end of tax season by distributing "Tax Season Survivor Kits". See below for a photo of some of the members with their kits! The next meeting will be Thursday May 28th (earlier due to Memorial Day). Contact Chapter President Marie Izzo for more information at marie@johnizzocpa.com



We cannot compile this report without your information. If you have news of your chapter or its members including photos or interesting things that happened at your chapter meeting please email James Upton at jamesupton@rtmc.net or call (336) 873-7690.

1095-A

Notice 2015-30 provides penalty relief for taxpayers who received a Form 1095-A, *Health Insurance Marketplace Statement*, that was delayed or that the taxpayer believes to be incorrect and who timely filed their 2014 income tax return, including extensions. Specifically, it provides relief from the penalty for late payment of a balance due, the penalty for failure to pay an amount due upon notice and demand, the penalty for underpayment of estimated tax, and the accuracy related penalty. This relief applies only for the 2014 taxable year.

Tangible Property Regulations

The rules for handling tangible property for taxes now are so complex that the IRS has issued a number of Revenue Procedures to help us with applying to materials and supplies and for acquiring, maintaining, or improving property. The final regulations went into effect for tax years beginning on or after January 1, 2014, with "clarifications" that follow in Rev. Procs.:

1. January 24, 2014, Rev. Proc. 2014-16, rules for changing accounting methods.
2. September 18, 2014, Rev. Proc. 2014-54, rules for changing accounting methods to comply with law.
3. January 16, 2015, Rev. Procs. 2015-13 and 2015-14, rules for making accounting method changes.
4. February 13, 2015, Rev. Proc. 2015-20, exceptions to the general procedures.

This article deals with the exceptions in Rev. Proc. 2015-20. It modifies Rev. Proc. 2015-14 to permit a small business, defined as a business with total assets of less than \$10 million or average annual gross receipts of \$10 million or less for the prior three taxable years, to make certain tangible property changes in methods of accounting with an adjustment under § 481(a) that takes into account only amounts paid or incurred and dispositions. In addition, for their first taxable year that begins on or after January 1, 2014, small business taxpayers are permitted to make certain tangible property changes without filing a Form 3115.

An expenditure is a capitalizable improvement if it is a betterment, restoration, or adaptation.

An expenditure is a betterment if it corrects a material defect or condition before the taxpayer's acquisition; is for a material expansion, enlargement, extension, or addition; or reasonably is expected to increase productivity.

An amount paid is a capitalizable restoration only if it is for the replacement of a component for which the taxpayer has properly deducted a loss (not a casualty loss); it is for the replacement of a component to which the taxpayer has properly taken onto account the adjusted basis in realizing gain or loss resulting from a sale or exchange of the component; it is for the restoration of damage for which the taxpayer is required to take a basis adjustment; it returns a property to its ordinary efficient operating condition if the property has deteriorated to a state of disrepair and no longer is functional; it results in the rebuilding of the property to a like-new condition after the end of the class life; or it is for the replacement of a part or combination of parts that comprises a major component or substantive structural part of a property.

A taxpayer must capitalize amounts paid to adapt a property to a new or different use not consistent with the taxpayer's ordinary use of the property.

Under the routine maintenance safe harbor, the amount paid for routine maintenance is not a improvement. Routine maintenance includes the recurring activities that a taxpayer expects to perform to keep the property in the ordinarily efficient operating condition. Routine maintenance may be performed any time during the useful life of property, but the activities are routine only if the taxpayer reasonably expects to perform the activities more than once during the class life of the property.

There is a *de minimis* safe harbor amount that can be expensed for tangible assets. The amount depends on whether or not the business has an accountable financial statement (AFS) [audit]. If there is an AFS, the amount is \$5,000; otherwise, the amount is \$500. This amount is per invoice.

A taxpayer using the *de minimis* deduction must calculate a § 481(a) adjustment that does not take into account dispositions in taxable years beginning on or after January 1, 2014.

Inside NCSA

Julie McNeill

Where interesting facts and overheard stories are told.

Be careful what you say it might just show up here!



Congratulations go to **Denise Hammond** on the birth of her grandson Colton Gilbert Hammond born on February 5, 2014!

We would like to extend a special welcome to **Rhoda Melvin** who has recently joined NCSA and is a member of the Sanford Chapter. Rhoda has passed all 4 parts of the CFE exam and has received her certification. Welcome Rhoda!



Candace Cansler celebrated her daughter Jerriana getting married on March 28th to Jacob Roland. The wedding took place in Mooresville with over 250 guests attending this barn style wedding that she had been planning for over a year. She is very happy she is finally married!!

After a BUSY TAX SEASON I asked a few members what they planned to do to unwind and distress from it all. Here is what some of them said:



Gaye Saunders said she is celebrating by going on a cruise to the Bahamas with fellow NCSA and Sandhills Chapter member **April Eads** in celebration of tax season, April's birthday, and her mother's birthday!

Louise Pistole said she would be visiting with some friends that she has not seen in recent months, spend time with her family and the grandkids. She is also hoping to buy **David Hooker** lunch on his birthday which is on April 22nd.

Julie McNeill said she plans to spend some much needed time with her 3 ½ year old son Tucker and take in the NC ZOO and some museums. She also has plans to go the beach and the lake with her family.

Margie Strider has shared that she will be taking a cruise to Alaska

We say goodbye to NCSA member **Garland Florance Steele** of the Burlington Chapter. Our condolences go to the family.



Accountants Humor (no real names have been used in the making of this story) shared by Doug Amaxopulos



So a friend of mine has been doing their taxes online through a reputable tax service. On line 21 of the Federal return he included an award received from his wife's employer (1099 issued). After filing he received word that the 1099 had been filed in error and they were going to void the amount as it was included in her W-2 already. So after receiving this information he proceeded to file a 1040-X and while looking for the D400-X in the software and not finding it he proceeded to join the chat window of the online company. The representative proceeded in conversation online and said they would locate the D400-X for him. After a few minutes the representative returned and said, "Sir, you couldn't find it and I can't either," and ended the chat session.

NCSA Schedule of Events

2015

May 15—**Complex Business Issues**,
Pinewood Country Club, Asheboro, 8 am

May 15—**Board of Directors Meeting**,
Pinewood Country Club, Asheboro, 2 pm

May 15—**Leadership/Mentor Meeting**,
Pinewood Country Club, Asheboro,
after Board of Directors Meeting

June 17—**Accounting Seminar**,
Chetola, Blowing Rock, 8 am-4:30 pm

June 18—**Convention**, Chetola, Blowing Rock, 9 am-3 pm

July 17—**Leadership & Committee Day**

August 5-7—**Carolina's Tax Professional Forum**,
Charlotte University Hilton

August 19-22—**NSA Convention**,
Hyatt Regency, Vancouver, BC

September 24-25—**PAS**

October 23—**Practitioner's Forum**

November 17-18—**PTI**, Greensboro

November 18-19—**PTI**, Charlotte

November 19-20—**PTI**, Myrtle Beach

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All NCSA Members:

It gives me great pleasure to invite each of you, your guests, and entire family to join me at the 68th Annual NCSA Convention at Chetola Mountain Resort in beautiful Blowing Rock in

North Carolina's High Country.

NCSA has had an exciting year and has become a stronger and more vibrant organization due to the hard work of all of our members. Our convention is a chance to celebrate our successes and come together as a collective body of professionals to conduct the business of this great society.

If you have never attended convention before this would be a great year to start. We will have an informative CPE session with John Ayers, then we will reconnect with fellow members, friends, and family at our casual dinner on Wednesday night. Thursday we will get down to business and elect officers for the upcoming year, followed by the pomp and circumstance of our Installation Banquet where we will recognize all the members who have shaped the society over the last year.

Come and participate in this time of networking and fellowship that is the capstone of your membership in the society. Meet with your peers, share your professional experiences, and most of all enjoy yourself!

Margie H. Strider

NCSA President 2014-2015
Asheboro, North Carolina

EVENTS AND ACTIVITIES

Wednesday, June 17th

Accounting Issues Update

8:30am-12:00pm

Registration 8:00am-8:30am

4hrs Accounting CPE —

Presented by John Ayers CPA

Free Afternoon to enjoy the beauty of Chetola and Blowing Rock

President's Welcome Reception & Lakeside Dinner at the Arbor

Reception begins at 6:30pm

Dinner served at 7:15pm

Dress Code: Casual

Scholarship Bingo - 9:00pm

Nominating Committee Meeting - 9:00pm

Thursday, June 18th

Pre-Convention Devotional 8:30am

68th Annual Convention

General Business Session 9:00am-4:00pm

Dress Code: Business

Past Presidents Luncheon 12:00pm-1:30pm

Installation Banquet

Dinner served at 7:00pm

Dress Code: Business/Formal

North Carolina Society of Accountants, Inc.



68th Annual Convention June 17-18, 2015

CHETOLA RESORT BLOWING ROCK, NC

NCSA 68th Annual Convention Registration Form
June 17-18, 2015

MAIL COMPLETED REGISTRATION TO: NCSA PO BOX 1126 CONOVER, NC 28613

NAME: _____

SPOUSE/GUEST NAME: _____

NAMES OF CHILDREN/OTHER GUESTS: _____

BILLING STREET ADDRESS: _____

CITY/STATE/ZIP _____

PHONE: _____ FAX: _____

EMAIL ADDRESS: _____

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REGISTRATION FEES- FULL CONVENTION <i>INCLUDING 4HRS CPE</i>	Number Attending	Registration Fees Prior to May 18th	Registration Fees After May 18th	Total
MEMBERS		\$ 225.00	\$ 275.00	
SPOUSE/GUEST/CHILD		\$ 150.00	\$ 175.00	
INDIVIDUAL SESSION REGISTRATION <i>FOR THOSE WHO ARE UNABLE TO ATTEND THE ENTIRE CONVENTION</i> <i>PLEASE CONSIDER REGISTERING FOR THE ENTIRE EVENT FOR THE BEST VALUE!</i>				
Presidents Reception & Dinner		\$ 50.00	\$ 65.00	
General Business Session		\$ 50.00	\$ 50.00	
Past Presidents Luncheon		\$ 50.00	\$ 65.00	
Installation Banquet		\$ 75.00	\$ 95.00	
4 HR ACCOUNTING CPE SESSION PRESENTED BY JOHN AYERS CPA		\$ 65.00	\$ 75.00	
TOTAL REGISTRATION FEES SUBMITTED:				\$

RESERVATION INFORMATION:
 YOU MUST MAKE YOUR OWN RESERVATIONS, HOTEL STAY
 NOT INCLUDED IN YOUR REGISTRATION FEE!

CHETOLA RESORT HAS A LIMITED NUMBER OF ROOMS AT
 \$154 per night (Includes Breakfast)
 Some Deluxe rooms are available at \$175 per night. Our block
 arrival date is Tuesday 6/16 and departure on Friday 6/19, any
 stay outside those dates will be at the prevailing rates. Our
 room block expires 5/15, make your reservations now!

FOR RESERVATIONS CALL (828) 295-5500
 ONLINE BOOKING NOT AVAILABLE

PLEASE MENTION WHEN BOOKING THAT YOU ARE WITH THE
 NC SOCIETY OF ACCOUNTANTS GROUP

 PAYMENT METHODS:

TOTAL AMOUNT SUBMITTED: \$ _____

PAID BY CHECK # _____

MAKE CHECKS PAYABLE TO : NCSA

CREDIT CARD: VISA _____ MC _____

ACCT # _____

EXP DATE ____/____/____ CVV _____

SIGNATURE _____

MAIL REGISTRATION TO:
 NORTH CAROLINA SOCIETY OF ACCOUNTANTS
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 CONOVER, NC 28613
 OR FAX TO (828) 695-2522
 YOU MAY REGISTER ONLINE ANYTIME AT
 WWW.NCSA1947.ORG
 QUESTIONS? CALL 1-866-755-6272

MEALS WILL CONSIST OF BEEF AND CHICKEN DISHES, PLEASE CALL
 1-866-755-6272 TO LET US KNOW IF YOU HAVE SPECIAL DIETARY
 NEEDS.