



California Society
of Tax Consultants

CSTC Reporter e-Newsletter

CSTC Newsletter

May 2024

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From the CSTC President

I just finished an intriguing book – *From Strength to Strength* by Arthur C Brooks. The author speaks about two kinds of intelligence – fluid intelligence and crystallized intelligence.

Fluid intelligence is the ability to think creatively and flexibly, to innovate and come up with novel solutions. This kind of intelligence peaks in our 30s and declines significantly between the ages of 35 and 50. The majority of Nobel prize winners, for example, won the prize for break-throughs made in their 20s and 30s.

The other kind of intelligence is crystallized intelligence, the ability to synthesize and apply a stock of knowledge learned in the past. This intelligence grows substantially between the ages of 35 and 50, and, in fact, continues to grow throughout the rest of our life.

We all realize that at some point – most likely far in the future – our skills will decline and we'll have to slow down, and maybe even retire. But that's still a long way off, or so it seems. Research, however, shows that our fluid intelligence begins to decline not in our 60s and 70s, but in our 30s!

Looking at different fields, we see breakthroughs and major accomplishments occurring at an early age: Einstein was 26 when he wrote his theory of relativity; Mary Shelley published *Frankenstein* at age 20; Michelangelo completed his sculpture *David* at age 29; Steve Jobs was 21 when he founded Apple; Isaac Newton created calculus at age 23.

The problem is that these innovations stop coming as we age, and we can't replicate them no matter how hard we try. So many simply work harder and strive more to keep that edge. But the decline inevitably continues leading to frustration and

disappointment. Charles Darwin achieved early success for his work on evolution, yet he suffered frustration and considered himself a failure because he couldn't replicate that kind of innovative work.

Brooks suggests the answer is to jump to the crystallized intelligence curve and use the wisdom we've gained to create lasting happiness and purpose. Our innovative stage may have passed, but our wisdom stage is growing. If we can shift gears and focus our efforts on work that uses our crystallized intelligence, we can live a rewarding and purposeful life.

JS Bach made this jump. When his compositions became eclipsed by his son's work, he shifted his focus to a different type of music – the well-known and loved etudes and suites that became practice test pieces for generations of piano students.

Brooks' portrayal of the two kinds of intelligence struck a chord in me. I can definitely see things that I don't do as well as I used to. Yet other areas are so much clearer, and the connections that I missed before are now obvious. I'm much better at seeing the big picture. That means my intelligence must be crystallizing! :)

The challenge now is how to use that knowledge, how to adapt our work or other activities to take advantage of the wisdom we've gained. Mentoring, teaching, leadership come to mind, but surely there are many more options.

Brooks used his research to make a dramatic jump to the crystallized curve. What I picture is rather a gradual change, focusing more and more on those activities that use this wisdom and in turn supply great satisfaction. Surely that's the way to a purposeful and satisfying life.

Linda Dong
CSTC President



CALIFORNIA SOCIETY OF TAX CONSULTANTS
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SILVER LEGACY RESORT CASINO • RENO, NEVADA
JULY 21-24, 2024

CSTC's 2024 SUMMER TAX SYMPOSIUM

 **FLASH SALE** 

EARLY BIRD RATES HAVE BEEN EXTENDED FOR ONE DAY ONLY!

Register BEFORE MAY 2 to save \$\$\$

REGISTER NOW



I am so happy to announce that registration for the Summer Symposium is open!

I know, I know, it's kind of late this year, but when you see the line-up of speakers and topics we have this year I think you'll forgive the tardiness.

We have some new faces joining our roster of speakers, and we even managed to drag an old favorite out of retirement for a special guest appearance. This year truly is the MOTHERLODE of tax education!

It's only fitting that we strike it rich at the Silver Legacy in Reno this year, where, if you're anything like me, you'll be pleased to learn that the rooms STILL HAVE COFFEE MAKERS!

Your registration includes not only all of the amazing sessions (you can get all of your CTEC hours in one three-day conference), but also includes our Sunday welcome reception, breakfast each day, lunch-and-learn sessions, and a special exhibitor reception where you can mingle with our fantastic sponsors (there might be themed drinks, I'm just saying).

And hey, did you know that Reno has a bar called Death and Taxes? I think you know where you can find me after the sessions end for the day...

To help you get ready for the Gold Rush, here is me and a handful of the Symposium Committee, Speakers, and CSTC leaders (and also my family) getting in the spirit! Yes, I forced them to do this.

Can't wait to see you in Reno!

I wish you a smooth and prosperous tax season!

Shannon Hall
Summer Symposium Chair

CLICK HERE TO LEARN MORE ABOUT THE EVENT AND REGISTER!

Upcoming CSTC Chapter Events

May 1, 2024

Understanding ERTC / Obscure California Tax Credits
Temecula Valley Chapter In-Person Meeting
1 Federal Law hour(s) (Topics covering existing tax law)
1 California hour(s) (Topics covering California law issues)
[Click here](#) to learn more and register

May 7, 2024

Ethics - Unethical Minds
San Diego - East County Chapter In-Person Meeting
2 Ethics hours (Topics meeting the ethics requirements under Cir 230)
[Click here](#) to learn more and register

May 8, 2024

Audits - Before & After/Settlement Options
San Francisco Bay Chapter Virtual Meeting
2 Federal Law hour(s) (Topics covering existing tax law)
[Click here](#) to learn more and register

Unethical Minds
Orange County Chapter In-Person Meeting
2 Ethics hour(s) (Topics meeting the ethics requirements under Cir 230)
[Click here](#) to learn more and register

May 9, 2024

Pesky Problems
North County San Diego Chapter In-Person Meeting
2 Federal Law hour(s) (Topics covering existing tax law)
[Click here](#) to learn more and register

May 15, 2024

Ethics in Practice

San Jose Chapter Virtual Meeting

2 Ethics hours (Topics meeting the ethics requirements under Cir 230)

[Click here](#) to learn more and register

Federal Updates

Inland Empire Chapter In-Person Meeting

2 Federal Tax Update hour(s) (Topics covering new tax law)

[Click here](#) to learn more and register

May 28, 2024

Two-Part Workshop and Dinner Meeting

Central Valley Chapter In-Person Meeting

4 Federal Law hours (Topics covering existing tax law)

2 Federal Law hours (Topics covering existing tax law)

[Click here](#) to learn more and register

May 29, 2024

Ethics

Greater Long Beach Chapter In-Person Meeting

2 Ethics hours (Topics meeting the ethics requirements under Cir 230)

[Click here](#) to learn more and register

[Click here](#) to view the CSTC calendar

Welcome New CSTC Members!

Angelina Almaguer

Central Valley Chapter

Wai Chui

San Francisco Bay Chapter

Zoilo Dela Cruz

San Francisco Bay Chapter

Andrea Morales

Temecula Valley Chapter



LEGISLATIVE ALERT

Legislative Advocacy

CSTC has been the leading Association in supporting legislation to provide protection for our profession, to support our profession, and to enhance our profession. CSTC continuously leads our industry through legislative advocacy, educational opportunities, and professional inclusion.

CSTC works closely with a Legislative Consultant to keep an eye on important bills that would affect taxpayers and small business owners.

[Please click](#) here to view the bills that CSTC is currently monitoring.



NEWS FROM THE IRS

The IRS is hiring! [CLICK HERE](#) to learn more!

[Treasury, IRS issue additional guidance and safe harbors for taxpayers to comply with the requirements of the Sustainable Aviation Fuel Credit](#)

IR-2024-127, April 30, 2024 — The Department of Treasury and the Internal Revenue Service today issued Notice 2024-37 for the new Sustainable Aviation Fuel (SAF) Credit created by the Inflation Reduction Act of 2022 (IRA).

[IRS seeking applications for Tax Counseling for the Elderly and Volunteer Income Tax Assistance Program grants](#)

IR-2024-126, April 30, 2024 — The Internal Revenue Service is accepting applications for the Tax Counseling for the Elderly (TCE) and Volunteer Income Tax Assistance (VITA) grants, which allows eligible organizations to apply for annual funding to provide free federal tax return preparation assistance for up to three years.

[National Small Business Week: IRS.gov offers one-stop shop for small business tax resources](#)

IR-2024-125, April 29, 2024 – The Internal Revenue Service today urged small businesses to take advantage of the many tax resources available through the Small Business and Self-Employed Tax Center on IRS.gov.

[IRS provides guidance for the 2024 allocation round for the Qualifying Advanced Energy Project Credit Program](#)

IR-2024-124, April 29, 2024 – The Department of Treasury and the Internal Revenue Service today issued Notice 2024-36 for owners of clean energy manufacturing and recycling projects, greenhouse gas emission reduction projects and critical material projects.

[National Small Business Week 2024 begins; IRS offers tax resources, information to nation's entrepreneurs](#)

IR-2024-123, April 26, 2024 – The IRS today offered helpful information to entrepreneurs in anticipation of the upcoming kick-off of National Small Business Week, celebrating and recognizing the crucial contributions America's small businesses make to the nation's economy.

[Direct File pilot officially closes after more than 140,000 taxpayers successfully use direct e-filing system in 12 states, including integration with 4 state tax systems](#)

IR-2024-122, April 26, 2024 – The Internal Revenue Service announced the closure of the Direct File pilot with several hundred thousand taxpayers across 12 states signing up for Direct File accounts, and 140,803 taxpayers filing their federal tax returns using the new service.

[Inflation Reduction Act implementation teams focus on enhanced taxpayer service with modern online tools and historic office hour sessions, bolstering clean energy initiatives](#)

IR-2024-121, April 25, 2024 – With the funding from the Inflation Reduction Act (IRA), the Internal Revenue Service continues to help taxpayers in unique ways to take advantage of clean energy credits.

[IRS releases final guidance on transfers of certain credits under the Inflation Reduction Act](#)

IR-2024-120, April 25, 2024 – The Department of Treasury and Internal Revenue Service issued final regulations today describing rules and definitions for the transfer of eligible credits in a taxable year, including specific rules for partnerships and S corporations.

[IRS Independent Office of Appeals forms Alternative Dispute Resolution Program Management Office](#)

IR-2024-119, April 24, 2024 – The Internal Revenue Service Independent Office of Appeals today announced the formation of a new Alternative Dispute Resolution Program Management Office.

[2025 Low Income Taxpayer Clinic grant application period now open](#)

IR-2024-118, April 23, 2024 – The Internal Revenue Service today announced it will accept applications for Low Income Taxpayer Clinic matching grants from all qualified organizations.

[Tax pros: Register now for the 2024 IRS Nationwide Tax Forum](#)

IR-2024-117, April 22, 2024 – The IRS encourages tax professionals to register now for the 2024 IRS Nationwide Tax Forum, coming this summer to Chicago, Orlando, Baltimore, Dallas and San Diego.

[Missed the April tax-filing deadline? File quickly to avoid penalties and interest; those owed a refund also shouldn't forget to file](#)

IR-2024-116, April 19, 2024 – The Internal Revenue Service today encouraged taxpayers who missed the April tax-filing deadline to file a tax return as soon as they can.

[IRS releases 2023 Data Book describing agency's transformation through statistics](#)

IR-2024-115, April 18, 2024 – The Internal Revenue Service today issued its annual Data Book detailing the agency's activities during fiscal year 2023 (Oct. 1, 2022 – Sept. 30, 2023), including revenue collected and tax returns processed.

[IRS seeks membership nominations for the 2025 Internal Revenue Service Advisory Council; establishes new Subcommittee on Fairness in Tax Administration](#)

IR-2024-114, April 18, 2024 – The Internal Revenue Service is accepting applications for the 2025 Internal Revenue Service Advisory Council through May 31, 2024, including nominees for a new subcommittee focused on fairness issues.

[IRS updates frequently asked questions for the energy efficient home improvement and residential clean energy property credits](#)

IR-2024-113, April 17, 2024 – The Internal Revenue Service today updated frequently asked questions in Fact Sheet 2024-15 to address the federal income tax treatment of amounts paid for the purchase of energy efficient property and improvements.

[Be ready for next year: IRS Tax Withholding Estimator helps ensure withholdings are correct for 2024](#)

IR-2024-112, April 17, 2024 – The IRS encourages taxpayers to use the IRS Tax Withholding Estimator to ensure they're withholding the correct amount of tax from their pay in 2024.

[IRS revised frequently asked questions for the New, Previously Owned and Qualified Commercial Clean Vehicle Credits](#)

IR-2024-111, April 16, 2024 – The Internal Revenue Service today updated frequently asked questions in Fact Sheet 2024-14 to provide guidance related to the New, Previously Owned and Qualified Commercial Clean Vehicle Credits.

[Treasury, IRS issue frequently asked questions related to the tax treatment of work-life referral services provided to employees](#)

IR-2024-110, April 16, 2024 – The Internal Revenue Service today issued frequently asked questions (FAQs) in Fact Sheet 2024-13 related to the tax treatment of work-life referral services provided to employees under an employer's work-life referral program.

[IRS delivers strong 2024 tax filing season; expands services for millions of people on phones, in-person and online with expanded funding](#)

IR-2024-109, April 15, 2024 – With the April tax filing deadline here, the Internal Revenue Service highlighted a variety of improvements that dramatically expanded service for millions of taxpayers during the 2024 filing season.

[IRS.gov offers last-minute filing tips, resources to help taxpayers who still need to file before April 15; special Saturday hours in 70 locations](#)

IR-2024-108, April 12, 2024 – With the April tax deadline arriving next week, the Internal Revenue Service today reminded millions of last-minute tax filers that the agency has a variety of free tools and resources available on IRS.gov.

[Treasury, IRS issue corrected census tracts for the Qualified Alternative Fuel Vehicle Refueling Property Credit](#)

IR-2024-107, April 12, 2024 – The Department of Treasury and Internal Revenue Service today corrected Appendix A and Appendix B of Notice 2024-20 to add additional eligible census tracts for the qualified alternative fuel vehicle refueling property credit.

[Need more time to file a federal tax return? It's easy with IRS Free File](#)

IR-2024-106, April 11, 2024 — With the April 15 tax filing deadline fast approaching, the Internal Revenue Service reminds taxpayers who need more time to file their return that receiving an extension is quick and easy through IRS Free File on IRS.gov.

[Dirty Dozen: Bogus tax avoidance strategies, schemes with an international element wrap up annual taxpayer awareness campaign](#)

IR-2024-105, April 11, 2024 — The Internal Revenue Service wraps up the 2024 Dirty Dozen campaign with a warning to taxpayers regarding promoters selling bogus tax strategies and fraudulent offshore schemes designed to reduce or avoid taxes altogether.

[Dirty Dozen: High-income filers vulnerable to illegal tax schemes; face risk from improper art donation deductions, charitable remainder annuity trusts, monetized installment sales](#)

IR-2024-104, April 10, 2024 — As part of the Dirty Dozen campaign, the Internal Revenue Service warned wealthy individuals about three tax traps designed for them by dishonest promoters and shady tax practitioners.

[IRS Free File can help those with no filing requirement get overlooked tax credits, refunds; extension requests also available](#)

IR-2024-103, April 10, 2024 — The Internal Revenue Service today encouraged low- to moderate-income individuals and families, especially those who don't normally file a tax return, to use IRS Free File to prepare their federal tax return and get potentially overlooked refunds and tax credits.

[Treasury, IRS issue guidance on the credit for the production of clean hydrogen and the election to treat clean hydrogen production facilities as energy property](#)

IR-2024-102, April 10, 2024 — The Treasury Department and Internal Revenue Service today issued guidance for the collection of information for taxpayers to request an emissions value from the Department of Energy (DOE) to petition the Secretary of the Treasury for a determination of a provisional emissions rate (PER).

[Treasury and IRS announce new regulations on corporate stock repurchase excise tax](#)

IR-2024-101, April 9, 2024 — The Department of the Treasury and the Internal Revenue Service today issued proposed regulations that would provide taxpayers and tax professionals with new guidance concerning the one percent excise tax owed on corporate stock repurchases.

[**Dirty Dozen: IRS warns tax pros, businesses to be cautious of ongoing spearphishing attacks to gain sensitive information; warns of surge in "new client" scams**](#)

IR-2024-100, April 9, 2024 – As part of the Dirty Dozen tax scams effort, the Internal Revenue Service today urged tax professionals and other businesses to remain vigilant and protect themselves against a continuing barrage of email spearfishing attempts designed to steal valuable information.

[**Special Saturday help available April 13 at 70 IRS Taxpayer Assistance Centers nationwide; no appointment needed**](#)

IR-2024-99, April 8, 2024 – As the April 15 federal tax filing deadline nears, the Internal Revenue Service today announced it will open 70 Taxpayer Assistance Centers (TACs) around the country on Saturday, April 13, for face-to-face help. This special help is available from 9 a.m. to 4 p.m. local time.

[**Dirty Dozen: Taking tax advice on social media can be bad news for taxpayers; inaccurate or misleading tax information circulating**](#)

IR-2024-98, April 8, 2024 – On day eight of the Dirty Dozen tax scam series, the Internal Revenue Service today warned about bad tax information on social media that can lure honest taxpayers with bad advice, potentially leading to identity theft and tax problems.

[**Treasury, IRS issue guidance on the tax treatment of amounts paid as rebates for energy efficient property and improvements**](#)

IR-2024-97, April 5, 2024 – The Department of Treasury and the IRS today issued Announcement 2024-19 that addresses the federal income tax treatment of amounts paid for the purchase of energy efficient property and improvements.

[**Dirty Dozen: IRS urges taxpayers to not fall prey to untrustworthy tax preparers; "ghost preparers" can disappear with taxpayer cash, information**](#)

IR-2024-96, April 5, 2024 – In day seven of the Dirty Dozen tax scam series, the IRS and Security Summit partners today alerted taxpayers to be on the lookout for unscrupulous tax preparers who could encourage people to file false tax returns and steal valuable personal information.

[**IRS reminder: 2024 first quarter estimated tax payment deadline is April 15**](#)

IR-2024-95, April 5, 2024 – The Internal Revenue Service today advised taxpayers, including self-employed individuals, retirees, investors, businesses and corporations about the April 15 deadline for first quarter estimated tax payments for tax year 2024.

[IRS announces tax relief for taxpayers impacted by severe storms, flooding in Rhode Island, various deadlines postponed to July 15](#)

IR-2024-94, April 4, 2024 – The Internal Revenue Service announced today tax relief for individuals and businesses in parts of Rhode Island that were affected by severe storms and flooding that began on Dec. 17, 2023, and Jan. 9, 2024

[IRS: Maine taxpayers impacted by severe storms, flooding qualify for tax relief; various deadlines postponed to July 15](#)

IR-2024-93, April 4, 2024 – The Internal Revenue Service announced today tax relief for individuals and businesses in parts of Maine affected by severe storms and flooding that began on Jan. 9, 2024.

[Dirty Dozen: IRS warns about fake charities exploiting taxpayer generosity](#)

IR-2024-92, April 4, 2024 – In the sixth part of the Dirty Dozen tax scams for 2024, the Internal Revenue Service warned taxpayers about groups masquerading as charitable organizations to attract donations from unsuspecting contributors.

[Dirty Dozen: Beware of offer in compromise "mills" that falsely claim their services are necessary to resolve IRS debt](#)

IR-2024-91, April 3, 2024 – As part of the annual Dirty Dozen list of tax scams, the Internal Revenue Service today renewed its warning to taxpayers concerning pricey offer in compromise (OIC) "mills" that aggressively mislead taxpayers into thinking their tax debts can disappear.

[IRS reminder to taxpayers affected by terrorist attacks in Israel: 2023 returns and payments are now due Oct. 7; other relief available](#)

IR-2024-90, April 3, 2024 – The Internal Revenue Service today reminded individuals and businesses affected by the terrorist attacks in the State of Israel that they have until Oct. 7, 2024, to file various federal returns, make tax payments and perform other time-sensitive tax-related actions.

[Dirty Dozen: IRS warns about false Fuel Tax Credit claims; taxpayers should be wary of scammers, heightened review](#)

IR-2024-89, April 2, 2024 – The Internal Revenue Service today warned taxpayers to watch out for promoters who push improper Fuel Tax Credits claims in the fourth day of the 2024 Dirty Dozen list of tax scams.

[Get ahead of the tax deadline; act now to file, pay or request an extension](#)

IR-2024-88, April 2, 2024 – With the April 15 tax deadline approaching, the IRS reminds taxpayers there is still time file their federal income tax return electronically and request direct deposit.

[Dirty Dozen: IRS warns taxpayers to stay away from "helpful" scammers offering to set up an Online Account](#)

IR-2024-87, April 1, 2024 – The IRS today continues its Dirty Dozen scam series warning taxpayers to watch out for scammers attempting to sell or offer help setting up an Online Account on IRS.gov.

[News release and fact sheet archive](#)

Find previous year news releases and fact sheets from 1997 through last month.

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CSTC advances professionalism within the tax industry by:

- Providing quality education
 - Creating networking opportunities
 - Advocating professional standards
-

CSTC Member Benefits



CSTC members have access to benefits such as free payroll processing services for your tax practice, and the opportunity to earn new revenue through their flexible partnership options.



CSTC is pleased to include the VeriFyle Pro™ premium secure online document and message sharing service at no cost to CSTC members!



Wolters Kluwer: Discounts on Tax, Accounting & Audit Resources, Software, Information & Services.



We are a professional full-service tax advisory firm in San Diego. Our goal is to provide a level of service for our clients that will exceed expectations in every possible way. We strive to offer a diverse level of services to meet the needs of the diverse community we have been working in for more than 30 years.



CSTC members receive the TaxBook WebLibrary at a special price. Other Member Benefits Include:

Savings on all Society Educational Events / Savings on Contact, Correspondence & Self Study Education / Savings with member specialty CSTC Connects (previously yellow Pages) list / Savings with E&O Insurance, plus specialty coverage relevant to your profession / Online CSTC Find-a-Tax Consultant search to help promote your business! / CSTC Member Listserv



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TaxMama's® EA Exam Course prepares tax professionals to do so much more than just pass the IRS' Special Enrollment Examination. This is an in-depth course that teaches tax law from the ground up. It explains how tax returns work, with examples of basic 1040s, Schedule Cs, 1065s, 1120s, and 1120Ss; you learn tax law, tax research, client representation for audits, appeals and collections.



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