

MISSISSIPPI ASSOCIATION

**MAPA**  
OF PUBLIC ACCOUNTANTS

# ACCOUNTANTS' REGISTER

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MAPA  
Can  
POSITIVELY  
Do anything

## FROM THE DESK OF THE PRESIDENT

SUSAN W. BEARD, EA, ABA

I could hardly believe it when Jo said she needed my newsletter message. That can only mean one thing — tax season is FINALLY OVER. If your office is like mine, you are just getting in the last pieces of information to complete the 2002 tax returns.

Now we can all look forward to the holidays and the beginning of the 2003 tax season. Every year it gets a little harder to get excited about facing another tax season, but I am **Positive** this will be one of the best tax seasons ever! It all depends on your attitude.

This has been such a hectic year for my family. Most of you know that my daughter, Kelly, got married in August - in PARIS! Of course this had to be the hottest summer in Europe in 100 years. In spite of the heat, the wedding was beautiful and we all had a wonderful time getting to know Rafael's family. We were a little worried about how we would be treated by the French people because of the current political situation, but we couldn't have asked for a warmer and more cordial reception. For most of the family this was the first time to travel outside of the United States. I don't think we missed seeing anything, but it was good to get back to Mississippi and air conditioning.

For those of you who attended the Gear Up Farm Seminar and the Gear Up Business Entities Seminar, I am sure you will agree they were very informative, as always.

Don't forget the Central Chapter seminar in Jackson on October 22nd. As far as I know this is the last chance for Enrolled Agents to get the two hours of Ethics we are now required by Circular 230 to have each year.

I am looking forward to the Gear Up 1040 Seminar December 3 and 4. As usual, this will be held at the Clarion Hotel in Jackson. With all of the tax law changes this year there will be a larger than normal attendance so if you haven't already made your reservations, do it soon.

Although it is a bit early, since this is the last newsletter for 2003, I would like to wish all of you Happy Holidays for Thanksgiving and Christmas. Enjoy these times with your families and be safe if you are traveling. Remember that with a **POSITIVE** attitude you can do anything.

*Susan W. Beard*



Those of you who keep a neat desk don't know the thrill of finding something that was lost forever.



## FROM THE MAPA EXECUTIVE DIRECTOR

*Sanford D. Warren, CPA*

The procedure to request tax ID numbers by phone has changed. The old number was closed September 30, 2003. The new number is 800-829-4933. Identification numbers can still be obtained from the Internal Revenue Service web site.

There was previously a push by IRS to license tax preparers (other than attorneys, CPAs and Enrolled Agents). This has been determined to be too costly and the idea has been dropped.

Interest rates on taxes were dropped one percentage point after September. If there are refunds, the IRS will pay individuals four percent and corporations three percent. On overdue taxes, interest of four percent will be charged. The rate is six percent for corporations that owe the Service more than \$100,000.00 in back taxes.

Someone had the idea that they would reduce the size of the gift if the IRS decided to audit their return. A couple set up a limited partnership and gave a portion of it to a trust. The transfer agreement stated that if the value of the gift were increased because of an IRS audit a portion of the gift would revert to the owners. The gift tax return was picked for audit. The give-back will not be recognized according to a private ruling by IRS.

We can expect some complicated forms this year. This will be true because of the capital gain rate differences. Partnerships and S Corporations with fiscal years that end after May 5, 2003 will have to segregate gains and losses from sales after May on the K-1 forms they supply to partners or shareholders.

It seems that our tax filing season has grown to include the entire period January through October 15<sup>th</sup>. Many people are waiting until the very last minute to get the returns filed. I hope this has not impacted negatively on anyone other than me.

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## DO YOU DO RALS?

In August a memo was sent to all MAPA members regarding a memo put out by the Mississippi Department of Banking and Consumer Finance. If you do RALs you are considered to be a consumer loan broker and will need to be licensed. **To obtain an application form contact Laurie Blackwell at 601-359-1031 or visit the departments web site at [www.dbcf.state.ms.us](http://www.dbcf.state.ms.us).**

Since my memo on this Susan has contacted them and was advised that if you do not accept a fee for providing this service you do not need a license. You can always contact the bank that handles your RALs and notify them you will not be charging a fee for arranging the loan for your client.

## MEET OUR NEW MEMBERS

**M**ichele M. Barnes recently opened her practice, Barnes Bookkeeping, LLC, in her home at 2025 Buddy Odom Road, Thomastown, Mississippi. She and her husband, Gary, have two children. Michele received her bookkeeping training at Northeast Louisiana Vocational School and has taken additional training in accounting and tax by correspondence.

**D**eborah P. Barrett, CFO, CPA is employed at Central Sunbelt Federal Credit Union, Laurel, Mississippi. She received her BSBA and MPA from the University of Southern Mississippi and is currently enrolled in their MBA program. She and her husband, Keith, have three children and reside in Hattiesburg, Mississippi where they attend St. Thomas Aquinas Catholic Church. Deborah is a member of MSCPA, Pinebelt Pacers Running Club and the American Cancer Society.

**J**oseph H. Baugh, Jr., CPA has his office in Ridgeland Mississippi. He and his wife, Julie (also a CPA), live in Brandon and have one child. Joseph received his BSBA with emphasis in accounting from the University of Southern Mississippi. He is a member of MSCPA, the Central Chapter of MSCPA and the Mississippi Army National Guard. The family attends Colonial Heights Baptist Church.

**J**erry D. Deas, CPA is employed by Priority-One Bank in Magee, Mississippi. Jerry received his BS and MPA from the University of Southern Mississippi. He is single, lives in Magee and is a member of Financial Managers Society.

In addition to the above, membership has been approved for Edward Charles Randle, employee of David Compton, CPA, Meridian. Charles has not returned his data sheet so I can't introduce him properly. However, Charles attended the Gear Up Business Entities Seminar and I had the opportunity to meet him.

Three more new members are being processed and will be introduced when processing is complete and their data sheets have been received.

## CENTRAL OFFICE NEWS

Please accept my apologies for being so late this year in getting out our yearbook and this newsletter. We have been sharing one computer here in the office for several months going through an upgrade from Windows 98 to Windows XP on my computer and getting more memory and speed for Jane's computer. We are finally back up on both machines and hope to get caught up soon.

By the time this newsletter hits the web our webmaster should have the yearbook up and ready for you to print out. There were no changes to the Constitution or By-Laws so you won't need to replace those sections. Remember, you need a user name (member) and a password (4ms2acct) to access the yearbook. These are both case sensitive so be sure to use lower case.

Registration for the Business Entities was up this year with 118 registered. Registrations are pouring in for the Gear Up 1040 Seminar and it looks like we will have a record crowd. If you haven't registered you better do it now.

The Central office will close at the end of the day on December 19, 2003 and remain closed until January 5, 2004. This is our only vacation time and we promise to use it to visit with family and friends and rest up before the mad house begins in January.

**May  
the warm,  
guiding star  
drive from your  
life every shadow;  
may the glad song of  
angels find an echo in  
your heart; may the spirit  
of worship in the hearts of  
the wise men, and the simple  
faith of the shepherds be yours  
as, once more, you celebrate the  
birth-  
day of  
the King.**

# NSA'S 58TH ANNUAL CONVENTION

## FROM A SPOUSE'S PROSPECTIVE

*Submitted by Ruby Smith*

Thank you, MAPA, for once again affording Perry the opportunity to represent Mississippi at NSA's 58th Annual Convention. That meant that I got to tag along.

It seems like I keep saying "This was my favorite". Salt Lake City was clean, friendly, had a picturesque view, and was warm but bearable. There was no humidity. It sits in a valley surrounded by mountains.

I took five rolls of film. A large portion of them were taken on Temple Square. If you don't know what that is, it is two large city blocks and better than 35 acres of majestic buildings, gardens, fountains, statues and the home location of the Church of Latter Day Saints. Located on that property is the Mormon Tabernacle, the temple, a 21,000 seat conference center on top of which sits six acres of landscaping to resemble a mountain, Brigham Young's home, a family research center and much more. All touring is free and no tips are accepted. I have gone into a lot of detail here because that is what Salt Lake City is famous for. Brigham Young and the Mormons started the city in the 1840's. They named Utah the Beehive State because the Mormons were so industrious and busy.



I was awakened to the sad fact that my efforts in my faith are lacking. If we were all busy as bees for our faith, what would the results be?

Never have I been as impressed with a hotel as we all were with The Grand America! It was built in 2001 for the 2002 winter Olympics. Italian marble baths, French brocade bed sets and draperies, twice a day maid service, beds turned down with gold boxes of chocolate and personal robes provided for us. Several hundred rooms and no two are alike. It was sure great to live in that world for a few days. Please believe the Mississippi group looked good in that environment.

We had the Utah Trax Transportation System less than a block away. Anywhere we wanted to go we hopped on and rode a few blocks and got off. We were located on Main Street and most things and places to see were in a ten-block area. Sarah Jenkins and I were the only two Mississippi non-delegates so we had a heavy responsibility to scout out the shops and restaurants. We fulfilled our duty. If Perry and Marshall's pockets are lighter, they can just know we were doing our job for them. Just because they had CPE and business meetings and couldn't shop didn't affect the Utah economy much.

I need to say the one and only disappointment for me was NSA's decision not to have a spouse/guest hospitality room this year. They must have had their reasons but it limited to a great degree spouse socializing outside your known group. There was no other meeting place for us. In prior years the hospitality room was where I got to know other people that were not on the business end of the convention.

One fun and informative tour that several of us took was the Salt Lake City tour. Primarily this served to orient us and see places to go back to. We went through their beautiful capital building and learned a little of their Indian

## NSA'S 58TH ANNUAL CONVENTION – CONTINUED

heritage. We also went to Pioneer Park. It is on a mountain above Salt Lake City and is where Brigham Young viewed the valley below and said "This is the place". There is a large mountain behind the University of Utah. It has a large U painted on the mountain that can be seen from all over the city. When the University is playing a sports game they light up the U. After the game the light blinks if they win. No need to tune in to the news.

NSA took approximately 350 convention members, spouses and guests to Olympic Park for a southwestern buffet dinner and a fabulous free-style ski show performed by some Olympic skiers and other professional skiers. We ate sitting on decks of the ski lodges and had ringside seats for the breathtaking events. This was definitely worth doing. The view from that park was also phenomenal.

Perry and I rode to Ogden one night with the Charles Jones family from Alabama. We had dinner at what is supposed to look like an old mine. Ogden is located about 35 miles from Salt Lake City. We went through big canyons and waterfall areas to get there.

NSA included spouses and guests in two other events - the awards breakfast and the installation banquet. Both of these were held on Saturday. At the awards breakfast Mississippi received an award for monitoring the state board meetings. Jimmy Boyd has diligently seen to that duty. Perry accepted a plaque for John Montgomery for his years of service as Mississippi State Director. Immediately following breakfast was a live auction to benefit the political action committee. This proved to be an entertaining as well as a lucrative event. A little better than \$16,000.00 was raised. A football autographed by Brett Favre went for \$2,500.00. Individuals and quite a few affiliated state organizations (ASOs) donated all the items.



Jimmy was all decked out in his tuxedo and sitting at the head table for the installation banquet. Not only has he served his district as Governor well, he has been and continues to make Mississippi proud. Thanks to Mississippi's nomination, Perry was elected as Mississippi State Director and looked quite handsome as he was installed. Perry and I, Marshall and Sarah and Susan sat with and became acquainted with people from the state of

Washington. To complete the day and the conclusion of the convention, our Mississippi delegates had their pictures made with NSA's newly installed president, Dan Setters.

Many people left for the airport Sunday morning, but 45 of us went to the live radio broadcast of the Mormon Tabernacle Choir. Whatever faith anyone claims, the music was beautiful and inspirational.

My bags are packed for San Antonio next year.

## **NSA SCORES WIN ON ATTAINMENT OF AGE PROBLEM**

During tax season NSA received a number of calls concerning the IRS treatment of children born on January 1. For the Child Credit and EITC, the IRS treated a child born on January 1 as having attained the age of 18 on December 31 of the prior year, whereas taxpayers and practitioners had assumed the child was 17 on December 31. As a result, many e-filed returns were rejected and refunds were denied. When NSA raised this issue with the IRS, they added it to the agenda of the May 2003 stakeholder meeting. IRS listened to our concerns and took them under advisement.

We are pleased to report that at our July 17, 2003, stakeholder meeting the IRS announced that they would go back to the old method that considered a child born on January 1 to be 18 on the actual birth date – January 1.

The IRS will also let practitioners know how to amend and apply for refunds if your clients were affected by this problem. NSA does it again!!!!

## Preparers

### “WHERE TO FILE 2003 TAXES”

## FOR FORM 1040

**THEN use this address if you are filing a client's return and:**

<b><u>If your client lives in...</u></b>	<b><u>Are not enclosing a payment, use this address:</u></b>	<b><u>Are enclosing a payment, use this address**</u></b>
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(Note: the first line of the address should be: Internal Revenue Service)

Alabama, Florida, Georgia, Mississippi, North Carolina, Rhode Island, South Carolina, West Virginia	Atlanta, GA 39901-0002	P.O. Box 105093 Atlanta, GA 30348-5093
Maine, Massachusetts, New Hampshire, New York, Vermont	Andover, MA 05501-0002	P.O. Box 37002 Hartford, CT 06176-0002
Connecticut, District of Columbia, Maryland, New Jersey, Pennsylvania	Philadelphia, PA 19255-0002	P.O. Box 80101 Cincinnati, OH 45280-0001
Arkansas, Colorado, Kentucky, Louisiana, New Mexico, Oklahoma, Tennessee, Texas	Austin, TX 73301-0002	P.O. Box 660308 Dallas, TX 75266-0308
Alaska, California, Hawaii, Idaho, Montana, Nevada, Oregon, Washington, Wyoming	Fresno, CA 93888-0002	P.O. Box 7704 San Francisco, CA 94120-7704
Delaware, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, South Dakota, Wisconsin	Kansas City, MO 64999-0002	P.O. Box 970011 St. Louis, MO 63197-0011
Ohio, Virginia	Memphis, TN 37501-0002	P.O. Box 105017 Atlanta, GA 30348-5017
Arizona, Utah	Fresno, CA 93888-0002	P. O. Box 1214 Charlotte, NC 28201-1214
All APO and FPO addresses, American Samoa, nonpermanent residents of Guam or the Virgin Islands*, Puerto Rico ( <i>or if excluding foreign income under Internal Revenue Code section 933</i> ), dual status alien, a foreign country: U.S. citizens and those filing Form 2555, 2555-EZ, or 4563	Philadelphia, PA 19255-0215	P.O. Box 80111 Cincinnati, OH 45280-0011

\* Permanent residents of Guam should use: Department of Revenue and Taxation, Government of Guam, P.O. Box 23607, GMF, GU 96921; permanent residents of the Virgin Islands should use: V.I. Bureau of Internal Revenue, 9601 Estate Thomas, Charlotte Amalie, St. Thomas, VI 00802

\*\* The addresses listed in this column are different from the addresses listed on the back of the tax booklets. You must use the addresses in this column if you are a preparer.

Note for Form 1040A and 1040EZ returns:

- ◆ If you are filing a client's **Form 1040A** or **1040EZ** and **are enclosing a payment**, you will also use the addresses shown in the last column above.
- ◆ If you are filing a client's **Form 1040A** and **are not enclosing a payment**, you will also use the addresses shown in the middle column except the +4 ZIP Code extension will be -0015 instead of -0002 (the Philadelphia +4 ZIP code extension remains -0215).
- ◆ If you are filing a client's **Form 1040EZ** and **are not enclosing a payment**, you will also use the addresses shown in the middle column except the +4 ZIP Code extension will be -0014 instead of -0002 (the Philadelphia +4 ZIP code extension remains -0215).