

Summer 2019

Independent Association of Accountants of New York, Inc.

2019– 2020 IAA SCHEDULE OF EVENTS

<u>Date & Time</u>	<u>Topics</u>	<u>Meeting Place</u>
September 11, 2019	TBA	Russell's Steak, Chops & More
October 2, 2019	Elder Care/Estates & Trusts Speaker: Catherine Nagel Attorney from Nuchereno & Nagel	Russell's Steak, Chops & More
October 21, 2019	Gear Up – Business Entities	Millennium Hotel
November 5 & 6	Gear Up 1040	Millennium Hotel
December 4, 2019	TBA	Russell's Steak, Chops & More
January 22, 2020	Round Table Discussions	Russell's Steak, Chops & More

Meetings at the **Russell's Steak, Chops & More** start promptly at 6:00 p.m.

Russell's Steak, Chops & More – 6675 Transit Road – Williamsville, NY

IAA's Mission Statement

To promote, assist, educate, protect and defend the accounting practitioner within the State of New York; to aid the progress of the profession of accountancy, without limiting the foregoing; to advance the theory and practice of accountancy and its allied fields; to enhance the status of the accounting practitioner within the State of New York to endeavor to maintain technical and cultural standards of ethical practice by its members, to foster the study of accountancy and to encourage the personal and professional development of young accountants and students.

Mark your calendar for A Better Board: The New York State Workers' Compensation Board Summer 2019 Conference

Coming to three locations across the State:

Albany – July 1, 2019

Rochester – July 31, 2019

New York City – August 5, 2019

All sessions will be from 1:00 pm to 4:30 pm.

Come learn how the New York State Workers' Compensation Board is now better for workers and better for business. These half-day, afternoon programs are targeted to all who have a professional interest in the New York State workers' compensation system. Multiple CLEs and CMEs will be available!

Presented by The New York State Workers' Compensation Board. Please watch for full details and information on how to register in the coming weeks.

Important information for STAR exemption recipients

If your income is greater than \$250,000 and less than or equal to \$500,000

If you currently receive the Basic STAR exemption and your income is between \$250,000 and \$500,000, the program is changing for you. If eligible, you will now receive a check for the STAR credit instead of the reduction on your school tax bill.

If you receive a letter asking you to update your STAR registration (Form RP-425-RDM), follow the instructions below to use the online STAR Registration application.

If your income is \$250,000 or less

If you currently receive the STAR exemption, you can choose to register for the STAR credit to receive a check instead; you may receive a greater benefit. To learn more, see [STAR program](#).

Record Keeping

What Personal Documents Should You Keep and for How Long?

Keep until warranty expires or can no longer return or exchange

- **Sales Receipts** (Unless needed for tax purposes and then keep for 3 years)

What to keep for 1 month

- **ATM Printouts** (When you balance your checkbook each month throw out the ATM receipts)

What to keep for 1 year

- **Paycheck Stubs** (You can get rid of once you have compared to your W2 & annual social security statement)
- **Utility Bills** (You can throw out after one year, unless you're using these as a deduction like a home office --then you need to keep them for 3 years after you've filed that tax return)
- **Cancelled Checks** (Unless needed for tax purposes and then you need to keep for 3 years)
- **Credit Card Receipts** (Unless needed for tax purposes and then you need to keep for 3 years)
- **Bank Statements** (Unless needed for tax purposes and then you need to keep for 3 years)
- **Quarterly Investment Statements** (Hold on to until you get your annual statement)

What to keep for 3 years

- **Income Tax Returns** (Please keep in mind that you can be audited by the IRS for no reason up to three years after you filed a tax return. If you omit 25% of your gross income that goes up to 6 years and if you don't file a tax return at all, there is no statute of limitations.)
 - **Medical Bills and Cancelled Insurance Policies**
 - **Records of Selling a House** (Documentation for Capital Gains Tax)
 - **Records of Selling a Stock** (Documentation for Capital Gains Tax)
 - **Receipts, Cancelled Checks and other Documents that Support Income or a Deduction on your Tax Return** (Keep 3 years from the date the return was filed or 2 years from the date the tax was paid -- which ever is later)
 - **Annual Investment Statement** (Hold onto 3 years after you sell your investment.)
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What to keep for 7 years

Records of Satisfied Loans

What to hold while active

- Contracts
- Insurance Documents
- Stock Certificates
- Property Records
- Stock Records
- Records of Pensions and Retirement Plans
- Property Tax Records Disputed Bills (Keep the bill until the dispute is resolved)

Home Improvement Records (Hold for at least 3 years after the due date for the tax return that includes the income or loss on the asset when it's sold)

Keep Forever

- Marriage Licenses
- Birth Certificates
- Wills
- Adoption Papers
- Death Certificates
- Records of Paid Mortgages

*These documents should be kept in a very safe place, like a safety deposit box.

[Help us plan the upcoming year's IAA Dinners and Topics by joining the IAA Board!](#)

[Contact Paul Voytovich AT 667-2577 for more details and perks.](#)

[If you are unable to commit to joining the board, but have ideas for topics you would like covered at our dinner meetings please forward them to Heather Hill, IAA President at \[iaaofny@msn.com\]\(mailto:iaaofny@msn.com\).](#)

About the New Tax Transcript and the Customer File Number

A new transcript format is now in place to better protect your information from identity theft. This new transcript partially masks the personally identifiable information of everyone listed on the tax return. All financial entries will remain fully visible to assist with tax preparation, tax representation and income verification.

The IRS is taking this action to better protect taxpayer data. Because of data thefts outside the tax system, cybercriminals often attempt to impersonate taxpayers and tax professionals. Thieves attempt to gain access to transcript data, which can help them file fraudulent tax returns or steal additional data of other individuals listed on the transcript.

Here's what is visible on the new tax transcript:

- Last four digits of any SSN listed on the transcript: XXX-XX-1234
- Last four digits of any EIN listed on the transcript: XX-XXX1234
- Last four digits of any account or telephone number
- First four characters of the last name for any individual (first three characters if the last name has only four letters)
- First four characters of a business name
- First six characters of the street address, including spaces

All money amounts, including wage and income, balance due, interest and penalties

Certain faxing and third-party mailings to end

Effective June 28, the IRS will stop its faxing service of most transcript types to both taxpayers and third parties, this includes the Forms 1040 series, the 1120 series and the 94X series. Effective July 1, the IRS will stop its third-party mailing service via the Forms 4506, 4506-T and 4506T-EZ.

Tax professionals with proper authorization may now request unmasked Wage and Income Transcripts for tax preparation and e-filing purposes. See below for Employer Information for Tax Return Preparation and Electronic Filing. The unmasked Wage and Income Transcript is available to tax professionals through their TDS access.

Individual taxpayers may use Get Transcript Online to view a masked transcript immediately or order one by mail for delivery to their address of record. Taxpayers may request an unmasked Wage & Income transcript for tax preparation. The unmasked transcript will be mailed to the taxpayer's address of record. Business transcripts are not masked and can be obtained by tax practitioners through the Transcript Delivery System.

Lenders and others who use the Forms 4506 series to obtain transcripts for income verification purposes should consider other options such as participating in the Income Verification Express Service.

Here's a sample of a [masked tax transcript \(PDF\)](#).

Customer File Number and Form 4506-T

Because the full Social Security number no longer is visible, the IRS has created an entry for a Customer File Number. This is an optional 10-digit number that can be created usually by third-parties that allow them to match a transcript to a taxpayer. The Customer File Number field will appear on the transcript when that number is entered on Line 5 of Form 4506-T, Request for Transcript of Tax Return and Form 4506T-EZ.

Here's how it would work for a taxpayer seeking to verify income for a lender: The lender will assign a 10-digit number, for example, a loan number, to the Form 4506-T. The Form 4506-T may be signed and submitted by the taxpayer or signed by the taxpayer and submitted by the lender. The Customer File Number assigned by the requestor on the Form 4506-T will populate on the transcript. The requestor may assign any number except the taxpayer's Social Security number. Once received by the requester, the transcript's Customer File Number serves as the tracking number to match it to the taxpayer.

Get Transcript (Taxpayers) and the Customer File Number

Only individual taxpayers may use Get Transcript Online or Get Transcript by Mail. Many taxpayers use this service to satisfy requests for income verification. The Customer File Number is available for Get Transcript users. Taxpayers **can manually enter** a Customer File Number assigned to them, for example, by a lender or college financial office. That Customer File Number will display on the transcript either when it is downloaded or when it is mailed to the taxpayer.

Transcript Delivery System (Tax Professionals) and the Customer File Number

The Transcript Delivery System is for use only by tax professionals with proper authorization to access taxpayer transcripts. Tax Professionals authorized to access transcripts can enter a 10-digit Customer File Number that **automatically will populate** on the transcript provided through TDS. This process allows high-volume users to match the transcript to the taxpayer.

Employer Information for Tax Return Preparation and Electronic Filing

If you are a taxpayer seeking to file a current or prior year tax return or a tax professional preparing a current or prior year return for a client, please remember that all financial entries on all transcript types are fully visible. If you are seeking a missing Form W-2 or Form 1099 information, there is a process for obtaining those current-year documents.

If an unmasked Wage & Income transcript is necessary for tax return preparation and electronic filing, a tax professional may contact the Practitioner Priority Service line. An unmasked Wage and Income Transcript will fully display employers' names, addresses and Employer Identification Numbers (EINs) needed for tax software preparation and for electronic filing. If the tax professional has proper taxpayer authorization, but it's not on file, they can fax the authorization to the IRS assistor and an unmasked Wage and Income transcript will be sent to the practitioner's Secure Object Repository (SOR), available through e-Services. Tax professionals must have an e-Services account and pass Secure Access authentication to use the SOR option.

The unmasked Wage and Income Transcript also is available to those tax professionals with e-Services accounts, approved authorization and access to the Transcript Delivery Service. Reminder: Circular 230 practitioners, i.e. attorneys, Certified Public Accountants and Enrolled Agents, can create an e-Services account and obtain TDS access. Unenrolled practitioners must either be responsible parties or delegates users on the E-File application.

Alternatively, taxpayers or other third parties who require an unmasked transcript for tax return preparation or filing may contact the IRS, present proper authentication to prove their identities and an unmasked transcript will be mailed to the taxpayer's address of record.

IAAOFNY.COM

Visit our web site for the latest and most updated information on your society.

Download membership applications, seminar information, registration forms, renew your membership.

Membership listing with phone numbers and links to member's websites.

The quarterly newsletter and other information.

Please remember that the Independent Association of Accountants of New York, Inc. does provide scholarships annual to members and their families.

**INDEPENDENT ASSOCIATION OF ACCOUNTANTS OF NEW YORK, INC.
4043 MAPLE RD BOX 100A, AMHERST, NY 14226
iaaofny@msn.com
SCHOLARSHIP APPLICATION**

Return your complete application to: Independent Association of Accountants of New York, Inc.
4043 Maple Rd box 100A, Amherst, NY 14226

PERSONAL DETAILS

Student Name: _____

Address: _____

Date of Birth: _____

CURRENT STUDY STATUS AND STUDY INTENTIONS

Current High School Status: _____

Current College/Business School: _____

Degree Program: _____

College Entrance Date: _____

College Graduation Date: _____

You intend to Study

- Part Time
- Full Time

Please List Any Academic Awards or Scholarships that you are currently receiving

Personal Statement:

Briefly state your purpose for college and your goals

Certification: I certify that the information provided is complete and accurate to the best of my knowledge. Falsification of information will result in termination of any scholarship awarded.

Signature _____ Date _____