Volume 20 Number 5

September 15, 2023

NMSEA HAPPENINGS

NEW MEXICO SOCIETY OF ENROLLED AGENTS, INC.
PO BOX 30974
ALBUQUERQUE, NM 87190-0974
WEBSITE: NMSEA.NET
E-MAIL: NMSEA2020@GMAIL.COM

President's Letter

Future NMSEA Monthly Meetings & Topics

Educational Opportunities—NAEA & NMTRD

NAEA All-Affiliate Meeting Aug 28 **RESULTS**: Handouts distributed on NAEA Chapters and NAEA Affiliates available at **https://www.naea.org/naea-governance-changes-2023/** (**accessible only to NAEA Members**)

Next All-Affiliate Meeting---October 2, 2023 10:00 – 11:00 AM MDT--Topic: Best Practices for Member Engagement Discussion and Breakout Sessions
https://us02web.zoom.us/meeting/register/tZItf-mrrD0vG9L3mLmVIaykerw2baUqxk9m#/registration

Next NAEA Town Hall Meetings on Bylaw Changes, 11-30-23 at 10am (MT)
Register at:
https://us02web.zoom.us/webinar/register/WN_fscnoNJNRne6s13i49wCmQ#/registration
& 12-11-23 at 2 pm (MT). Register:
https://us02web.zoom.us/webinar/register/WN_hTJdFXQERJiya4Bzv1-5Dw#/registration

NMSEA October conference Oct 25-26. **(see page 2 for EventBrite link for registration/tickets)**

Attachment 1: Official Minutes of the NMSEA August 2023 Monthly Meeting
Attachment 2: Quickfinder Order Form (cut-off September 30)
Attachment 3: Pacific Northwest Action Wednesday (PNWAW) IMRS Call Minutes for August 16, 2023
Attachment 4: Online Registration Information NMSEA Oct 2023 Conference
Attachment 5: Mail-In Registration Form NMSEA Oct 2023 Conference

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It's a Great Day to be an EA

Here we are in the "burr" months, headed into fall and a lot of exciting things going on. Just a couple more deadlines, and we're off to convention!

At the Town Meeting on August 28th, NAEA laid out details for the potential change in our by-laws. We must decide if we are going to stay an affiliate or become a chapter. I would like to schedule a zoom town meeting with all members on September 27th at noon.

This is a great opportunity to get involved on the state level! If you've never been to a meeting, convention, or round table discussions please join us. I know you're out there. Step forward for your profession!

We have a QR code! This will make it easier to connect with our website, be sure to look for it in this newsletter (see pg 2)

Sandy Weidner, NMSEA President, EA, ABA, NTPI Fellow

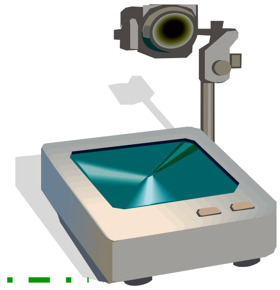
Being an Enrolled Agent is not a job — It is a Profession!

NMSEA Sept Meeting
Sept 22, 2023 at Noon (but you can join earlier) as a Zoom meeting (see pg 7) or attend in-person at Golden Corral, 5207 San Mateo Blvd, ABQ. $15 fee.

Presentation:
Monica Hardeman, EA, NTPI Fellow "Family Caregiver Income - Taxable or Not Taxable? "

NMSEA dedicated phone number (505) 877-1598 & FAX (505) 298-2191

FROM THE EDUCATION COMMITTEE:



Co-Chairpersons: Lynne Shupp & Shelley Barker, Steven Stauss, Monica Hardeman, Earl Collison, and Virginia Fell

Oct 20, 2023--No meeting due to NMSEA October Conference

Nov 17, 2023--Recent Court Cases - Shelley Barker, EA, NTPI Fellow

Important Dates to Note on Your Calendar

October NMSEA Conference Oct 25-26, 2023 (16 CE)

PRESENTERS: Laura Strombom, EA, MBA,NTPI, CSEA, DBA: All About Numbers, Stockton, CA; Lelah Martinez, IRS; NMSEA Members--Lynne Shupp, EA, RFC **& Earl Collison, EA & Therese Francis, EA.**

Topics presented (See Attachment 4)

Location: Courtyard by Marriott, 5151 Journal Center Blvd, Albuquerque -- where we had it last year. In-Person check-in 7:30-8 AM. Social event, 6 PM, on Oct 24 at nearby Restoration Pizza (right behind the hotel) at 5161 Lang Ave NE, Alb. Register online information (Attachment 4). Mail-in Registration form (Attachment 5).

NMSEA 2024 Federal Update scheduled for Monday 1/8/24 and Tuesday 1/9/24 at the Courtyard by Marriott, 5151 Journal Center Blvd. Our presenter will, once again, be A.J. Reynolds. The **NMSEA 2024 NM Update** will be presented by Zoom from 9 am to Noon on Friday 1/12/24 with various NMTRD presenters.

NMSEA now has a QR Code to directly access our NMSEA Website‼

SCAN ME

2023-24 NMSEA BOD

President: Sandra Weidner, EA, ABA, NTPI Fellow
VP: Lynne Shupp, EA
Secretary: Still Available
Treasurer: Therese Francis, EA, PhD
Directors-at-Large: Keri Cardona, EA; John Niemi, EA, MACCT; Andrew Rogers, EA
Past President: Peter Wanco, EA, NTPI Fellow, MBA

Welcome aboard to: ZACHERY HUDSON, EA, Ranchos de Taos; CARRIE DAVEL, EA, Belen

NMSEA Monthly Meeting August18, 2023


6 **Virtual Attendees** **14 In-Person Attendees**

Newly elected NMSEA President Sandy Weidner welcomed the newly elected NMSEA BOD.

Education Committee--Laura Strombom, EA, MBA, NTPI, CSEA, dba All About Numbers in Stockton, CA, has been confirmed as presenter at the Oct 25-26 NMSEA Conference (16 CE) starting at 8 AM. The Eventbrite registration link will be distributed shortly. A.J. Reynolds is confirmed as presenter at the 2024 NMSEA Federal Update. NMSEA received an inquiry email from the NMSCPA on connecting with NMSEA and qualify for NM and IRS credit for our members taking CPA education classes. NMSCPA Update Conference (16 CE) scheduled for Nov 28-29. Walter Fayne will present a cybersecurity class in October (flyer to be released shortly).

Membership Committee: Has begun sending out gifts to renewing members including fans with NMSEA logo, 2023 Fast Reference Guides, thanks for renewing letters, and Save the Date flyers for the Oct conference (luggage tags will go out in October). Prospective Member letters will be mailed to NM EAs who are not yet members of NMSEA.

Shelley circulated a sign-up sheet for volunteers for the NMSEA Shred Fest on August 26. Shelley is researching how checks should be made out for donations to APS Title 1. Shelley has Shred Fest flyers for members to post in their areas to publicize the Shred Fest as well as post card ads to send out to other members.

Reminder: Normally monthly meetings are the third Friday. However, due to the Tax Return Extension Deadline in September, the September monthly meeting is Sept 22.

Cynthia Leachmoore, EA, President, NAEA (via Zoom) discussed NAEA reorganization including Affiliate vs Chapter differences. We were reminded of the NAEA All-Affiliate virtual meeting on Aug 28 as a follow-up on NAEA Bylaws & Structure Change Discussion led by President Leachmoore.


Lynne Shupp, EA, presented “Security Plans in Your Tax Office”

NMSEA Annual Pat Jenkins Memorial Shred Fest Albuquerque (Aug 26)

Faith Lutheran Church

APS Title 1 Donations Collection Tent

A A Mobile Shredders Truck

Official operating hours were 10 to Noon. Early birds started coming about 9:35 am . Finished processing drop-offs about 12:45.

This year we shredded about 7,500 pounds of documents.

Special Thanks to our volunteers: Steve Iverson, Virginia Fell, Mary Lois Hulsman, Sue Pules, Sandy Harstad, Shelley Barker, Kay O'Conner, Richard Wright, Ellen Briscoe, Sandy Weidner, and Cathy Potts. Other worker bees - Eric Harstad, Shawn Amlong, Mike Seale, Dani Mutz and 5 Boy Scouts from ABQ Scout Troop 166 who very enthusiastically assisted during the Shred Fest.

First NMSEA Shred Fest (2009) thru 2023--we have shredded a total of 89.5 tons of documents.

This year we collected $1,500 cash donations and 4 boxes of school supplies for the APS Title 1 program.

National Association of Enrolled Agents

NAEA Town Hall Meeting held on June 14

Topics discussed:

At their May 19 meeting, the NAEA Board of Directors voted to put forth bylaws amendments that will remove NAEA's dual membership with state affiliates and create a state chapter model. In addition, the board also approved the removal of the 30 hours CE requirement for all NAEA members and associates. These bylaws amendments will go to the membership for a vote in the fall. Thank you to all members who attended the town hall to learn more about why these changes are being recommended and how this will impact your membership.

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Next NAEA Town Hall Meetings on Bylaw Changes, 9-14-23 at 2pm (MT); 9-30-23 at 10am (MT) & 12-11-23 at 2 pm (MT). Register at:
https://www.naea.org/naea-governance-changes-2023/

Your Zoom Meeting Invitation

NMSEA invites you to a scheduled Zoom meeting.

Topic: NMSEA Monthly Meeting

Time: Sept 22, Noon (MST) but you can join earlier if you want.

To Join Zoom Meeting either click on this link

https://us02web.zoom.us/j/85102484747?pwd=VW1DbGZxc0s4eEN5Z1ZLREprNWZzZz09

or go to Zoom.us and click on the tab "Join a Meeting"

Meeting ID: **851 0248 4747**

Passcode: 930665

One tap mobile

+13462487799,,**85102484747**# US (Houston)

+16694449171,,**85102484747**# US

NOTE: There is a new, unique link with Meeting ID for each monthly meeting.

This will be a **hybrid meeting** for ZOOM attendees and in-person attendees at The Golden Corral, 5207 San Mateo Blvd, ABQ.

Pacific Northwest Action Wednesday (PNWAW) Call minutes for August 16 (attachment 4)

Ellen Briscoe, EA, ATA is our representative. The purpose of the Action Wednesday Call for Area 6 is for the practitioner community to bring issues related to IRS functions to the attention of the IRS. Specific taxpayer issues are not addressed. If you have a problem that may need to be corrected, please bring it to Ellen's attention at:ecbtaxpro@comcast.net Next meeting scheduled for Sept 20, 2023.

Stakeholder Liaison Area	Phone	Email
Area 2 (CT, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VT)	412-404-9151	CL.SL.Area.2@irs.gov
Area 3 (AL, DC, IA, IL, IN, KY, MI, NC, OH, TN, VA, WV)	405-982-6807	CL.SL.Area.3@irs.gov
Area 4 (AR, FL, GA, LA, MS, PR, SC, TX, and U.S. VI)	216-415-3518	CL.SL.Area.4@irs.gov
Area 5 (CA, HI, ID, MT, NV, WY)	203-492-8630	CL.SL.Area.5@irs.gov
Area 6 (AK, AZ, CO, KS, MN, MO, ND, NE, NM, OK, OR, SD, UT, WA, WI)	206-946-3703	CL.SL.Area.6@irs.gov

Educational Opportunities

NAEA Continuing Education Portal
https://www.pathlms.com/naea#

Other education opportunities:
Various certificate programs: Crypto, Investments, C-Corps, etc listed on the Continuing Education Portal webpage.

Educational Opportunities

Workshops Schedule

The New Mexico Taxation and Revenue Department suspended its in-person workshops in March 2020 in response to the public health emergency. The Department resumed tax workshops for New Businesses and now New Employers in a virtual format using the Zoom online meeting platform. Participants will be able to direct their questions via New.Businesses@state.nm.us which will be posted during the presentation.

New Business Workshop

The New Business Workshop presented by NM Taxation & Revenue is a comprehensive look at the Business Tax Identification Number (BTIN) nee CRS— Gross Receipts, Withholding and Compensating Tax programs. It covers such topics as Non-Taxable Transaction Certificates, Estimated income tax payments for business owners, deductions and exemptions from Gross Receipts, special tax programs and audits. We also present e-file training.

https://www.tax.newmexico.gov/news-alerts/workshop-schedule/

2023 NMSEA pins and mousepads. Members get one free and only $5 each for extras or for non-members! Sandy Weidner will be distributing them as she sees members or they can contact her if they want to buy one at: sweidner45@comcast.net

No trees were harmed in the creation of this newsletter. However, a lot of electrons were terribly inconvenienced.

To receive this newsletter, please send your e-mail address to the newsletter editor, Richard Wright, at rwright77@comcast.net (editor since July 2009)

The *NMSEA Happenings* is published by the New Mexico Society of Enrolled Agents, Inc, PO Box 30974, Albuquerque, NM 87190-0974 for the benefit of NMSEA members and affiliates.

ADVERTISEMENTS

Advertising is available. Cost: Annual (8 consecutive issues)
Business card size--$85 + GRT 1/4 page--$100 + GRT
1/2 page--$150 + GRT Full page-- $225 + GRT
Contact Peter Wanco, NMSEA President at
pwanco1@gmail.com for approval of your ad.

NEW MEXICO SOCIETY OF ENROLLED AGENTS

PO BOX 39074 ALBUQUERQUE, NM 87190-1974

Minutes of the NMSEA Monthly Meeting, August 18, 2023, live and Zoom on-line.

MEMBERS PRESENT: Shelley Barker, Virginia Fell, Monica Kay O'Connor, Monica Hardeman, Mary Lois Hulsman, Peter Wanco, Sandy Weidner, Richard Wright, Diane Lynne Shupp, Betty Speelman, John Niemi, Andy Rogers

Virtual Attendees: Carla Cross, Sandy Harstad, Keri Cardona, Ben Montoya, Therese Francis, Kathy Ayre

Visitors: Cheryl Kimbrell, Mary Mulvaney

Sandy Weidner, President called meeting to order 12:10 am.

Secretary's Report: Peter Wanco motioned to accept July NMSEA Secretary's Report. Lynne Shupp seconded the motion.

Treasurer's Report: Lynne Shupp motioned to accept the Treasurer's Report as presented. Monica Hardeman seconded the motion.

President's Report:

Sandy Weidner reported that 7 members attended the NAEA Tax Summit Conference held in Scottsdale. She reported that NMSEA is well respected by NAEA.

Several members also attended the El Paso Practitioner meeting. An "outside the box" presentation combined the local electric utility company participating with the practitioners on renewable energy credits; it was a "why didn't I think of that" moment. She expects NM to have a Regional Practitioner Meeting in 2024.

Team Reports:

Education:

Shelley Barker reported that annual NMSEA Conference is scheduled for October25-26. Online registration is available.

Peter Wanco reported that NATP's tax update is being held at the Hilton Garden Inn near the Journal Center on November 28-29. 16 hrs CPE are available which costs between $600 and $450 depending on membership status.

The NMSEA monthly meeting in September meeting has been moved to Sept 22 to not conflict with September 15 extension deadline.

Attachment 1

The NAEA Town Hall is scheduled for September 14.

The NAEA All-Affiliate meeting has been changed to October 2.

Unfinished Business:

Shred Fest is Aug 26. Flyers and post cards were available for members to distribute to their clients. A signup sheet was circulated.

NAEA Follow-up meeting to changes to the Bylaws & Structure is scheduled for 8/28@10 AM MST

New Business:

She reported that society is still looking for a volunteer for a permanent secretary but that the role would rotate through the board members until one is found.

NAEA President Cynthia Leachmoore Discussion:

Ms. Leachmoore provided a brief overview of what NAEA's structural changes. The Audio was difficult for several minutes. For more specifics, please refer to the power point presentations which will be available later.

- NAEA must change to involve younger EAs. Average Age for NAEA is 60.
- NAEA Taskforce reviewed organization and made some recommendations. She will provide an email with a link to a 30 slide presentation. Shelley or Sandy will distribute the email to members upon request.
- Goal of reorganization is to improve NAEA's support for the members
    - Remove the 30 hours of CPE required by EA members
    - Allowed State organizations to remain Affiliates or become Chapter organizations
        - Affiliate organizations remain generally as is
            - Separate legal entity
            - Local governance; President, VP, etc.
            - Local funds are the Affiliate funds
            - NAEA will have a database provide a link for new member signups
            - There will be an increased fee to handle additional work but reported to be less than $50 increase for dues.
        - Chapters organizations lose local governance
            - Chapters are organized around committee chairs and committee members for a specific task
            - NAEA will absorb the Chapter into its governance.
            - No bank account for Chapters.
                - The existing fund distribution depends on the bylaws of the local society
            - Every Chapter will have a staff person who is the NAEA liaison
            - There will be an increase in fees.

- To change to a chapter the society must file a final tax return & distribute funds according to its charter.
- Questions still remain whether Associate members, non-NAEA members can be members of a Chapter or of an Affiliate.
- These are big changes which will affect all local societies.
- Roll-out for the new model is September, 2024

Education Presentation: Lynne Shupp presented a review of tax office cyber security.

- A security plan is required effective August, 2022
- A good checklist is provided in Pub 4557 from the FTC
- The Written Information Security Plan (WISP) is detailed in Pub 5708 but may be too extensive for small offices.
- Lynne recommends that you have an IT person and that they sign off on the plan
- Cyber insurance costs are generally lower if you have an IT person on staff or as a contract employee.

NMSEA's next monthly meeting is scheduled for September 22.

Virginia Fell motioned to adjourn meeting and Peter Wanco seconded. Motion passed. Sandy Weidner adjourned meeting at 1:45 pm.

Respectfully Submitted,

John Niemi,

NEW MEXICO SOCIETY OF ENROLLED AGENTS

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IT'S A GREAT DAY TO BE AN EA

Release dates for each book are noted in the descriptions. *HOWEVER, NMSEA HAS NO CONTROL OVER WHEN THE BOOKS ARE ACTUALLY PUBLISHED OR WHEN THE BOOKS WILL BE SHIPPED*. Books will be mailed out. See order form for payment options. **The order cutoff date is September 30, 2023. Orders received after that date will incur additional shipping and handling charges.**

NMSEA will not get any rebate credit if you mail in your order using the standard Thomson Reuters website order form.

1040 Quickfinder® Handbook [Q40P] covers all aspects of preparing a 1040 return including separate tabs on Sch A & B, Sch C & F, Sch D, Sch E, Sch SE, Form 2106, Form 4797 and Form 4562. Other tabs include: Autos and Listed Property, At Risk, Tax Credits, Children, Pensions, Social Security, Estate & Financial Planning, and Government & Economy. **Scheduled release date: December 2023. Price: $74 [3-ring binder version $77]**

Small Business Quickfinder® Handbook [QSBP] covers all aspects of preparing returns for Partnerships, C-Corporations, S-Corporations, Fiduciaries, Gift and Estates, Payroll, LLC's, LLP's, and Exempt Organizations. Other tabs include: Depreciation, Accounting Principles, Starting a New Business, Acquisitions and Dispositions, Tax Credits and Tax Planning. **Scheduled release date: December 2023. Price: $74 [3-ring binder version $77]**

Premium Quickfinder® Handbook [QPEP] The new Premium Quickfinder Handbook is a handy combination of the most important 1040 and Small Business topics that you need to complete tax returns for individuals and businesses. Has 27 chapters with 26 descriptive topical tabs of information on how to prepare individual and small business returns. This Handbook includes over 500 pages of individual and small business quick reference tax information provided in source. The Premium Quickfinder Handbook has the traditional laminated cover and tabs, colored pages, tax humor, tax tables, convenient pocket insert and much more. **Scheduled release date: Dec 2023. Price: $101 [3-ring binder version $105]**

All States Quickfinder® Handbook [QSTP] contains a complete, concise and consistent summary of every state's instructions for filling out state individual income tax returns. Provides nonresident & part-year resident filing instructions. Each state has its own tab. 500+ pages. **Schedule release date: December 2023. Price: $112**

Individuals--Special Tax Situations Quickfinder® Handbook [QSSP] This handbook helps preparers through the maze of unique tax rules that apply to individuals due to their occupations, their investments, or because they are going through certain life events. **Scheduled** R**elease date: December 2023. Price: $74**

Depreciation Quickfinder® Handbook [QDEP] The only handbook you need to deal with tax depreciation and business property issues – determining recovery periods, computing depreciation, capitalizing expenses and much more. **Scheduled release date: December 2023. Price: $74**

Tax Planning for Individuals Quickfinder® Handbook [QIPP] Expand your practice to include income, estate and gift tax planning services to individual clients. Covers many topics including residences & vacation homes; stock, bonds & mutual funds; real estate; children & education; divorce; retirement plans; and AMT. **Scheduled release date**: **May 2023**. **Price: $74**

Social Security and Medicare Quickfinder® Handbook [QSMP] Traditional Quickfinder *Handbook* with 18 well-labeled and easy-to-use laminated tabs with reliable and concise quick reference information on topics that range from becoming eligible for and receiving Social Security, Medicare, and Medicaid to how to receive benefits! Also includes information on insurance relevant to an aging population, including long-term care and medigap insurance. **Scheduled release date: December 2023. Price: $74**

IRA and Retirement Plan Quickfinder® Handbook [QIRP] covers the rules for IRAs and retirement plans - eligibility, making contributions, limits on contributions and elective deferrals, covering employees, how distributions are taxed and when they are required, penalties, and selecting beneficiaries. **Scheduled release date: June 2023. Price: $74**

Quickfinder® Annual Tax Update Handbook [Q23TP] discusses relevant new 2023 tax legislation, court cases, tax regulations and IRS pronouncements affecting individuals and small businesses. **Scheduled release date: December 2023. Price: $74.**

QUICKFINDER ORDER FORM

Section 1 Title (Bound Version)			Total
#_____	1040 Handbook	@$74=	$_______
#_____	Small Business Handbook	@$74=	$_______
#_____	Premium Handbook	@$101=	$_______
#_____	All States Handbook	@$112=	$_______
#_____	Individuals--Special Tax Situations Handbook	@$74=	$_______
#_____	Depreciation Handbook	@$74=	$_______
#_____	Tax Planning for Individuals Handbook	@$74=	$_______
#_____	Social Security & Medicare Handbook	@$74=	$_______
#_____	IRA & Retirement Plan Handbook	@$74=	$_______
#_____	Annual Tax Update Handbook	@$74=	$_______

Section 2 Title (3-Ring Binder Version)

#______	1040 Handbook	@$77=	$_______
#______	Small Business Handbook	@$77=	$_______
#______	Premium Handbook	@$105=	$_______

Subtotal $________

Less NMSEA 10% discount ($_______)

Mail book(s) to me...........(Subtotal of books ordered): _________@ $5 each $________

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August 16, 2023

Pacific Northwest Action Wednesday IMRS Call

Virtual Meeting via MS Teams

Time: 10:00 am –11:00 am (PDT)

Attendees:

Internal Revenue Service

- John Blakeman, Stakeholder Liaison
- Mercean Lam, Stakeholder Liaison
- Lisa Novack, Stakeholder Liaison
- David Higgins, Collection [on Detail to Stakeholder Liaison]
- Lelah Martinez, Stakeholder Liaison
- Kristen Hoiby, Stakeholder Liaison

Practitioner Representatives

- Terry Bakker, OAIA
- Laurie Brock, TAP Oregon, prev.
- Steve Stauss, NM
- Robin Smith, WSTC
- Steven Fox-Middleton, WA
- Judy K Hanson, WSTC President
- Barb Haluschak, WSTC
- Lisa Rogers, AKSCPA
- Ami Oppe, AKSCPA
- Elliot Gidan, CO
- Kate Grubb, WSSEA
- Larry Hess, NMSCPA
- James Adelman, NAEA, OSEA
- Doug Henne, OSCPA
- Barbara Culver, WSSEA
- Dale Marino, OATC
- Ellen Briscoe, NMSEA, NATP
- Steven Hall
- Anne Rothrock, NM
- Mark Neumeister, OK
- Michael Davidson, ORSEA
- Donna Patterson, TAP Washington
- Edwin del Carpio, WA
- Vera Likhonin, STA, WA
- Paula Moore, AK Bar
- Robin Harris, OK
- Sarah Northcutt, OSCPA
- Sarah Lora, Lewis & Clark LITC
- Cynthia Polley, WA

Meeting Summary

Data Security for Tax Professionals:

Just in case you have not heard the news… as of June 9, 2023, the FTC Standards for Safeguarding Customer Information rule, better known as the Safeguards Rule (which is part of the Gramm-Leach-Bliley Act) has now entered the enforcement stage.

The Rule requires financial institutions to develop, deploy and maintain a comprehensive security program to keep their customer financial data safe. Financial institutions are not just banks under the FTC's eyes. Tax and accounting professionals are considered financial institutions regardless of size. This also includes mortgage brokers, real estate appraisers, universities, nonbank lenders, and check cashing businesses.

The good news is that if you have already been complying with IRS Publication 4557, Safeguarding Taxpayer Data, you will already be in good shape and may only need to add a few additional security measures to comply with the FTC Safeguards Rule.

The concern will be for firms who have been attesting that they have a Written Information Security Plan (WISP) in place for their PTIN renewal, but really don't.

Pub 4557, Safeguarding Taxpayer Data, and the Safeguards Rule:

Pub 4557

It is important to understand how Pub 4557 and the Safeguards Rule work together, IRS Publication 4557 sits "under" or "within" the FTC Safeguards Rule. All firms who provide tax prep services for their clients are subject to BOTH Pub 4557 and the Safeguards Rule, because providing paid tax preparation services is called out specifically on the FTC website and IRS Publication 4557.

Under Both

Firms must designate a person to be in charge to make sure that security policies are adhered to. The designate will assess overall risk, and then design policies to ensure that all Personally Identifiable Information (PII) and Customer Information is encrypted, transmitted, and stored safely. Access would be limited to only those who need it, and background checks being required before hiring employees or contractors. Security software must be used, all hardware is encrypted and inventoried, network protections are put in place, strong password policies adhered to, and Multi-Factor Authentication used. A WISP, or Written Information Security Plan, is created to document that the firm is following all recommended security requirements and has the necessary policies and procedures in place to keep all clients' data safe. Annually, staff are trained, safeguards are tested and the WISP is reviewed for updates.

Just FTC

For firms with 5,000 or more combined current and past clients on their data banks that provide client accounting services (CAS) (Financial Planning) or Payroll Services, FTC mandates that these companies also adhere to the Safeguards Rule.

Also just within the FTC requirements is choosing a QUALIFIED individual to assess the security risk in the firm's operations, create a Written Risk Assessment, and then create policies and procedures to mitigate the risks. These policies from the firm's WISP or Written Information Security Plan will be used to ensure that all staff are trained to prevent and spot security risks. Additionally, that person must report annually to the firm's Board of Directors.

If you are overwhelmed or have a smaller firm and don't have a qualified IT person working in-house or under contract, you should consider engaging a Managed Service Provider (MSP) to manage the firm's overall data and network security infrastructure and to help in creating the policies required and rolling them out to your staff.

Publication 5708 – Creating a Written Information Security Plan for Your Tax and Accounting Practice

PDF
Creating a WISP

If you are a do-it-your-selfer, the bare essentials of a Written Information Security Plan are outlined on page 4 of Pub 5708, with links for more details within each section.

There is also a fill-in-the blank sample WISP template on pages 5-12

Additional Considerations – On pages 13-16 it gives you more explanation on how to:

- Define the WISP objectives, purpose and scope
- Identify responsible individuals
- Assess Risks
- Inventory Hardware (template on page 24)
- Document Safety Measures – Like how to set up policy for remote workers
- Draft an Implementation Clause stating when security measures are started and how they are compliant with the Gramm Leachy Bill Act and FTC
- Include certain attachments such as the Records Retention Policy

Best Practices:

- Going over written security rules of conduct and having your employees sign it before each filing season and using articles from the Ouch! Newsletter from SANS.ORG for security topics at staff meetings.
- Have a list of who can access PII and what information they have access to

Some additional Resources:

In addition to Pub 4557 and 5708, here are a couple of additional resources…firstly, to the Federal Trade Commission website: Federal Trade Commission | Protecting America's Consumers (ftc.gov) and here is a copy of the FTC Data Breach Response Guide:

FTC DB Response Guide for Business

The Data Breach Response Guide is AMAZING! It spells everything that you need to do, from taking your systems down to a sample client letter. IRS mentions it in our Publication 5708 to read before starting to draft your WISP.

IPPIN Program:

What else can we do to thwart identity thieves from filing fraudulent tax returns? We can all help promote the IPPIN program!

Some folks view the IPPIN program as a positive thing and already actively promote it, but some are not so sure it's a good thing…or at least it's not *that* good yet.

We have heard a lot of feedback by this time on the IPPIN Program, both positive and negative, but The biggest reason that we hear that practitioners do not want to promote it is because that their clients lose them. Yes, this is true…clients lose 1099s and W-2s also…and other stuff…we've all got stories.

An IPPIN is often retrievable: Retrieve Your IP PIN | Internal Revenue Service (irs.gov)

But if they can not retrieve it, you will have to print out their return and have them sign, date and mail it to the IRS. And, of course, you might be thinking, 'I don't want my client's returns to end up in a stack of paper…' but let's look at the current statistics. According to our Mission-Critical Function page as of August 16, 2023, on the backlogs:

- Processing for paper 1040's without errors is now just taking 21 days, which is where this return would end up

  versus

- Taking 430 days if your client's information gets fraudulently filed by an ID thief.

Another reason we hear is that the IPPIN is just too hard to get…some folks just can't seem to get past the identity verification process. Specifically, they can't seem to be able to get the ID.me credential. Please remember, there are other ways to get the IPPIN, and you can get info on that here at this link: Get An Identity Protection

PIN | Internal Revenue Service (irs.gov). For example, Form 15227 for people with certain AGI levels, and of course at a Taxpayer Assistance Center [TAC]. Taxpayer Advocate can also assist with the process for people who are disabled/mobility challenged and can't get to the TAC.

And then there's the 'I just don't want to sign up for it…or promote it…etc…'. Which is also human nature, but consider this…IPPIN is a valid tool for keeping fraudulent tax returns from being filed…if you do get breached, and if your client[s] have fraudulent tax returns filed and there was a way to avoid that…a way that you knew about, but didn't say…that might not look so hot to some people…

Currently trending in the myriad of ways systems are hacked/breached are:

- Phishing texts impersonating the IRS
- Software [fraudulent] companies letting practitioners know that they have been breached [that's a tough one…remember to call your software provider, and not any number in the email!]
- Insider threats (physical theft and employee retaliation)
- Cloud-based platforms being accessed
- Impersonators (like Geek Squad, MicroSoft, Microsoft Defender, web developers, IRS and credit card companies)
- Live screenshare

As a reminder, if you have not heard about the IRS impersonation mail scam, do a search for IRS News Release IR-2023-123 : IRS, Security Summit partners warn taxpayers of new scam; unusual delivery service mailing tries to trick people into sending photos, bank account information | Internal Revenue Service .

This new release speaks to a new IRS impersonating mailing scam that tries to mislead people into believing that they are owed a refund. It asks for things like copies of their drivers licenses along with other PII. The grammar is off and it mentions getting a property claim instead of a tax refund. Since this is a scam impersonating the IRS, these incidents should be reported to TIGTA.

IRS Ends Unannounced RO Visits:

As part of a larger transformation effort, the Internal Revenue Service today announced a major policy change that will end most unannounced visits to taxpayers by agency revenue officers to reduce public confusion and enhance overall safety measures for taxpayers and employees.

The change reverses a decades-long practice by IRS revenue officers, the unarmed agency employees whose duties include visiting households and businesses to help taxpayers resolve their account balances by collecting unpaid taxes and unfiled tax returns. Effective immediately, unannounced visits will end except in a few unique circumstances and will be replaced with mailed letters to schedule meetings.

IRS Commissioner Danny Werfel announced the change as part of a larger effort to transform IRS operations following passage of the Inflation Reduction Act last year and the creation of the new IRS Strategic Operating Plan in April.

Taxpayer Assistance Centers to reopen:

35 TACs have reopened or been added thanks to the IRA funding…relevant to us PNWAW folks, this means that we'll see TACS again at Bend, OR; Bellingham, WA; Colorado Springs, CO; Grand Junction, CO; Santa Fe, NM; and Glendale, AZ

Issues, Questions and Concerns:

Update: we have formally submitted the issue regarding IRS handling of Form 56.

Concern: We had a few questions on IPPINS today, one with a person who could not find their IPPIN and others with issues getting ID.me credential…Please see the section on IPPINs above for links to information and assistance.

Comment: One practitioner commented that while they don't promote the IPPIN program actively, they do have clients who have signed up and the last few have received an IPPIN in about half an hour, so there has been real improvement to the level of service on the phones.

Q: Is there an option to 'opt out' of the IPPIN program?

A: Currently there is no option for opting out of the program…it is under consideration, but nothing definitive.

Q: I see the IRS is expanding free file. When will this be rolled out more extensively? What are the restrictions for use? Does it still rely on providers that re-direct to paid file? What can we expect in the future on this front?

A: We will look into this and report back at the next meeting.

Q: Seems the Tax Pro Online Account was supposed to get some new functionality in the way of linking and viewing POAs, but we are not seeing that it has happened yet? Any news?

A: It could be that the changes have not *altogether* taken place yet. Sometimes there's a few days delay…and one preparer did comment that one needs a PIN for complete functionality and the process takes a few weeks…

Q: ID.me is still really hard to get…next to impossible for some people. We have a client with some physical challenges that make it hard to get past the ID.me process.

A: We are hearing this from time to time regarding the folks with real physical or mental challenges not being able to work with ID.me. TAS has offered to help in these situations where the person may have issues that make ID.me unavailable for all practical purposes…or at least to do it on their own. So if the client is in a memory care facility, or other debilitating situation, TAS can help facilitate communication.

Q: How would we report these abusive ERC scheme promoters if we encounter them?

A: Here is the web page on IRS.gov with the information on reporting abusive scams: Abusive Tax Schemes and Abusive Tax Return Preparers - IRS Lead Development Center | Internal Revenue Service

We have an excellent web page on IRS.gov that speaks to the ERC, including signs of scams, and the link to the FAQ page as well: Employee Retention Credit | Internal Revenue Service (irs.gov)

Next Scheduled Meeting, Wednesday September 20, 2023

New Mexico Society of Enrolled Agents
October 2023 Conference

Wednesday 10/25 (7:30AM – 5PM)
And Thursday 10/26 (7:30AM – 5 PM)

Featuring In-person Speakers:

Laura Strombom, EA, USTCP	Ranchers & Farmers Corporate Transparency Act Community Property Rules Short Term Rentals
Lelah Martinez	IRS Liaison Report
Lynne Shupp, EA, RFC	Ethics
Earl Collison, EA & Therese Francis, EA	Foreign Tax/Income Issues

You have the choice of attending either virtually or in-person at
Courtyard by Marriott
5151 Journal Center Blvd NE
Alb, NM 87109
(In-Person Check-in 7:30 - 8 AM)

Hotel is offering a special group rate for $154 per night

Book your group rate for NMSEA

Reservations and additional information can be found at Eventbrite
https://tinyurl.com/Register-NMSEA-Oct-Conference

Note: Registering online incurs Eventbrite fees as shown on the Ticket webpage
(or register by Mail-In Form at Attachment 5)

Attachment 4

New Mexico Society of Enrolled Agents
October 2023 Conference

NMSEA is offering 16 CE hours. Attend Virtually or In-Person (your choice).
Courtyard by Marriott, 5151 Journal Center Blvd NE, Alb, NM 87109.

Wednesday 10/25/23 & Thursday 10/26/23 (8 AM – 5 PM)

In Person Check-in (7:30 – 8 AM)

Circle your choices:

NMSEA member Early Bird (expires 10/14/23)	$350
NMSEA member - Late Bird	$375
Non-member Early Bird (expires 10/14/23)	$400
Non-member Late Bird	$475
Printed Materials	$ 70
Total	

Complete this registration form and submit:

Mail to NMSEA, PO Box 30974, ABQ, NM 87190-0974 or Fax to 505-298-2191

Name ________________________________ PTIN __________________

Member of NMSEA Yes No Attending? Virtually In-Person

I prefer to pay by credit card. Please charge my Visa ______ MC___Amer EX____

Card# ____

Expiration date ___________Security Code ______________Zip Code__________

Email_____________________________________Phone ___________________

Signature ____

Attachment 5