



WSEA

WISCONSIN SOCIETY
OF ENROLLED AGENTS

POWERING AMERICA'S TAX EXPERTS

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President's Message

By Trish Evenstad, EA, WSEA President

The snow has finally started falling and we may have our white Christmas this year. Our tax update seminar with 8 hours of great information presented by David Mellem, EA and Mary Mellem, EA will be on Friday, **January 12** at the Holiday Inn in Fond du Lac. Our board meeting will be on Thursday evening at 6:00 pm. We would love to see you there. It looks like we will be having plenty of tax law changes.

The **Day at the Capitol** was a fun event this past October. I hope that you will join us next year.

I started a **SW Tax Circle** in La Crosse and had two meetings. Our next meeting will be on **January 4** at Java Vino. Crystal Wheeler recently started the **Fox Valley Tax Circle**. The **SE Wisconsin Tax Circle**, organized by

Michelle Gross and Connie Thomas, is going strong in the Waukesha area. If you haven't attended one you should. These provide a great opportunity to network with colleagues.

It has been an eventful fall with a great **APEX (Affiliate President's Exchange) meeting** in Orlando, Florida. The meeting started with the NAEA Board of Directors and the Affiliate Presidents learning a great deal on parliamentary procedure from Raven Deerwater, EA from California. It was fun to practice and review parliamentary procedure and all of the variations that can occur. All of our training was mixed in with a murder mystery to help raise money for the education foundation. We raised over \$1,200. We received an update on **Educating America**. For those that haven't heard, NAEA has an initiative to raise awareness of the enrolled agent career option among college students across the country. This program is designed to get the SEE prep into colleges. They have also developed a **job fair booth**. This booth is available for anybody to use. If you know of a job fair that you would like to attend, all you have to do is fill out the form available on the NAEA website. The booth is free and they ship it to you with all of the necessary materials and a return address label. There is no cost to you.

http://www.naea.org/sites/default/files/EducatingAmerica_Booth_SignUp_0.pdf.

With tax season right around the corner don't forget to keep your profile on the **Tax Expert Directory** updated! You can log in and see the analytics of how many people have looked at your profile and other information as well. Make sure to check it out at: www.taxexperts.naea.org.

In 2017, 21 states were successful in obtaining an **EA Week Proclamation** from their Governor compared to 19 states for 2016. Wisconsin has received ours again for 2018 (**February 1 – 7**), thanks to Laurie Ziegler, EA. Make sure you are promoting this locally. You will be able to download a press release right off the NAEA website in the member tools section. [See below for detailed instructions.] All you have to do is submit it to the local paper.

Looking forward to seeing you in Fond du Lac!

Trish

To download the EA Proclamation press release, go to the [NAEA website](#) and login. Under Membership > Member Benefits > Promo Tools > scroll down to Public Relations > click on Customizable News Releases > on the right, under Downloads, scroll down to and click on "State Proclamation."

To personalize it:

- > In the first paragraph of the Proclamation, personalize it with the current date, your Affiliate [Wisconsin Society of Enrolled Agents], and Governor's Name [Scott Walker].
- > In the second paragraph, enter your name for the quote in the first sentence.
- > In the third paragraph, you might also want to make "[eatax.org](#)" a hyperlink in case the article is released in an online version.
- > Save your personalized version and send it to your local newspaper and/or post it to your Facebook page.

WSEA January Tax Update Seminar – January 12, 2018

Don't miss the great WSEA January Tax Update seminar with David and Mary Mellem, EAs. We will have lots to talk about. Join us on January 12, 2018, 8am – 4:20pm, for 8 Hours of Continuing Education. Check in for seminar at 7:30am. Board Meeting - Thursday, January 11th, 6:00pm. **Please note: The \$99 hotel early-bird discount date has been extended to December 30. Holiday Inn, Fond du Lac (920) 923-1440. Click on link to register for seminar and pay online: [WSEA January Tax Update](#).**

WSEA Day at the WI Capitol

By Michelle Gross, EA

A group of WSEA members and guests met at our 100-year young Capitol Building in Madison on a beautiful Wisconsin fall day in October. We took an interesting and informational guided tour of the building, and afterwards some of us took the opportunity to visit our legislators. We left the NAEA pamphlet on Enrolled Agents to educate and inform members of our legislature about our profession.

Unfortunately, neither my Representative nor my Senator were in their offices. However, I did converse with staff members, and left my card as well as the brochure. I received a card from State Representative Janel Brandtjen about a week later, with a hand written note, as a follow up to my visit.

We regrouped after our visits and some of us had lunch together at The Old Fashioned, a Madison icon. It was great to get to know other members better and learn about their practices and areas of expertise.

Kudos to Robert Foley, EA for the idea and organization of this enjoyable event.



EAs who attended the Day at the WI Capitol are, left to right: Michelle Gross, Jayna Phillips, Connie Thomas, Tina Kleckner, Trish Evenstad, Samuel Phillips, Tasha Spears, Bob Foley and Kim Schiedermayer.

Mark Your Calendar

Jan 4 – SW WI Tax Circle – Java Vino. LaCrosse. For information contact Trish at evenstadtax@gmail.com.

Jan 12, 2018 – WI Update Seminar – Fond du Lac taught by EAs David & Mary Mellem.

Feb 1 – 7 Enrolled Agents Week in WI – Be sure to submit your press release to local media prior to this week.

May 21-22, 2018 – Madison – Estates & Trusts and the WSEA Annual Meeting.

Welcome New WSEA Members

Welcome to the following new members who recently joined WSEA:

Mercedes Anderson, EA
250 West Main Street
Mondovi, Wisconsin 54755
715-926-5032

Mary O'Reilly, EA
W72N344 Foxpointe Avenue
Cedarburg, Wisconsin 53012
No phone number listed

Lee Peters, EA
2846 Interlaken Pass
Madison, Wisconsin 53719
608-358-7365

Barrett J. Zwisler, EA
1303 South Main Street
Rice Lake, Wisconsin 54868
866-276-3183

We extend our sincere desire to get to know each of you. Networking with other members is one of our strengths so please check out our Facebook pages: [Wisconsin Society of Enrolled Agents](#) and [National Association of Enrolled Agents \(NAEA\)](#). Both are closed groups so you must click on "Join Group" to be admitted by the administrator. Please allow 24 – 48 hours to be admitted.

We hope to see you at our seminars this coming January, May and September.

Repeal of IRC Section 212(3)

By David J. Fayram, EA

Few of the proposed changes to the tax law will affect EAs more directly than the provision that allows taxpayers to deduct return preparation charges on Schedule A. The WSEA Board of Directors decided to send the letter below objecting to the repeal of IRC Section 212(3). Both the ABA and the AICPA have previously objected to the repeal.

The letter was mailed to important people in Congress, including the following:

Representative Kevin Brady, Chairman, House Committee on Ways and Means
Representative Richard Neal, Ranking Member, House Committee on Ways and Means
Senator Orrin Hatch, Chairman, Senate Committee on Finance
Senator Ron Wyden, Ranking Member, Senate Committee on Finance
Senator Ron Johnson
Senator Tammy Baldwin
Representative Ron Kind

The letter stated the following:

Re: Expenses in connection with the determination, collection, or refund of any tax (IRC section 212(3))

Dear Chairmen Brady and Hatch, and Ranking Members Neal and Wyden:

The Wisconsin Society of Enrolled Agents has authorized me to write on its behalf of its members to urge you not to repeal IRC Section 212(3).

Among the reasons recently proclaimed for changing the tax law is to correct instances of unfairness which have accumulated over the years in the tax law. Section 212 was written before 1954 and it remains today exactly as it was originally written. It has not been controversial over all those years because

taxpayers have found the idea that taxpayers should be able to deduct expenses imposed on them by the tax system itself intuitively fair. Removing a provision that taxpayers find fair will not further the goal of making the system more fair.

Furthermore, IRS Publication 1 highlights taxpayer rights and the idea that the IRS and the government are pledged to respect those rights. Actually, taxpayers are almost always at a disadvantage when trying to assert their rights. Taxpayers will certainly perceive that removing the deduction will further disadvantage them in this regard.

If a goal of tax reform is to make the tax system more fair to taxpayers, then we respectfully urge you not to repeal IRC section 212(3). Thank you very much for your consideration.

Sincerely,

Wisconsin Society of Enrolled Agents, Inc.

Trish Evenstad, President

NAEA Members: New or Old? That is the Question!

By Bryan Gates, EA

[Bryan Gates, a long-time member of NAEA, submitted this article. He is the original founder of National Tax Practice Institute. He now manages the American Academy of Tax Practice. As you will see below, he has become upset at the direction of NAEA over the past few years. Dave]

The NAEA Nominating Committee released a slate for the upcoming election for NAEA's 2018-2020 Directors. All nominees and candidates were asked to identify what they believed to be: ***The Greatest Challenge to NAEA***. The nine replies were:

- The greatest challenge is membership retention and recruitment.
- Our future in new members.
- The greatest challenge NAEA faces over the next three years is membership.
- NAEA's greatest challenge is dwindling membership.
- I feel the greatest challenge to NAEA within the next three years is our membership base.
- Recruiting and retaining members is NAEA's recurring challenge.
- NAEA's greatest challenge is to grow our membership.
- NAEA's greatest challenge is member recruitment/retention.
- We need to increase membership

The 2015 – 18 NAEA strategic plan mission statement: ***To advance the recognition of enrolled agents and to enhance the professional growth of its members through promotion, member support, advocacy and education.***

No prospective director replied that ***advancing the recognition of enrolled agent*** was the greatest challenge to NAEA. No prospective director replied that ***enhancing the professional growth of its members*** was the greatest challenge to NAEA. No prospective director replied that ***promotion, member support advocacy or education*** was the greatest challenge to NAEA.

A vast membership may be a source of prestige for an organization's executive and staff but it has little to do with the accomplishment of an organization's mission such as: ***advancing the recognition of enrolled agents***

and enhancing the professional growth of its members through promotion, member support, advocacy and education.

It could be submitted that the greatest challenge to NAEA is maintaining its responsibility ***to advance the recognition of enrolled agents and to enhance the professional growth of its (existing) members through promotion, member support, advocacy and education.***

If the current prospective NAEA directors are true to their unanimous belief that increasing membership is the greatest challenge to NAEA, then the years 2018 through 2020 should see the greatest surge of new members in NAEA history

--- thus spake The Rooster

NAEA Director of Government Relations

By David J. Fayram, EA

An issue of some controversy has arisen concerning the office of Government Relations Director at NAEA. Bob Kerr held this position for many years. He left early in 2017 to work for H&R Block. His departure left his position at NAEA vacant. Bob's job was to represent the interests of some 53,000 enrolled agents before the government in Washington, DC. His purview included appearances before the Executive Branch and its agencies including the IRS. He also was responsible for representing our interests before both houses of Congress, especially when Congress considered major tax legislation. It should be obvious to most that the current state of tax legislation in Congress makes this position crucial to our interests as EAs.

Despite the urgency of our current situation, NAEA decided not to fill Bob's position with a newly hired person. It also did not promote Bob's subordinate, the Associate Director of Government Relations, to the position of Director. Members have not been informed in a clear manner as to why this situation developed, but the result is that NAEA is left without effective advocacy leadership at a critical time.

In light of the above, Frank Degen, EA, twice president of NAEA, (and others) became concerned about the ability and will of NAEA to advocate for the interests of members. In order to express his concerns, he introduced the following resolution at the NAEA Membership Annual Meeting on August 1, 2017:

Motion: I move that this Assembly approve the following resolution

R E S O L U T I O N

Whereas, the NAEA Strategic Plan Places Advocacy as one of its major goals, and

Whereas, the membership of NAEA has long viewed Advocacy as a highly valued member benefit of the association, and

Whereas, NAEA has long maintained a staff position of Director of Government Relations as part of its Advocacy goal, and

Whereas, it is impossible for one staff person to fill two positions in the Government Relations Department in NAEA, and

Whereas, the NAEA Board of Directors is the sole governing body with the responsibility and authority to implement the association's strategic plan.

Be it therefore resolved, that on August 1, 2017, the members of this assembly request that the NAEA Board provide the necessary direction and resources to ensure that the staff position of NAEA Director of Government Relations be filled in an expeditious manner.

According to Frank, there were about 140 members present and the motion passed. He said he did not hear any "No" votes, but he did notice that some Board members abstained. After a period of no action for about six weeks, Frank sent an email to all the Board members asking what actions they had taken. After a further period of no action, he persisted with more emails. These emails resulted in the following letter from NAEA Board President, Jim Adelman:

September 27, 2017

Dear NAEA Members,

At the Annual Meeting held on August 1, a member presented a resolution that requested *the NAEA Board provide the necessary direction and resources to ensure that the staff position of NAEA Director of Government Relations be filled in an expeditious manner*. The hiring or de-hiring of staff is the exclusive responsibility of the Executive Vice President. Also, any actions regarding personnel are issues that cannot be discussed outside of the Executive Committee. That said, Government Relations was discussed at length with the EVP during our recent Board meeting.

As of now, we will not deviate from the approved staff plan and budget. In previous years, we have deviated from the approved budget and found ourselves in serious financial difficulties, therefore we are committed to keeping the association in sound financial condition.

There are many moving parts to the Government Relations component of NAEA. We are confident that Jeff Trinca, NAEA's legislative counsel who has been working with NAEA for 30 years and representing NAEA's interests on Capitol Hill, will continue to help lead NAEA's government-related advocacy efforts in close collaboration with the Government Relations Committee and Justin Edwards, NAEA Associate Director of Government Relations. We do not foreclose the possibility of a change in the structure and direction of the Government Relations component of NAEA, but any such change would only be undertaken in a future budget cycle in the context of a strategic planning process.

As always, I thank you for your concerns, and they have been heard.

Jim Adelman, President

These are all the facts that are available to me. These facts are undoubtedly only a small part of the total situation, which is probably a tangled mess of interrelated facts. Nonetheless, the situation is troubling to me as a member of NAEA and it should be to all NAEA members.

The Motion - The antecedents in the resolution explain its motivation and I think most members of NAEA would agree with these. The most important member benefit we receive is "advocacy." We have hired NAEA to represent our interests -- the interests of EAs. We did not hire it to represent the interests of the IRS. We did not hire it to represent the interests of taxpayers. Its loyalty should be exclusively directed to serve the interests of EAs.

NAEA hired Bob Kerr as Director of Government Relations and he was responsible for this advocacy. Failing to replace Bob was a huge blunder because it represented a major reduction of service to members in the area

most important to them. The resolution at the NAEA annual meeting was an attempt to correct this error. The members in attendance at the meeting overwhelmingly agreed with the motion and passed it.

The Letter - First, “The hiring or de-hiring of staff is the exclusive responsibility of the Executive Vice President.”

This statement is not correct. The Executive Vice President is employed at the pleasure of the Board of Directors. Here are the rules in support of my position:

7.04 Duties and Responsibilities

The Board will be the governing body of the Association and will have the authority and responsibility for the supervision, control and direction of the Association.

8.09 Executive Vice President

The Board will engage, as an employee, an Executive Vice President who will perform such duties as are prescribed by the Board.

The decision by the NAEA Board of Directors to disregard a resolution passed by NAEA members at their annual meeting is incorrect, as a matter of fact, and is disrespectful to members of NAEA. If it is somehow correct that the Executive Vice President is exclusively responsible, then he is also responsible for leaving NAEA understaffed at a crucial time.

Second, “Also, any actions regarding personnel are issues that cannot be discussed outside of the Executive Committee.”

This is not a “personnel” issue because there are no personnel involved. NAEA members are upset that NAEA is not providing enough personnel to meet their advocacy needs.

Third, the paragraph about finances.

Apparently, our dues have become insufficient to provide staffing for the major function of NAEA.

Fourth, the paragraph explaining why a director of government relations is and has been unnecessary for many years.

If this is correct, then member dues have been wasted for many years.

Fifth, “... I thank you for your concerns, and they have been heard.”

The tone of the letter gives me no confidence that member concerns have been heard. Furthermore, the arguments presented in the letter raise the question as to who is in control of NAEA. The bylaws make it clear that the Board of Directors, acting as a group, is to exercise final authority for the organization. However, Board members owe their seats to election by members and here we have a clear direction as to how members expect the Board to behave. Failure to honor the wishes of members is disrespectful to those members and members have the power to replace Board members. In addition, members are customers. Ultimately, members pay all the expenses of NAEA including wages paid to employees. The only loser in a dispute between NAEA and its members will be NAEA.

WSEA Board of Directors

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<p>Jim Barsul, EA Secretary 4977 N 73rd Street Milwaukee, WI 53219 Phone: E-mail: jbarsul@msn.com</p>	<p>Julianne Molek, EA Treasurer Julie’s Tax Service 159 S Main Street Richland Center, WI 53581 Phone: (608)647-5764 E-mail: juliestaxservice@gmail.com</p>
<p>David Fayram, EA Director Motiff & Fayram, Ltd 402 Gammon Place, Suite 200 Madison, WI 53719-1061 Phone: (608) 833-2111 E-mail: dave@madcitytax.com</p>	<p>Marti Myers-Garver, EA Director Armed Forces Tax Assistance 1723 Parkway Drive Bettendorf, IA 52722 Phone: (702) 432-1040 E-mail: marti@armedforcestax.com</p>
<p>Crystal Wheeler, EA Director Wheeler’s Tax Service 734 W 8th Street Appleton, WI 54914 Phone: (920) 731-7859 E-mail: cwheeler@newrr.com</p>	

WSEA Committees

(If you would like to help, please contact us — we’d love to have you!)

Audit – Graciela Aubrey	Finance/Budgeting – Julie Molek
By-Laws – Trish Evenstad, Jeremy Burri	Newsletter/Publications – Dave Fayram, Mary Olson, Marti Myers-Garver
Educate America: Jeremy Burri, Connie Thomas, Robert Foley	Nominating – Trish Evenstad, Michelle Gross
Education/Convention – Michelle Gross, Marti Myers-Garver, Trish Evenstad, Crystal Wheeler	Public Relations – Robert Foley, Marti Myers-Garver
Government Relations – Michelle Gross, Connie Thomas, Trish Evenstad	Ethics & Professional Conduct – Jeremy Burri, Laurie Ziegler
Membership – Robert Foley, Connie Thomas, Char Meshigaud	Webpage/Facebook –Trish Evenstad, Michelle Gross, Marti Myers-Garver

WSEA Presidents – Past & Present

It is always good to remember our WSEA Presidential roots. Several of the names listed below will be familiar if you have been involved with WSEA or attend our meetings on a regular basis. At the next seminar, if you see one of these past Presidents, please take a moment to thank them for all of their hard work.

President's Name	Date Installed	President's Name	Date Installed
Michael D. Barnes, EA	June 21, 1986	Diane M. Lotto, EA	May 15, 2003
Marshall D. Mennenga, EA	July 10, 1987	Diane M. Lotto, EA	May 13, 2004
Richard J. Bast, EA	September 8, 1988	Joel Guthmann, EA	May 19, 2005
Dennis C. Alt, EA	October 20, 1989	Joel Guthmann, EA	May 18, 2006
Dennis C. Alt, EA	October 19, 1990	Joel Guthmann, EA	May 17, 2007
Dennis C. Alt, EA	October 18, 1991	Laurie Ziegler, EA	May 15, 2008
David J. Fayram, EA	October 16, 1992	Laurie Ziegler, EA	May 28, 2009
David J. Fayram, EA	October 8, 1993	Laurie Ziegler, EA	May 13, 2010
Edna Kratochvil, EA	October 21, 1994	Jeremy Burri, EA	May 19, 2011
Edna Kratochvil, EA	October 19, 1995	Joel Guthmann, EA	May 24, 2012
Richard L. Gause, EA	October 17, 1996	Julianne Molek, EA	May 23, 2013
Richard L. Gause, EA	October 24, 1997	Michelle D. McBride, EA	May 19, 2014
Roy B. Kortz, EA	October 23, 1998	Michelle D. McBride, EA	May 18, 2015
Roy B. Kortz, EA	October 8, 1999	Trish R. Evenstad EA**	August 22, 2015
Roy B. Kortz, EA	October 19, 2000	Trish R. Evenstad EA	May 23, 2016
Roy B. Kortz, EA*	October 18, 2001	Trish R. Evenstad EA	May 22, 2017

*Mr. Kortz was president from his election in October 2001 until Ms. Lotto was elected to replace him in May 2003.

**Ms. Evenstad stepped up from VP to President when Ms. McBride moved out of WI.

>> **Newsletter content, articles, comments, suggestions, ideas, tidbits, Q & A are always welcome**, as are Getting to Know You articles. Submissions can be in any format, but preferably a Word document. Please submit articles to: Dave Fayram, EA & USTCP at: dave@madcitytax.com or Mary Olson EA, at: tax@theiolataxplace.com.

>>This Newsletter is intended to provide accurate and complete information to tax professionals. Although every effort has been made to assure that accuracy, neither the Wisconsin Society of Enrolled Agents nor the individual writers assume any responsibility whatsoever for the accuracy or completeness of the information contained herein. The reader should independently verify all the material before applying it to a particular fact situation, and should independently determine both the tax and nontax consequences of using any particular technique before recommending its implementation.

