

ASA NEWS

News & Information for Accounting Professionals



Notes from ASA President - Debbie Turner

As we begin yet another tax season, one that is sure to be exciting, determining how the new tax law will affect our clients, try to remember why we do this work:



1. We enjoy helping our clients.
2. We enjoy being able to provide for ourselves and our families.
3. And hopefully we enjoy learning new things, and how they apply to our clients' particular tax situation.

As frustrating as this January has been with the IRS shut down, with new regulations coming out regarding the Qualified Business Deduction in mid-January, and with the frustrations of finalizing W-2s and 1099s for our clients, remember that this too will pass. April 15th will come (maybe with more extensions than usual), but the hours will decrease and life will get closer to normal.



I hope you all have a very successful tax season.

Debbie Turner
President
Arkansas Society of Accountants

Debbie Turner

2019 ASA Seminars

All of the seminars will be presented by Tax Speaker (Bob Jennings Group)

- **Social Security Seminar**
- June 5, 2019
Embassy Suites, Little Rock
- 8 hours
- **Preparations, Compilations & Review Seminar**
- July 29, 2019
Embassy Suites, Little Rock
- 8 hours
- **Business Entities Seminar**
- September 27, 2019
Embassy Suites, Little Rock
- 8 hours
- **1040 Seminar**
- Fayetteville
- November 4-5, 2019
Fayetteville Town Center,
Fayetteville - 16 hours
- **1040 Seminar**
- Little Rock
- December 10-11, 2019
Embassy Suites, Little Rock
- 16 hours

Register online at:
arksocietyofaccountants.com
or call 501-305-9110 for
additional information.

SAVE THE DATE!

National Society of Accountants

74th Annual Convention

Charlotte, NC August 18-25, 2019

US Treasury, IRS issue final regulations, other guidance on new qualified business income deduction; Safe harbor enables many rental real estate owners to claim deduction

The Treasury Department and the Internal Revenue Service recently issued final regulations and three related pieces of guidance, implementing the new qualified business income (QBI) deduction (section 199A deduction).

The new QBI deduction, created the 2017 Tax Cuts and Jobs Act (TCJA) allows many owners of sole proprietorships, partnerships, S corporations, trusts, or estates to deduct up to 20 percent of their qualified business income. Eligible taxpayers can also deduct up to 20 percent of their qualified real estate investment trust (REIT) dividends and publicly traded partnership income.

The QBI deduction is available in tax years beginning after Dec. 31, 2017, meaning eligible taxpayers will be able to claim it for the first time on their 2018 Form 1040.

The guidance includes:

- A set of regulations, finalizing proposed regulations issued last summer. A new set of proposed regulations providing guidance on several aspects of the QBI deduction, including qualified REIT dividends received by regulated investment companies.
- A revenue procedure providing guidance on determining W-2 wages for QBI deduction purposes.
- A notice on a proposed revenue procedure providing a safe harbor for certain real estate enterprises that may be treated as a trade or business for purposes of the QBI deduction.

The proposed revenue procedure, included on Notice 2019-07, allows individuals and entities who own rental real estate directly or through a disregarded entity to treat a rental real estate enterprise as a trade or business for purposes of the QBI deduction if certain requirements are met. Taxpayers can rely on this safe harbor until a final revenue procedure is issued.

The QBI deduction is generally available to eligible taxpayers with 2018 taxable income at or below \$315,000 for joint returns and \$157,500 for other filers. Those with incomes above these levels, are still eligible for the deduction but are subject to limitations, such as the type of trade or business, the amount of W-2 wages paid in the trade or business and



the unadjusted basis immediately after acquisition of qualified property. These limitations are fully described in the final regulations.

The QBI deduction is not available for wage income or for business income earned by a C corporation.

For details on this deduction, including answers to frequently asked questions, as well as information on other TCJA provisions, visit [IRS.gov/taxreform](https://www.irs.gov/taxreform).



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NSA's Tax Season Benefits

Tax Season has officially arrived. NSA would like to remind you of your member benefits - especially the ones that will help you the most during your busiest time of the year.

TAX RESEARCH & INFORMATION

NSA Tax Help Desk: Active & Associate members get five federal tax questions researched and answered free each year - a value of \$125. Having this resource at your fingertips can save you time when clients arrived with complex tax issues.

CCH Tax Center: NSA members can access tax code information, regulations, court cases, daily tax news, briefings, and tax alerts as part of the service. This is valued at \$1,060 and is free with your membership.

NSA Tax Talk: Ask and answer questions and get input from other members with their wide range of experience. Plus, you can search the discussion archives anytime online by topic or keyword!

Why is Tax Talk so valuable?

How much do you charge per hour of your time? How long would it take you to find the answer to a question tha you posted on Tax Talk? If your charge \$50 per hour, and a question takes two hours to answer, but Tax talkers answer it for free, and you've just saved \$300 and two hours of your time. Imagine what you can do with that time—and your membership is already paid in full!

TAX TOOLS & RESOURCES

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NSA Bookstore & Discounts: Members save on CCH publications, Quickfinder, TheTaxBook; cyber liability insurance, office supplies, credit card processing, client newsletters, shipping. Your benefits and discounts now include VeriFyle and ZipWhip!

Technology Search: When you need help finding the right accounting or tax software for your practice, use the free Technology Search for help.

If you have any questions about your NSA membership, please contact NSA Member Services toll-free at 800-966-6679 or email members@nsacct.org.

FROM THE ARCHIVES



State officers

.... for the Arkansas Society of Public Accountants include: from left, Robin Clatworthy of Marvel, second vice president; Donny Woods of Nashville, first vice president; Susie Anthony of Hot Springs, president; and Bob Johnston of Jonesboro, president-elect. The officers were selected at the society's 40th annual convention in Little Rock.