



# The Accountant

Official Publication

of the North Carolina Society of Accountants

Post Office Box 1126, Conover, NC 28613

(828)495-2520 or 866-755-NCSA FAX: 828-695-2522

July 2003

## Professional Tax Institutes

Once again, NCSA is sponsoring PTI. It will be at the Hawthorne Inn in Winston-Salem November 18-19, the Four Points Sheraton Charlotte Uptown November 19-20, and the Ocean Reef Resort in Myrtle Beach, SC, November 20-21.

If you register before July 31, you get a reduction of \$20 for each registration. If four or more people from the same firm register, there is a reduction of \$20 each with no deadline. Registrations received by November 1 are \$260, and the price goes up after that to \$290. You can register on-line at [www.ptitax.com](http://www.ptitax.com).

## A Message From The President

*Jan Allison*

What an honor and privilege it is to be the third Helgreen as President of OUR great society!

First, I must take a moment of personal Privilege and say Happy Birthday to my daughter, Mandy. Happy 17th birthday, girlfriend! To my family—Mom, Dad, Gale, Jay, Ricky, Jason, and Paul—thanks for putting up with me and encouraging me to never give up. It worked!

How do I start to say thank you to so many of you who have inspired me to continue? Who would have thought that a licensed cosmetologist in 1983 would stand before you tonight as your President! I must say thanks to Mom, Dad, and Gale for your constant pushing for me to pursue an accounting degree and to always do my best and to never give up. I did not give up, and here I am today.

Our organization, the North Carolina Society of Accountants, was incorporated on June 28, 1948. Four professionals saw the need to become united as a whole. Because of these four individuals [Harper Elam, Jr.; Fred Calhoun; Marcus Deal; and E. A. Palmgren], we can practice accounting the way we do in North Carolina.

Today, we "Continue to be Professionals" and we "Continue to be United" because of the relationships formed within our great society. Committee involvement is a necessity for our society to stay professional and united. Without committees, no one person could do the job alone. Serving on a committee has great rewards. You meet new people, and you can share your ideas. Committees do the jobs of our society, and without them we would be nothing. I encourage each of you to get involved in a committee and become united with our great professional organization. If there is a committee on which you wish to serve, please let me know. We need dedicated committee members.

I must take this time to recognize just a few members and friends who have assisted me with hurdles and triumphs. I cannot name all of you, but please be assured that each of you mean so much to me! If you have a problem, complaint, or praise, do not hesitate to call me. I always will listen.

To my line, board, committee chairs, committee members, and all of our dedicated members, thank you, and we will "Continue to make a Difference" by continuing to be Professionals and by continuing to be united. "Together we will continue to make a difference."

THANK YOU.



Jan H. Allison

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## Chapter News

### Cape Fear

The Cape Fear Chapter will meet on June 17 at The Barn Restaurant. Rochelle Emory, IRS Senior Tax Specialist, will speak on "The 2003 Child Tax Credit Refund" and "e-filing 941s and 940s" for one hour of CPE.

Congratulations to the re-elected officers: William Fischer, President; Richard Zavesky, Vice President; Marsha Wheeler, Secretary; and Polli Whitman, Treasurer.

### Hickory

The Hickory Chapter met on May 26 at the Western Steer Restaurant with 9 members and 2 guests. Paul Bumgarner spoke on "Professional Ethics."

The Chapter will meet on June 30 at the Western Steer. Brenda Wilcox will speak on "The Jobs and Growth Tax Relief Reconciliation Act of 2003."

### Central

The Central Chapter met on May 29 at the Nascar Cafe with 13 members and 4 guests. David Gannaway, IRS Criminal Investigation Division, and Cathy Hout, Special Agent in the Criminal Division, spoke about "Forensic Accounting—Fraud and Criminal Investigator" for one hour of CPE. They gave an informative presentation regarding fraud and tax filing scams. They spoke of many of the tax avoidance practices facing our clients and said the IRS is trying to educate professionals as well as taxpayers against such fraudulent practices.

NCSA Past President David Hooker installed the new officers: Margie Strider, President; Sarah McKoy, Vice President; Herman McBride, Secretary; and Lottie Neal, Treasurer.

### Charlotte

The Charlotte Chapter met on May 27 at the Matthews Country Kitchen and Steak House with 16 members and 1 guest. Robin Lewis spoke on business licenses, privilege tax, food and beverage tax, *etc.* in Mecklenburg County.

## New Officers and Board Elected

At the Annual Convention in 2002, Jan Allison was elected President for the 2003-2004 year. Officers elected at this year's Convention are: Rhonda Marsh, President Elect; Florence Black, Vice President; Wayne Parker, Secretary; and Stephen Metelits, Treasurer. As a hold-over from last year, Steven Pace serves as Immediate Past President.

The following were elected Directors: Andra Angel, William Fischer, Denise Hammond, Jense Haynes, Danelle Hills, James Holmes, David Hooker, Cheryl Hudson, Janice Jones, Curtis Lee, Robert Pia, and Margie Strider.

Recommended for the position of State Director was David Rollins.

*Annual Dues Renewal Notices  
are in your mailbox this month.*

## Advance Child Tax Credit

Beginning the last week of July, eligible taxpayers who claimed the Child Tax Credit on their 2002 tax returns automatically will receive an advance payment of the 2003 increase in this credit. Taxpayers will not have to take any action to get this advance payment of \$400 per qualifying child.

The checks are an advance payment of the 2003 increase in the Child Tax Credit. The *Jobs and Growth Tax Relief Reconciliation Act of 2003* increased the maximum child tax credit for 2003 to \$1,000 per child. The law further instructs the Treasury Department to provide the difference—up to \$400 per child—as an advance payment to each eligible taxpayer this summer. Unfortunately, this will cause some confusion when doing tax returns for 2003.

The Treasury Department will issue these checks in three principal mailings, July 25, August 1, and August 8. Taxpayers who filed returns after April 15 will receive their advance payments after the IRS processes their returns.

The IRS will send notices to taxpayers on July 23, July 30, and August 6 informing them of their advance payment amount. The IRS urges taxpayers to hold on to these notices for their 2003 tax returns. They will need to take the advance payment into account when determining the amount of their Child Tax Credit for 2003.

## What is a Medical Deduction?

Amounts paid by individuals for procedures that are directed to improving appearance and that do not promote proper function of the body are *not* deductible medical expenses.

In Revenue Ruling 2003-57, the IRS further explains what is and isn't a medical deduction. Breast reconstruction surgery following a mastectomy for cancer and vision correction surgery such as LASIK are deductible, but teeth whitening procedures are not deductible.

Further, in Revenue Ruling 2003-58, the IRS holds that amounts paid by an individual for medicines or drugs that may be purchased without a prescription of a physician are not deductible (if the doctor tells you to take two aspirins and call in the morning, the cost of the aspirin is not deductible). Amounts paid by an individual for equipment (crutches), supplies (diabetic glucose test strips), or diagnostic devices (glucose meters) are deductible.

**North Carolina Society of Accountants  
2003 Leadership Networking Conference  
July 19, 2003  
Ramada Inn Airport Greensboro  
7067 Albert Pick Road, Greensboro, NC**

### AGENDA

- |                 |   |
|-----------------|---|
| <b>9:00 AM</b>  | <b>Registration<br/>Coffee and Donuts</b>   |
| <b>9:30 AM</b>  | <b>Welcome and Introductions<br/>Jan H. Allison, NCSA President</b>                 |
| <b>9:35 AM</b>  | <b>Leadership, what exactly is it?<br/>Florence Black</b>                           |
| <b>9:50 AM</b>  | <b>The Organization's Structure<br/>David Rollins</b>                               |
| <b>10:20 AM</b> | <b>Break (Ten Minutes)</b>  |
| <b>10:30 AM</b> | <b>Know Your Volunteer<br/>Gale Dalton</b>  |
| <b>11:05 AM</b> | <b>Membership – The Three "R's"<br/>David Rollins</b>                               |
| <b>11:40 AM</b> | <b>This Year's Plan – Round Table Discussion<br/>Speakers &amp; Chapter Leaders</b> |
| <b>12:10 PM</b> | <b>Break for Lunch and Committee Meetings</b>                                       |

**Please RSVP by phone, mail,  
fax or email and let us know if  
you will be able to attend.  
Confirmations need to be  
made before July 10, 2003.**

**Qualifies for Three Hours of  
Continuing Professional  
Education**

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### **New Executive Director**

At the Board of Directors meeting on June 23, **Candace Cansler** was chosen as our new Executive Director. That means we have a **NEW ADDRESS: PO Box 1126, Conover, NC 28613-1126**. It also means **NEW TELEPHONE NUMBERS (828) 695-2520 and a new fax line (828) 695-2522**.

## **NCSA Schedule of Events**

### **July**

July 19-**Leadership Conference**—Ramada Inn, Greensboro

### **August**

August 18-22-**NSA Convention**—Salt Lake City, UT

### **September**

September 17-18-**Enrolled Agents examination**

September 19-**District IV Conference**—Charlotte

September 20-21-

**NSA Leadership Networking Conference**—Charlotte

September 28-**Board of Directors meeting**—Asheville, 4 p.m.

September 29-30-**Fall PAS**—Holiday Inn Airport, Asheville

### **October**

**Tax Forum meeting with IRS**—Greensboro

### **November**

November 17-**Board of Directors meeting**—

Hawthorne Inn, Winston-Salem, 3 p.m.

November 18-19-**PTI**—Winston-Salem—

Hawthorne Inn, Winston-Salem

November 19-20-**PTI-Charlotte**—Four Points Sheraton

November 20-21-**PTI-Myrtle Beach**—Ocean Reef Resort

### **2004**

May 23-**Board of Directors meeting**—Radisson Highpoint

June 20-**Board of Directors meeting**—Charlotte

June 21-23-**Annual Convention**—Charlotte

July 24-**Leadership Conference**—Radisson High Point

August 4-**NSA Convention**—San Antonio, TX

September 19-**Board of Directors meeting**—Coast

## **2003-2004 OFFICERS**

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