

Independent Association of Accountants of New York, Inc.

New York State to Require Certain Private Employers to Automatically Enroll Employees in State Retirement Program

New York Governor Kathy Hochul has [signed into law a bill](#) that will require certain private employers in the state to automatically enroll their employees in a state-administered retirement savings plan if the employer does not offer its own qualified retirement plan. The law took effect immediately upon signing on October 21, 2021, though employers will have time to establish their participation in the program once it is launched, as discussed further below. The New York Department of Taxation and Finance will oversee the development and implementation of the program.

Specifically, the law requires that employers with 10 or more employees in New York, who have been in business for at least two years, and who have not offered their employees a qualified retirement plan such as a 401(k) or 403(b) plan in the past two years, automatically enroll their employees in New York's Secure Choice Savings Program, which is a retirement savings program in the form of an automatic payroll deduction-funded individual retirement account.

Employees shall initially be enrolled at a contribution rate of three percent of their wages (though they may voluntarily elect to modify their contribution level), and payroll deductions for such contributions shall not begin until after the 30th day after an employee has been enrolled in the program. Employers are not required to contribute to the program.

Employees will be able to choose to opt out of the program. Employees who opt out but who later wish to participate will need to wait until an annual open enrollment period to do so.

Each covered employer must have a payroll deposit retirement savings arrangement to allow each employee to participate in the program no later than nine months after the New York State Secure Choice Savings board opens the program for enrollment. Covered employers shall automatically enroll each of their employees who has not opted out of participation and shall deposit payroll contributions by employees into the program.

At least one month prior to the participating employer's facilitation of access to the program, employees must be provided with informational materials setting forth:

- **the benefits and risks associated with making contributions to the program;**
- **the process for making contributions to the program;**
- **that they can opt out of the program either before enrolling or after they have been enrolled;**
- **how to opt out of the program;**

employees must also be provided with the informational materials.

- **the process by which an employee can participate in the program with a level of employee contributions other than three percent;**
 - **that they are not required to participate or contribute more than three percent;**
 - **the process for withdrawal of retirement savings;**
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- **than three percent;**
- **the process for withdrawal of retirement savings;**
- **the process for selecting beneficiaries of their retirement savings;**
- **how to obtain additional information about the program;**
- **that employees seeking financial advice should contact financial advisors, that participating employers are not in a position to provide financial advice, and that participating employers are not liable for decisions employees make pursuant to the law;**
- **information on how to access any available financial literacy programs; and**
- **that the program fund is not guaranteed by the state.**

The employee informational materials must also include a form for employees to note their decision to opt out of participation in the program or elect to participate at a contribution level other than three percent. Newly hired employees must also be provided with the informational materials.

Included are some of the materials from our Fall Technical Session held on September 13, 2023.

IRS Security Plan for your Tax & Accounting Office

Here is the link for the minimum plan that the IRS is requiring all Tax & Accounting practices implement

<https://www.irs.gov/pub/irs-pdf/p5708.pdf>

Scholarships:

This year the Independent Association of Accountants of NY Inc. awarded 3 scholarships to individuals studying accounting. Please let people you know going to college for accounting to apply for our scholarship. The application is on our website.

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.

IAAOFNY.COM

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

2023– 2024 IAA SCHEDULE OF EVENTS

<u>Date & Time</u>	<u>Topics</u>	<u>Meeting Place</u>
September 13, 2023	NYS Retirement Plan Mandate Presented by Charmaine Kaes	Russell's Steak, Chops & More
October 4, 2023	Tax Aspects of Selling a Business Presented by Cheryl Jankowski & Douglas Sosnowski	Russell's Steak, Chops & More
October 17, 2023	Gear Up – Business Entities	Salvatore's Italian Gardens
November 13 & 14	Gear Up 1040	Salvatore's Italian Gardens
December 6, 2023	TBA	Russell's Steak, Chops & More
January 24, 2024	Round Table Discussions Start your season off with a nice dinner and assistance with tax preparation issues	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

Please remember that the Independent Association of Accountants of New York, Inc. does provide scholarships annual to members and their families who are pursuing Accounting in college.

The Independent Association of Accountants of New York, Inc.

Business Entities

October 17, 2023

Seminar 8:00 a.m. – 4:30 p.m.

Salvatore's Italian Gardens

6461 Transit Road

Buffalo, NY 14043

(716) 635-9000

This Seminar will be held in person with a Live Instructor. All participants will receive a Hard Copy of the Manual the day of the seminar.

Name: _____

Firm Name: _____

Address: _____

Town/City: _____ State: _____ Zip _____

Phone # _____ Fax # _____

Indicate area code

Indicate area code

I.A.A. Member Number: _____ (printed on your current I.A.A. membership certificate)

PTIN Number: _____ (Needed to provide IRS CPE hours)

Email Address: _____

(Your email address will only be used if we need to update you with additional seminar or I.A.A. information)



APPROVED
CONTINUING EDUCATION
PROVIDER

I.A.A.'s Member's Price \$235.00 — Non I.A.A.'s Non-Member's Price \$355.00

*Price Includes Lunch

If four (4) or more members of the same firm attend the above seminar a \$10.00 savings per attendee will be incurred.

All attendees **must** be current members of I.A.A. **prior** to the above seminar date for the discount to take effect.

Membership applications available at www.iaaofny.com

Registrations received after October 6, 2023, add an additional \$25.00

Registration the day of Seminar add an additional \$25.00

No refunds will be issued after October 11, 2023

Note: **No exceptions to the above three statements**

A separate registration form **must** be filled out for each attendee (feel free to copy this form, also available at www.iaaofny.com)

Return this form along with seminar payment made payable to I.A.A.

Mail to:

Independent Association of Accountants of New York, Inc.

4043 Maple Rd. Box 100 A

Amherst, NY 14226

Online Seminar Registration and payment available at iaaofny.com

Email – iaaofny@msn.com

The Independent Association of Accountants of New York, Inc.

1040 Tax Seminar

November 13 & 14, 2023

Seminar 8:00 a.m. – 4:30 p.m.

*****NEW LOCATION*****

Salvatore's Italian Gardens
6461 Transit Road Buffalo,
NY 14043 (716) 635-9000

Seminar will be held in person with a Live Instructor. All participants will receive a Hard Copy of the Manual the day of the seminar.

Name: _____
 Firm Name: _____
 Address: _____
 Town/City: _____ State: _____ Zip _____
 Phone # _____ Fax # _____
 Indicate area code Indicate area code
 I.A.A. Member Number: _____ (printed on your current I.A.A. membership certificate)
 PTIN Number: _____ (Needed to provide IRS CPE hours)
 Email Address: _____
 (Your email address will only be used if we need to update you with additional seminar or I.A.A. information)



APPROVED
CONTINUING EDUCATION
PROVIDER

I.A.A.'s Member's Price \$360.00 --- Non I.A.A.'s Member's Price \$480.00

*Price includes lunch each day

If four (4) or more members of the same firm attend the above seminar a \$20.00 savings per attendee will incur. All attendees **must** be current members of I.A.A. **prior** to the above seminar date for the discount to take effect.

Membership applications available at www.iaaofny.com

Registrations received after October 28, 2023, add an additional \$25.00

Registration the day of Seminar add an additional \$25.00

No refunds will be issued after November 5, 2023

Note: **No exceptions to the above three statements**

A separate registration form **must** be filled out for each attendee (feel free to copy this form, also available at www.iaaofny.com)
 Return this form along with seminar payment made payable to I.A.A.

Mail to:

Independent Association of Accountants of New York, Inc.

4043 Maple Rd. Box 100 A

Amherst, NY 14226

Online Seminar Registration and payment available at iaaofny.com

Email – iaaofny@msn.com

The Independent Association of Accountants of New York, Inc.**Business Entities****October 17, 2023****Individual 1040****November 13 & 14, 2023****Seminar 8:00 a.m. – 4:30 p.m.****Salvatore's Italian Gardens****6461 Transit Road****Buffalo, NY 14043****(716) 635-9000**

This Seminar will be held in person with a Live Instructor. All participants will receive a Hard Copy of the Manual the day of the seminar.

Name: _____

Firm Name: _____

Address: _____

Town/City: _____ State: _____ Zip: _____

Phone # _____ Fax # _____

Indicate area code

Indicate area code

I.A.A. Member Number: _____ (printed on your current I.A.A. membership certificate)

PTIN Number: _____ (Needed to provide IRS CPE hours)

Email Address: _____

(Your email address will only be used if we need to update you with additional seminar or I.A.A. information)

**APPROVED
CONTINUING EDUCATION
PROVIDER****I.A.A.'s Member's Price \$535.00 — Non I.A.A.'s Non-Member's Price \$685.00*****Price includes lunch on all 3 days****If four (4) or more members of the same firm attend both seminars a \$25.00 savings per attendee will be incurred.****All attendees must be current members of I.A.A. prior to the above seminar date for the discount to take effect.**Membership applications available at www.iaaofny.com

Registrations received after October 6, 2023, add an additional \$25.00

Registration the day of Seminar add an additional \$25.00

No refunds will be issued after October 11, 2023

Note: **No exceptions to the above three statements**A separate registration form must be filled out for each attendee (feel free to copy this form, also available at www.iaaofny.com)

Return this form along with seminar payment made payable to I.A.A.

Mail to:**Independent Association of Accountants of New York, Inc.****4043 Maple Rd. Box 100 A****Amherst, NY 14226**

Moratorium on processing of new claims through year's end will allow IRS to add more safeguards to prevent future abuse, protect businesses from predatory tactics; IRS working with Justice Department to pursue fraud fueled by aggressive marketing

WASHINGTON — Amid rising concerns about a flood of improper Employee Retention Credit claims, the Internal Revenue Service today announced an immediate moratorium through at least the end of the year on processing new claims for the pandemic-era relief program to protect honest small business owners from scams.

IRS Commissioner Danny Werfel ordered the immediate moratorium, beginning today, to run through at least Dec. 31 following growing concerns inside the tax agency, from tax professionals as well as media reports that a substantial share of new claims from the aging program are ineligible and increasingly putting businesses at financial risk by being pressured and scammed by aggressive promoters and marketing.

The IRS continues to work previously filed [Employee Retention Credit \(ERC\)](#) claims received prior to the moratorium but renewed a reminder that increased fraud concerns means processing times will be longer. On July 26, the [agency announced](#) it was increasingly shifting its focus to review these claims for compliance concerns, including intensifying audit work and criminal investigations on promoters and businesses filing dubious claims. The IRS announced today that hundreds of criminal cases are being worked, and thousands of ERC claims have been referred for audit.

The IRS emphasizes that payouts for these claims will continue during the moratorium period but at a slower pace due to the detailed compliance reviews. With the stricter compliance reviews in place during this period, existing ERC claims will go from a standard processing goal of 90 days to 180 days – and much longer if the claim faces further review or audit. The IRS may also seek additional documentation from the taxpayer to ensure it is a legitimate claim.

This enhanced compliance review of existing claims submitted before the moratorium is critical to protect against fraud but also to protect the businesses from facing penalties or interest payments stemming from bad claims pushed by promoters, Werfel said.

"The IRS is increasingly alarmed about honest small business owners being scammed by unscrupulous actors, and we could no longer tolerate growing evidence of questionable claims pouring in," Werfel said. "The further we get from the pandemic, the further we see the good intentions of this important program abused. The continued aggressive marketing of these schemes is harming well-meaning businesses and delaying the payment of legitimate claims, which makes it harder to run the rest of the tax system. This harms all taxpayers, not just ERC applicants."

"For those people being pressured by promoters to apply for the Employee Retention Credit, I urge them to immediately pause and review their situation while we look to add new protections and safeguards to stop bad claims from ever coming in," Werfel said. "In the meantime, businesses should seek out a [trusted tax professional](#) who actually understands the complex ERC rules, not a promoter or marketer hustling to get a hefty contingency fee. Businesses that receive ERC payments improperly face the daunting prospect of paying those back, so we urge the utmost caution. The moratorium will help protect taxpayers by adding a new safety net onto this program to focus on fraudulent claims and scammers taking advantage of honest taxpayers."

Taxpayers are encouraged to review IRS guidance and tools for helping determine [ERC eligibility](#), including [frequently asked questions](#) and a new [question and answer guide](#) released today to help businesses understand if they are actually eligible for the credit.

The IRS is developing new initiatives to help businesses who found themselves victims of aggressive promoters. This includes a settlement program for repayments for those who received an improper ERC payment; more details will be available this fall.

In addition, the IRS is finalizing details that will be available soon for a special withdrawal option for those who have filed an ERC claim but the claim has not been processed. This option – which can be used by taxpayers whose claim hasn't yet been paid – will allow the taxpayers, many of them small businesses who were misled by promoters, to avoid possible repayment issues and paying promoters contingency fees. Filers of these more than 600,000 claims awaiting processing will have this option available. Those who have willfully filed fraudulent claims or conspired to do so should be aware, however, that withdrawing a fraudulent claim will not exempt them from potential criminal investigation and prosecution.

As part of the wider compliance effort, the IRS is working with the Justice Department to address fraud in the ERC program as well as promoters who have been ignoring the rules and pushing businesses to apply.

The IRS has trained auditors examining ERC claims posing the greatest risk, and the IRS Criminal Investigation division is actively working to identify fraud and promoters of fraudulent claims for potential referral for prosecution to the Justice Department.

IRS Criminal Investigation (IRS-CI) investigates a variety of COVID fraud allegations ranging from fraudulently obtained employee refund tax credits to falsified Paycheck Protection Program loans. To date, IRS-CI has uncovered suspected pandemic fraud totaling more than \$8 billion. As of July 31, 2023, IRS-CI has initiated 252 investigations involving over \$2.8 billion of potentially fraudulent Employee Retention Credit claims. Of those, fifteen of the 252 investigations have resulted in federal charges. Of the 15 federally charged cases, so far six matters have resulted in convictions, four of those cases have reached the sentencing phase with the average sentence being 21 months.

Criminal Investigation's work is in addition to ERC audits that have started. The IRS has already referred thousands of ERC cases for audit.