

# **TACPA Spring Meeting May 3-4, 2018**

## **TAKEAWAYS**

We had another excellent seminar! Here are a few highlights from the sessions for those of you who could not attend.

### **Sales Tax/ Mixed Beverage Tax**

Michael Robertson & Guy Todd

The Texas Comptroller is using a “100% tax estimate” procedure to audit mixed beverage sales. They take one pour sample and use it to determine how many drinks the establishment sold based on 100% of the beverage purchased. This results in tax due. No allowance is made for pour variance, spoilage, or spillage. Methods of contesting such results were discussed. The tax is substantial so inform your affected clients, friends, and fellow professionals. If you have a case please do not hesitate to call these guys!

### **Lessons Learned**

Steve Miller CPA

Steve is a TACPA member from Dallas. He talked about the recent tax season. He made the following points:

1. New technology is here and we need to embrace it
2. Ask if program processing is done in the US
3. Back up to the cloud and offsite
4. AICPA has a flow chart for the new tax law
5. Bitcoin investment may require an FBAR

### **Texas Property Tax**

Steve Spencer

Steve is a TACPA member. His practice is restricted to Texas property tax. If you file a protest of your property appraisal check both the incorrect appraisal and the unequal value boxes on the protest form. This is a protective step so you can argue either or both positions. You can file a protest even if you did not receive an appraisal notice. Finally, tenants who pay NNN costs on a lease may file a protest if the property owner does not. Be careful here because the appraisal authority will use a 10% cap rate on the NNN paid to determine the appraised value which may produce an unwanted result.

### **Longevity Labyrinth**

Jonathan McAdams.

The discussion was about living after retirement. Average life expectancy is now 83. The expense of long term care keeps increasing. Planning for how to cover the increase costs is more important than ever. Consider using a life insurance policy that has an accelerated death benefit if long term care is required.

## **Flying through Turbulence**

Harold Williams

The market is poised for a 10% correction. The chance of a bear market is unlikely. The current economic recovery has a long flat performance curve. The service segment of the economy is a greater portion of the GDP. The FED actions are and the manufacturing ordering is stable.

## **What's Happening in DC**

Steve Mankowski

Steve is the President of NCCPAP and is a member of the IRS National Public Liaison. Because of the wording in the new tax law, the deduction for both meals and entertainment have been eliminated. This was not the intent of Congress. A correction is necessary. The section on pass-thru entity deductions has many questions and IRS guidance is expected but not anytime soon. Private debt collectors will be getting up to 700K in past due tax cases. This includes business returns. They keep half of what they collect. The IRS has tried this before with no success. Bitcoin transactions are written to block chain. 21 million bitcoins exist and 16.9 have been mined. Limited supply makes valuation high. Currently they are capital assets.

## **WOTC**

Frank Sands

Frank is a TACPA member. The Work Opportunity Tax Credit is between 25% and 40% of qualified wages paid to employees who are members of a targeted group. There are ten such groups, including veterans, summer youth, and food stamp recipients. The credit amount can range from \$1200 to \$9600. This makes the credit highly desirable. The TWC administers the program for the DOL.

If you want further clarification or details please do not hesitate to contact the presenters. Dave Brown, our Executive Director can help if needed.

Hope to see you at our next meeting!

Frank Sands

President TACPA

President, TACPA Chapter of NCCPAP