

Preparing for Tax Season 2016

By **Allyson Baumeister**, CPA | 2015-2016 TSCPA Chairman and **John Sharbaugh**, CAE | TSCPA Executive Director/CEO

The 2016 tax season is expected to be another challenging one. The IRS is continuing to face budgetary constraints this year and Congress did not address dozens of lapsed and expiring tax provisions until mid-December, 2015. Although Congress considered tax extenders legislation earlier in 2015, no legislation had been passed, causing businesses and individuals to be faced with uncertainty and difficulty in planning and compliance.

Just a few of the other issues affecting taxpayers and practitioners include the *Affordable Care Act*, final tangible property regulations, the *Trade Preferences Extension Act of 2015*, new IRS policies to combat the increase in identity theft, and the Supreme Court's ruling on same-sex marriage. In addition, the Texas Legislature enacted several state tax bills that are in the process of being implemented and the comptroller has made changes in management, rules and administrative procedures.

TSCPA is here to assist you in keeping current during tax season and throughout the year. The weekly electronic *Viewpoint* newsletter, Federal Tax Policy blog and TSCPA at the Capitol blog provide updates on the latest issues. TSCPA's monthly *Tax Issues* e-newsletter is a source of useful information and narrative. The e-newsletter is free for members and you can subscribe by contacting TSCPA's Patty Wyatt at pw Wyatt@tscpa.net.

The Tax Issues Community on the website contains links to information, tax-related documents and news alerts. There are also links to register for TSCPA's upcoming tax seminars and to read the Tax Topics column from *Today's CPA* magazine, written by **Jason B. Freeman**, CPA-Dallas, who provides insightful commentary on issues of significance to tax practitioners. To visit the community, go to TSCPA's website at tscpa.org. Under Resource Center, scroll down to Member Communities, select Tax Issues, and log in as a member.

TSCPA's Advocacy Efforts

TSCPA's regulatory and political advocacy efforts are used to create opportunities for dialogue between CPAs and legislators, accounting standards-setting bodies and regulators. The Federal Tax Policy Committee (FTP) gives feedback to regulators on actual and proposed federal tax legislation, regulations and administrative pronouncements. The Relations with the IRS Committee maintains communications between TSCPA and the IRS to exchange ideas and information on topics related to the administration of federal tax laws and regulations.

In October, 2015, TSCPA advocated for urgent action on the

In November, Rep. Kevin Brady (R-Texas) was selected to serve as chairman of the powerful House Ways and Means Committee. It is the chief tax-writing committee in the House of Representatives, and is regarded as one of the most powerful panels on Capitol Hill, with jurisdiction over taxes, trade, health care and Social Security.



expired and expiring federal tax provisions in a letter to the Senate Finance and House Ways & Means Committees. Also in October, the FTP commented on the effect that the new Financial Accounting Standards Board and International Accounting Standards Board financial accounting revenue recognition standards will have on taxpayers' tax and accounting reporting.

In September, TSCPA sent a letter to the House Committees on Ways & Means, Energy & Commerce, and Education & The Workforce in support of H.R. 2911, the *Small Business Healthcare Relief Act*, for small employers' relief from Section 4980D excise tax on certain employee health arrangements. The staff of the bill's sponsor, Louisiana Congressman Charles Boustany, asked TSCPA to assist them with contacting another state CPA society for support. TSCPA also sent a letter to the Senate Finance Committee in support of S. 1697, the companion bill to H.R. 2911.

The FTP created a new International Tax Subcommittee. In August, the subcommittee initiated a letter from the FTP to U.S. Treasury Secretary Jacob Lew regarding burdensome international financial account reporting requirements and related noncompliance penalties that hinder taxpayers' ability to fully participate in international business.

Other activities included the FTP and Relations with IRS Committee sending a joint letter to the Assistant Treasury Secretary for Tax Policy Mark Mazur for further guidance and relief needed on Section 4980D excise tax. The Treasury Department replied to the FTP's concern regarding reimbursement of individual health premiums for 2 percent shareholders by S corporations. Since mobile workforce legislation is important to the accounting profession, TSCPA and other state CPA societies sent several letters to Congress during the year, but no legislation has been passed to date.

You can count on TSCPA to keep you informed on crucial developments and continue the work to protect the CPA designation through ongoing advocacy efforts. TSCPA will work cooperatively with legislative and standards-setting bodies on issues that affect CPAs and the public they serve. ■

Allyson Baumeister, CPA

can be contacted at
allyson.baumeister@CLAconnect.com.

John Sharbaugh

can be contacted at
jsharbaugh@tscpa.net.