

Arkansas Public Accountant

A Publication of the Arkansas Society of Accountants



September 2005

• **FROM YOUR
PRESIDENT'S PEN** •



Dear Members:

With the attendance at the National Convention of NSA in Las Vegas, my tenure as president of the Arkansas Society of Accountants is quickly coming to an end. There have been some changes forced upon the society that have required some action on our part and we have also tried to be pro-active to be prepared for the changes which are coming our way.

Topics Covered in this Newsletter

- **New State Director**
- **Paul Harvey and Prayer**
- **Are Your IRS Files Secure?**
- **Lawyers' Tax Opinions**
- **Outsourcing IRS Collection Work**
- **Exemption for Blindness**

As all of you know, at our convention last year, we changed the operating name of our society from the Arkansas Society of Public Accountants to the Arkansas Society of Accountants. This change was made because this society no longer serves just the PA's but serves many different designations of accountants. In fact PA's are in a minority in our society. We have hired a firm from Hot Springs that has been successful in assisting in the promotion of Hot Springs to help us change the face of our society. We have approved a change in our logo and are in the process of changing our stationary, our bulletin and every publication that comes from us to appeal to all licensed and non-licensed accountants.

We are now doing a better job of tracking the CPE hours that each of you is taking each year. At the end of the year you will be sent a summary of these hours to help you in your reporting to the State Board.

The sale of Gear-Up has forced us to look at our CPE and do some planning that we haven't had to do in the past. We are using one other provider of CPE at this time. As far back as I can remember, Gear-Up, formerly Nuts & Bolts, provided almost all of our CPE. We are also sending some of our members

to other seminars to critique these seminars. This will help us in the decision making process for the future.

Because we have only one paid representative of our society, our executive secretary, we also are in the process of reviewing this position. Everything has been the status quo on this position for many years and this has worked well. However, this review will allow us to have an updated job description of this position. With all of the other changes that are taking place in our society a look at this position will help us to see what we can improve to better serve you the member.

Everything that we do requires much more time than you can imagine. Of course all of us are extremely busy during tax season and basically nothing in the way of the society is done during this time of the year. Much of this work has been started since spring. This will be a continuing process. One that I am sure that our new president will pursue with vigor.

I have enjoyed the honor that you have allowed me to have as your president. You can be assured that I will continue to do what I can to help this society enjoy continued success.

Respectfully,

Tom Simmons
Tom Simmons, President
Arkansas Society of Accountants

NEW STATE DIRECTOR

ASA now has a new NSA state director, Lonnie Taylor of West Memphis was elected at the NSA convention in Las Vegas, NV recently.

I am sure that we all want to congratulate Lonnie when we see him at ASA meetings in the future.

We also want to take time to thank Shelly Russell for the previous 4 years that she served in this office.

This is a time consuming endeavor and Shelly did a great job. Thank you Shelly for a job well done.

REMINDER OF THE SILENT AUCTION AT THE ANNUAL CONVENTION

Don't forget to bring something for the auction. These funds are for a good cause and I know that you will want to participate. This does not have to be something new. Just something that is no longer of any use to you that might be of use to someone else.

SILENT AUCTION

We are once again having a silent auction at our convention in September. Proceeds from this auction are used to support the NSA

Scholarship Foundation.

We are asking for donations from all of you who possibly can! We will take handmade items, items in good condition from your home or office that you no longer need or donations of new items from your local merchants. Anything unique is always appreciated.

So, please look around and bring something with you to the convention to put in the auction. Let's make this year's auction the best one ever!!!

If you have any questions, please contact Shelly Russell 501-843-5561, email – keysys@cei.net or Donna Gowan 501-268-5876, email – dgowan@sbcglobal.net

THANK YOU!!!!!!

**DUES STATEMENTS
HAVE BEEN MAILED.**

PLEASE PAY PROMPTLY

THANKS!

LAVERNE LONG

**CONGRATULATIONS TO
OUR PRESIDENT**

Tom Simmons received an award at the NSA Convention in Las Vegas, NV.

Every year NSA honors an individual with a plaque for an article in their State Society publication.

This year Tom's "President's Letter" that was published in this publication in October of last year, won this award and he has a beautiful plaque to prove it.

CONGRATULATIONS TOM!

WE HAVE OTHER MEMBERS WHO ARE VERY CAPABLE OF WRITING ARTICLES FOR THIS PUBLICATION IF ONLY YOU WOULD TAKE THE TIME.

I WOULD LOVE TO HAVE AN ARTICLE FROM EACH AND EVERY ONE OF YOU. I HAVE A DIFFICULT TIME SOME MONTHS FILLING THIS SPACE AND IT WOULD BE GREAT TO HAVE MORE INFORMATION THAN I COULD PRINT.

HOW ABOUT IT? DO THIS AND MAYBE YOU WILL RECEIVE AN AWARD.

PAUL HARVEY & PRAYER

I don't believe in Santa Claus, but I'm not going to sue somebody for singing a Ho-Ho-Ho song in December. I don't agree with Darwin, but I didn't go out and hire a lawyer when my high school teacher taught his theory of evolution.

Life, liberty or your pursuit of happiness will not be endangered because someone says a 30 second prayer before a football game.

So, what's the big deal? It's not like somebody up there is reading the entire book of Acts. They're just talking to a God they believe in and asking him to grant safety to the players on the field and the fans going home from the game.

But it's a Christian prayer, some will argue.

Yes, and this is the United States of America, a country founded on Christian principles. According to our very own phone book, Christian churches outnumber all others better than 200 to 1. So what would you expect, somebody chanting Hare Krishna?

If I went to a football game in Jerusalem, I would expect to hear a Jewish prayer.

If I went to a soccer game in Baghdad, I would expect to hear a Muslim prayer.

If I went to ping pong match in China, I would expect to hear someone pray to Buddha.

And I wouldn't be offended. It wouldn't bother me one bit.

When in Rome.....

"But what about the atheists?" is another argument. What about them?

Nobody is asking them to be baptized. We're not going to pass the collection plate. Just humor us for 30 seconds. If that's asking too much, bring a Walkman or a pair of ear plugs. Go to the bathroom. Visit the concession stand. Call your lawyer.

Unfortunately, one or two will make that call. One or two will tell thousands what they can and cannot do. I don't think a short prayer at a football game is going to shake the world's foundation.

Christians are just sick and tired of turning the other cheek while our courts strip us of all our rights. Our parents and grandparents taught us to pray before eating, to pray before we go to sleep.

Our bible tells us to pray without ceasing. Now a handful of people and their lawyers are telling us to cease praying.

God help us.

And if that last sentence offends you, well....just sue me.

The silent majority has been silent too long. It's time we let that one or two who scream loud enough to be heard...that the vast majority don't care what they want. It is time the majority rules! It's time to tell them, you don't have to pray; you don't have to say the pledge of allegiance; you don't have to believe in God or attend services that honor Him. That is your right, and we will honor your right. But by golly, you are no longer going to take our rights away. We are fighting back....and WE WILL WIN!

God bless us one and all...especially those who denounce Him. God bless America, despite all her faults. She is still the greatest nation of all.

God bless our service men you are fighting to protect our right to pray and worship God.

May 2005 be the year the silent majority is heard and we put God back as the foundation of our families and institutions.

HOW SECURE ARE YOUR IRS FILES?

Not, very, it seems. Over the last 15 years or so, the IRS has thrown billions of dollars into updating and managing its antiquated computer systems. Alarming new concern: Both the Government Accountability Office (GAO) and the Treasury Department Inspector General for Tax Administration (IRS internal

security) have uncovered significant breaches of the security of IRS computer data. In one study, more than a third of 100 IRS personnel contacted by undercover agents agreed to reveal their system log-in information and change their passwords.

LAWYERS' TAX OPINIONS NAILED

The IRS has issued highly controversial new rules governing the conduct of lawyers who issue tax opinions to their clients. The action was taken in response to the overly aggressive conduct of some tax lawyers. These lawyers, primarily from the country's biggest law firms, advised their clients that certain transactions to shelter income were within the law, when, in fact, they should have known that they were questionable and probably not allowable. New standard: The IRS has indicated that only willful, reckless or grossly incompetent conduct would constitute a violation of these new rules. But tax lawyers are concerned that some of the language in the new rules is vague. The big question: Should lawyers be concerned about violating the new rules when they give everyday tax advice that is not in the form of a full-blown written opinion?

OUTSOURCING IRS COLLECTION WORK

The American Jobs Creation Act of 2004 authorized the IRS to start outsourcing its collection work. But after an uproar by

critics of privatization, legislation has been introduced in Congress to prevent the agency from using private contractors to collect unpaid taxes. The critics fear intimidation and abuse of taxpayers by unaccountable debt collectors. They're also worried about the increased risk of unauthorized disclosure of taxpayer information, which would inevitable result in more cases of identity theft. Proponents of outsourcing, including the IRS Commissioner, argue that it makes sense for private collectors to work on the easier cases, leaving more time for experienced IRS personnel to pursue older and larger-dollar cases.

A judge has denied H & R Block RAL Settlement. An Illinois District Court judge has denied approval of a settlement that would have ended litigation against H & R Block related to refund anticipation loans (RALs). In a May 27 filing with the SEC, Block said that a U.S. District Court Judge for the Northern District of Illinois denied a motion for preliminary approval of the proposed settlement, terminating the agreement. The settlement involved a 1998 Chicago class-action lawsuit relating to RAL's. The settlement class included more than 28 million consumers and covered more than 55 million individual RAL transactions. The proposed settlement called for \$110 in cash and \$250 million in H & R Block tax preparation coupons to be distributed to the class members. The decision returns the

parties to their status prior to reaching the settlement.

EXEMPTION FOR BLINDNESS

People who are totally or partially blind and who do not itemize their deductions can claim an additional standard deduction of \$1,250 in 2005 (\$1,000 if married and filing jointly). For this purpose, "blindness" is defined a sight that is 20/200 or less in the better eye with lenses, or as sight that has a field of vision of 20 degrees or less. The degree of blindness must be certified by a doctor. Caution: This deduction does not apply to itemizers and there is no additional standard deduction for any other disability besides for blindness.

PLEASE TAKE TIME TO ATTEND THE FIRST DAY OF CONVENTION IF AT ALL POSSIBLE. THIS IS WHERE THE BUSINESS OF THIS ORGANIZATION IS DONE. WE ELECT NEW OFFICERS FOR THE COMING YEAR AND SET NEW POLICIES, ETC. YOU NEED TO BE THERE AND TAKE PART IN "YOUR ORGANIZATION." ASA NEEDS QUALIFIED PERSONS TO HELP IN DECISION MAKING, ETC. TRY TO BE THERE ON THE 21ST OF SEPTEMBER TO TAKE PART AND WE ARE GOING TO HAVE A GREAT SPEAKER TOO!

SEE YOU THEN??????



APPLICATION FOR MEMBERSHIP IN
THE ARKANSAS SOCIETY OF
ACCOUNTANTS

P.O. Box 725
Newport, Arkansas 72112
longaspa@cox-internet.com
www.arspa.org

Last Name First Name Middle Initial Business Phone Home Phone

Business Address

How many years of accounting have you had? _____ Date of Birth _____

Sole Practitioner [] Partner [] Employee [] Corporate Officer []

Name of Firm _____ Number of Employees _____

Name of Partner(s) _____

Are you a Licensed, Registered or Certified Public Accountant? _____ If yes, give License# _____

Are you an Accredited Public Accountant? _____ If yes, give Accreditation # _____

Are you an Enrolled Agent _____ If yes, give EA # _____

Do you hold an Associate or Baccalaureate degree with a minimum of 24 semester hours in Accounting? Yes _____ No _____

Are you engaged in any other trade or profession? _____ If yes, please describe _____

Please list other accounting organizations in which you hold membership: _____

I hereby state that the accompanying statements are correct to the best of my knowledge and belief. I further state that I will abide by the Constitution and By-Laws of the Society and will practice in strict conformity with the Code of Ethics and Rules of Professional conduct adopted by the Society.

Date _____ Signature of applicant _____

Annual dues are payable IN FULL in advance and are prorated for credit by ASPA on a monthly basis to August 31 - the end of ASPA's fiscal year.

[] Membership Annual Dues \$85.00 [] Firm Annual Membership \$50.00 [] Diamond State Annual Dues \$15.00
(Non-Residents only)

Do Not Write Below This Line

State Member Approving Membership

Signature _____ Title _____ Date _____

Sponsor, If Any FOR ASPA OFFICE USE ONLY Control Number
Amount Date Received

[] [] []

*State Society dues payments may be deductible as an ordinary and necessary business expense. However, they are not deductible as charitable contributions for Federal income tax purposes.

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Bryan Johnston President Elect
Ronny Woods 1st Vice President
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Lonnie Taylor Governor District III
Alma Strozyk Governor District IV
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Tom E. Simmons..... Governor District VI

FOR YOUR INFORMATION

The ARKANSAS PUBLIC ACCOUNTANT is the monthly publication of the ARKANSAS SOCIETY OF ACCOUNTANTS. We are a professional organization dedicated to the promotion of accountants and tax preparers in the State of Arkansas. We accept newsworthy articles and advertising. If you have either of these for publication, please contact the editor.

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