

Volume 20, Issue 1

January 2020—

March 2020

# Winter 2020

*Independent Association of Accountants of New York, Inc.*

## **Round Table Discussions Monthly Meeting: January 22nd, 2020 6:00 PM SHARP**

Where: Russells's Steaks, Chops & More  
6675 Transit Road  
Williamsville NY  
(Transit Road North of Thruway Ext 49)

Cost \$32 Members.....\$42 Non-Members  
\*\*\*\*\* Includes wine, salad, dinner, dessert\*\*\*\*\*

Reservations:

Please give response By January 17, <sup>th</sup>2020

Audrey Sorrento  
451 Woodland Drive  
Buffalo NY 14223

Text or phone message  
Telephone: 716-816-6779

Email response: [audsorrento@gmail.com](mailto:audsorrento@gmail.com)

Payments to: I.A.A. of NY Inc.

### 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.

## The SECURE Act—Setting Every Community Up for Retirement Enhancement

- **Change to RMD age:** The law raises to 72 from 70½ the age at which individuals must begin taking RMDs from their retirement accounts. **Important:** The new law only applies to people who turn 70½ *after* December 31, 2019. If a person turned 70½ in 2019, the law does not apply—that person must take an RMD in 2019, 2020 and beyond.
  - **Contributions to traditional IRAs after age 70½.** The law ends the prohibition on contributing to an individual retirement account (IRA) after 70½. Individuals may continue contributing to an IRA at any age, as long as they have earned income.
  - **New rules for inherited retirement accounts:** Under current law, inherited retirement accounts (often referred to as “Stretch IRAs”) can distribute those assets over the beneficiary’s lifetime. Under the new law, those assets must be distributed within 10 years. This provision has potentially significant estate planning implications. There are exceptions for spouses, minor children, disabled individuals and people less than 10 years younger than the decedent. The bill does *not* affect existing inherited accounts. It only applies to accounts that are inherited in 2020 and beyond.
  - **Penalty-free withdrawals for birth/adoption expenses.** New parents can withdraw up to \$5,000 from an IRA or an employer-sponsored retirement plan to pay for birth and/or adoption expenses, through the first year after the birth or adoption. Taxes still need to be paid on pre-tax contributions, but no penalties apply to the withdrawal.
  - **Part-time workers can participate in a 401(k) plan.** Employees must have worked at least 500 hours a year for three consecutive years in order to be eligible.
  - **Lifetime income disclosure.** The bill requires the Department of Labor to propose rules for a new disclosure to plan participants that will illustrate the participant’s projected monthly income in retirement based on current retirement assets. It’s designed as a kind a “progress report” to show employees how they are doing on saving. The rule-making process for this is likely to take a year or more, followed by an implementation period, so it could be 2021 or 2022 before this becomes standard.
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- **Makes it easier for annuities to be offered in 401(k) plans.** The new law lowers barriers to offering annuities in employer-sponsored plans, though plans are not required to do so.
- **Change to 529 plans.** Assets in these college-savings plans can now be used to repay up to \$10,000 in student loans.
- **Provisions to help small businesses.** Several provisions in the bill are designed to make it easier for small businesses to offer retirement plans to their employees, including a provision that will allow unrelated small businesses to band together in so-called “multiple employers plans” to offer a plan to employees.

The Treasury Department and the IRS today issued final regulations confirming that individuals taking advantage of the increased gift and estate tax exclusion amounts in effect from 2018 to 2025 will not be adversely impacted after 2025 when the exclusion amount is scheduled to drop to pre-2018 levels.

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).

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

### **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.

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## Who is a tax return preparer for New York State

Tax return preparers are individuals paid to prepare at least **one** New York State tax return or report.

*Tax return preparer* refers to:

- individuals paid to prepare at least one New York State return or report;
- employees of tax return preparation businesses who prepare at least one New York State return; and
- partners who prepare returns for clients of a partnership engaged in a commercial tax return preparation business.

Who is not a tax return preparer

*Tax return preparer* does **not** refer to:

- attorneys,
- CPAs,
- PAs (public accountants),
- enrolled agents,
- volunteer tax preparers,
- employees of a business preparing **only** the business' tax returns.
- employees of an attorney,
- employees of a CPA,
- employees of a PA,
- employees of an enrolled agent, or

Who is a commercial tax return preparer

Commercial preparers are preparers who:

- will be paid to prepare **at least one** New York State tax return or report in the **current** calendar year, **and**
  - were paid to prepare **10 or more** New York State tax returns or reports in the **previous** calendar year;
- or**

will be paid to prepare **10 or more** New York State tax returns or reports in the **current** calendar year.

Who is a facilitator

Facilitators are people who individually or with someone else:

- solicit the execution of, process, receive, or accept an application or agreement for a refund anticipation loan (RAL) or refund anticipation check (RAC);
- serve or collect on a RAL or RAC; or
- facilitate making a RAL or RAC.

**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 \_\_\_\_\_

