

PENNSYLVANIA ACCOUNTANT

THE MAGAZINE OF THE PENNSYLVANIA SOCIETY OF TAX & ACCOUNTING PROFESSIONALS

[WWW.PSTAP.ORG]

SEPTEMBER 2018

- Tax Research Publications - PSTAP Member Discounts - Order Forms Enclosed!
- 71st Annual Meeting Highlights - West Chester, PA - June 2018
- PA TAX UPDATE - Physical Presence Standard Gone as US Supreme Court Strikes Down Quill
- How to Prevent Phishing Scams & Data Breaches

PSTAP
20 Ertford Road, Suite 200A
Lemoyne, PA 17043
Change Service Requested

PRSRJT STD
U.S. POSTAGE
PAID
Harrisburg, PA
Permit No. 557

WHAT'S BETTER THAN CALLING ANY TIME YOU NEED ADVICE ABOUT PRACTICE SUPPORT AND RISK MANAGEMENT?



REACHING KNOWLEDGEABLE EXPERTS.

CAMICO® policyholders know that when they call us, they'll speak directly with in-house CPAs, JDs and other experts. We have dedicated hotlines for loss prevention, tax, and accounting and auditing issues. You can **call as often as you need and consult with experienced specialists — all free of charge.** No one knows more about the profession, because we provide **Professional Liability Insurance and risk management for CPAs only** — it's all we've done for 32 years.

Connect with CAMICO.

Sign up for CAMICO Connection — our monthly e-newsletter with risk management tips and articles.

www.camico.com/camico-connection



CAMICO

Accountants Professional Liability Insurance may be underwritten by CAMICO Mutual Insurance Company or through CAMICO Insurance Services by one or more insurance company subsidiaries of W. R. Berkley Corporation. Not all products and services are available in every jurisdiction, and the precise coverage afforded by any insurer is subject to the actual terms and conditions of the policies as issued. ©CAMICO Services, Inc., dba CAMICO Insurance Services. All Rights Reserved.

CAMICO

Rachel Painter, AINS
Senior Account Executive

T: 800.652.1772 Ext. 6773

E: rpainter@camico.com

W: www.camico.com

TABLE OF CONTENTS

A Message from the President

by James F. Tice, EA, PSTAP President

Announcements Updates & General Information

Pennsylvania Tax Update

by Sharon R. Paxton

Highlights From the 71ST Annual Meeting

A Message from the NSA Director

by Andrew J. Piernock, Jr., ATP, NSA State Director, PA

Practitioner's Corner

Tips for Preventing Phishing Scams and Data Breaches

by Randy R. Werner, J.D., LL.M./Tax CPA

PSTAP OFFICERS

James F. Tice, EA - President
Linda R. Chicano, CPA - President-Elect
Penny Ann Erbe, EA - First Vice President
Clare M. Shaw, CPA - Second Vice President
Jeanette S. Trama, EA, ATP - Secretary
Barbara Ann Soltysiak, CPA - Treasurer

BOARD OF DIRECTORS

Lamont B. Anderson, PA
Randy L. Brandt, CPA
Richard T. Brasch Jr., CPA
Irving Braunstein, EA
Gerald L. Brenneman, CPA
Maurice B. Brubaker, EA
W. Raymond Bucks, CPA
Paul J. Cannataro, CPA, MST
M. Steven Caskey, ATP
Francis J. Cellini, EA
Linda R. Chicano, CPA
Arlan R. Christ, EA
Michael J. Davis, CPA
Bernard A. Deverson, CPA
Dawn L. Douglas, ATP
Penny Ann Erbe, EA
David E. Fleck, PA
James S. Frederick, PA, EA
Benjie K. Hadburg, EA
Celestine Henderson
Maria D. Henderson, CPA
Joyce P. Huttman, PA, EA
Marvin R. Huttman, CPA, CFP, MST, EA
Rick C. Kauffman, EA
Mary Lew Kehm, CPA
Frank H. Kelly, EA
Richard B. Kelly, CPA
Barry L. Meyer, PA, EA
Deborah Mininger Lahneman
H. Richard Neidermyer, CPA
Andrew J. Piernock, Jr., ATP
Philip D. Reid, CPA
Linda M. Roth, CPA
Barbara A. Soltysiak, CPA
Timothy J. Sundstrom, CPA
James F. Tice, EA
Jeanette S. Trama, EA, ATP
Neil C. Trama, PA
Daniel J. Vecchio, CPA
M. Steven Weinstein, PA, EA
Raymond A. Wolownik, CPA
Francis J. Worden, PA
Michelle A. Young, EA
Mark B. Zinman, CPA
Sherry L. DeAgostino, Executive Director
Editor Pennsylvania Accountant Magazine



Pennsylvania Society of Tax
& Accounting Professionals
20 Erford Road, Suite 200A
Lemoyne, PA 17043
1 (717) 737-4439
1 (800) 270-3352
www.pstap.org

A MESSAGE FROM THE PRESIDENT

Greetings to All Members of PSTAP



I wish to again thank the Southeast Chapter for their hard work in hosting PSTAP's 71st Annual Meeting which

took place in June. A special thank you goes to our Executive Director Sherry DeAgostino and PSTAP Staff Amy McGraw and Cathy Beck for carrying out this event with great success. Highlights from the convention appear on the center pages of this newsletter. I applaud the commitment and productivity throughout the past year by Richard Kelly, and the continuing guidance from our predecessors and leaders.

When I joined PSTAP, I never envisioned that I would one day be installed as President of the Society. By attending chapter meetings, I came to know others who generously shared their time and expertise for the betterment of the profession. I quickly realized the value of building and maintaining relationships. I challenge you to take an active role in PSTAP. Get out to your local chapter meetings, join the PSTAP e-mail discussion listserv, and

volunteer to be on a committee as these are great ways to make the most of your membership and be an active participant in your tax and accounting career. The time you spend will be well worth the investment.

The Long Range Planning & Membership Committees have been a driving force behind our initiatives in the areas of keeping legislators informed on tax matters important to our members and clients, the expansion of educational offerings and opportunities, technological enhancements, and the addition of new membership affinity programs. I look forward to the continued cooperation of all committee chairs and their participation with this vitally important planning process so we stay on target.

PSTAP as well as the accounting industry will have many issues to face as a result of the recent Tax Reform. It will be the PSTAP's leadership job to make sure you are informed of new developments in this area. Routinely check PSTAP's website to see the full list of seminar and webinar courses that are available to you. Extensive planning should be made to get the maximum advantage from the Section 199A deduction (the

20% of Small Business Income). Know that November may be too late to implement changes. We will also continue to monitor the Pennsylvania State Legislature and the Pennsylvania State Board of Accountancy for regulatory and statutory changes. If you have any concerns or ideas for any of our committees to consider, please contact the state office to let them know.

I will be visiting all the Chapters in the coming months. I look forward to meeting many of you who are not able to attend board meetings or our annual membership meetings. I ask for your assistance and solicit your feedback as we look ahead to the challenges and accomplishments that this new year will bring to the Pennsylvania Society of Tax & Accounting Professionals. I will be open-minded to all ideas that are presented to me and will bring them before the Board of Directors for action. Remember, PSTAP can only be as strong as its membership. It is an honor to lead this great and powerful membership in the coming year.

Respectfully Submitted,

James F. Tice, EA
PSTAP President

By attending chapter meetings, I came to know others who generously shared their time and expertise for the betterment of the profession.

ANNOUNCEMENTS UPDATES & GENERAL INFORMATION

EARLY MEMBERSHIP RENEWERS - Complimentary Webinar

The Calm Before the Storm: the 2018/2019 Budget. PSTAP members who renewed their annual membership dues on or before June 15, 2018 have been informed that they are registered for the free webinar that is scheduled for October 2, 2018 from 12:30-1:30 PM. Our speakers, Kathleen Duffy Bruder and Kathy L. Pape from the Governmental Relations team at McNees Wallace & Nurick will address key aspects of the budget, including why the process was quicker this year and the impact it will have on next year.

Questions for the PA Department of Revenue

The PSTAP Committee on Cooperation with the Pennsylvania Department of Revenue will be held in December 2018. We would like to hear from members who have had or are having systemic issues that we can address. Issues may include but are not limited to sales tax audits, issues regarding unreimbursed employee business expenses, E-Tides upgrade, notices, communications. All issues and/or questions should be sent to info@pstap.org.

Take Advantage of Member Discounts on Your Favorite Publications

The order forms for the Quickfinder Handbook, The Tax Book and the RIA Federal Tax Handbook appear in this issue of the *Magazine*. They can also be found at www.pstap.org by logging into the MEMBERS area.

SAVE THE DATE - PSTAP 72nd Annual Meeting

June 20-23, 2019

Heritage Hills Golf Resort & Conference Center, 2700 Mount Rose Avenue, York PA

2018 PA Department of Revenue Fall Tax Seminars

PSTAP will increase its number of sponsored locations of the PA DOR Fall Tax Seminar to 8 - register for any of the following programs online at www.pstapcpe.com or by contacting 1-800-270-3352

- September 18 - Pocono Manor, Inn at Pocono Manor
- September 20 - Center Valley, Homewood Suites by Hilton Allentown Bethlehem
- September 27 - State College, Toftrees Golf Resort
- October 3 - Camp Hill, Radisson Hotel Harrisburg
- October 18 - Wyomissing, Inn at Reading
- October 24 - Springfield, Springfield Country Club
- October 26 - Gettysburg, Eisenhower Hotel & Conference Center
- October 30 - Cranberry Township, Regional Learning Alliance

Help Us Get a New Member - We Will Give You a Seminar

Did you know that when you sponsor a new, active member to join the PSTAP you are awarded a complimentary 8-hour seminar of your choice, even when the new member is your own staff? How do you get credit for the new membership? Simply provide your name on the membership application as the 'sponsor.' If the individual is completing an online

application, there is a space to include the sponsor information as well. Questions regarding this offer can be directed to info@pstap.org or by calling 1-800-270-3352.

New CPE Requirements in Effect for Pennsylvania CPAs and Public Accountants

New CPE requirements went into effect for Pennsylvania licensees beginning January 1, 2018 for the current license biennial that ends December 31, 2019 (*Regulation #16A-5513 Act 73 and Act 15 Amendments*).

Licensees who prepare or help prepare any compilation, review or audit will now need 24 hours of A&A to renew their license. Formerly 16 hours of A&A was required for all licensees.

Licensees who **DO NOT** prepare or help prepare any compilation, review or audit will no longer have a required minimum number of A&A CPE credits. PSTAP reminds members of the importance of meeting your license requirements and urges all members who may/could accept an attest engagement to obtain the required CPE.

The 8 Hour CPE requirement in TAX has been eliminated for all licensees. Tax CPE will fall under a more general category called PROFESSIONAL DEVELOPMENT.

IMPORTANT: All licensees are **STILL** required to obtain 80 hours of CPE as a condition of license renewal, 4 of which must be in ethics and 20 of which must be obtained in the first year of the 2-year biennial. A chart illustrating the CPE requirements is provided on page 8 for your convenience.

What is the rationale for these changes?

The changes allow licensees to make their CPE selections based on the focus of their practice and their specific needs.

CONTINUED ON PAGE 8

PENNSYLVANIA

TAX UPDATE

By Sharon R. Paxton

United States Supreme Court Strikes Down *Quill*: Physical Presence Standard Gone

In a widely anticipated decision in the state tax world, the United States Supreme Court, in *South Dakota v. Wayfair* (June 21, 2018), struck down the sales tax physical presence standard set forth in *Quill Corp. v. North Dakota*, 504 U.S. 298 (1992), and *National Bellas Hess, Inc. v. Department of Rev. of Ill.*, 386 U.S. 758 (1967). Under *Quill*, an out-of-state seller's liability to collect and remit sales tax to the consumer's state depended on whether the seller had a physical presence in the state. After *Wayfair*, there is no longer a physical presence standard for constitutional nexus.

In *Wayfair*, the underlying issue was a statute passed by South Dakota which required sellers that deliver more than \$100,000 worth of goods or services into the state on an annual basis or engage in 200 or more separate transactions for the delivery of goods and services into the state on an annual basis, to collect and remit sales tax. Top online retailers filed an action challenging the statute.

Sharon R. Paxton is a member of McNeese Wallace & Nurick LLC's State and Local Tax Group.

The Court, in a majority opinion authored by Justice Kennedy (and joined by Justices Thomas, Ginsburg, Alito and Gorsuch), found that the physical presence rule is unsound and incorrect. First, the Court found that the physical presence rule is not a necessary interpretation of the requirement that a state tax must be "applied to an activity with a substantial nexus with the taxing State." *Complete Auto Transit, Inc. v. Brady*, 430 U.S. 274, 279 (1977). Second, it found that *Quill* creates, rather than resolves, market distortions. Finally, the Court concluded that *Quill* imposes the sort of arbitrary, formalistic distinction that the Court's modern Commerce Clause precedents disavow.

In the opinion, the Court noted that when the day-to-day functions of marketing and distribution in the modern economy are considered, it becomes evident that *Quill*'s physical presence rule is artificial, not just "at its edges," *Quill*, 504 U.S. at 315, but in its entirety. Modern e-commerce, the Court reasoned, does not align analytically with a test that relies on the sort of physical presence defined in *Quill*. The Court concluded that it should not maintain a rule that ignores substantial virtual connections to the state.

On the policy front, the Court noted

that the physical presence rule was an extraordinary imposition of the judiciary on the states' authority to collect taxes and perform public functions. The Court stated that helping customers evade a lawful tax unfairly shifts the tax burden to customers who purchase items from an in-state seller. By giving online retailers an arbitrary advantage over their competitors who collect sales taxes, the Court reasoned, the physical presence rule has limited the states' ability to seek long-term prosperity and has prevented market participants from competing on an even playing field. The majority rejected arguments that *stare decisis* should preclude the Court from overruling *National Bellas Hess* and *Quill*, reasoning that adherence to precedent should not support the Court's prohibition of a valid exercise of the states' sovereign power; in fact, the Court should be vigilant in correcting such an error.

Justice Roberts was blunt in his dissent, arguing that *stare decisis* should apply due to market participants making decisions on the decades-old physical presence test. Justice Roberts also warned that the majority decision could detract from e-commerce's "significant and vibrant part of our national economy." He reasoned that the Court should not act on this important question of current

economic policy, solely to expiate a mistake it made over 50 years ago.

The Court remanded the case to the South Dakota Supreme Court to evaluate whether the statute otherwise meets the tests for constitutionality under *Complete Auto*. It is expected that the statute will be upheld since, as noted by the Court: the statute did not purport to retroactively impose a tax collection obligation on sellers with no physical presence in the state; the statute applies only to sellers making a significant amount of sales to customers in the state; and South Dakota is a member of the Streamlined Sales and Use Tax Agreement (which minimizes compliance burdens).

Many questions now exist going forward. How far can states go under the first prong of *Complete Auto*, which requires a substantial nexus with the state before the state may impose a tax? Will states attempt any "look back" assessments? What dollar threshold, or number of transactions, will trigger nexus under *Complete Auto*? Companies making sales to customers in other states will need to carefully examine their potential sales tax exposure and tax collection obligations.

New Bulletin Addresses Statutory "Fix" for PA Bonus Depreciation Decoupling

After enactment of the Federal Tax Cuts and Jobs Act last year (which allowed taxpayers to claim bonus depreciation for the full cost of eligible property placed in service after September 27, 2017), the Pennsylvania Department of Revenue issued Corporation Tax Bulletin 2017-02. In Bulletin 2017-02, the Department concluded that corporate taxpayers were required to add back the 100% bonus depreciation amount to Pennsylvania taxable income and that no depreciation deductions would be allowed on 100% bonus depreciation property until the year in which the taxpayer disposed of the property.

In response to the proposed disallowance of all cost recovery for Pennsylvania corporate net income tax ("CNI") purposes, the General Assembly passed Act 72 of 2018, which was signed into law by Governor Wolf on June 28. Under Act 72, for property

placed in service after September 27, 2017, Pennsylvania corporate taxpayers taking advantage of the new 100% bonus depreciation rules for Federal tax purposes may use Federal depreciation rules, other than bonus depreciation, for CNI purposes. This essentially places taxpayers in the same position they would have been without the Federal bonus depreciation.

Corporation Tax Bulletin 2018-03, issued July 6, supersedes Bulletin 2017-02. In Bulletin 2018-03, the Department of Revenue clarified that it will continue to allow depreciation deductions under Corporation Tax Bulletin 2011-01 for property placed in service before September 28, 2017. For property placed in service after September 27, 2017, Act 72 allows an additional deduction which is limited to the depreciation amounts under the Modified Accelerated Depreciation System (MACRS). The taxpayer can deduct any unused bonus depreciation in the tax year in which the assets are sold or otherwise disposed of.

Taxpayers who have already filed 2017 CNI returns which include assets subject to Act 72 may file amended returns to claim an additional deduction for the amount of depreciation allowed under MACRS.

PA Department of Revenue Issues Sales Tax Guidance for Malt and Brewed Beverage Manufacturers


On July 27, 2018, the Pennsylvania Department of Revenue issued Sales and Use Tax Bulletin 2018-02 regarding taxpayers engaged in the manufacture and sale of malt or brewed beverages. The Bulletin is intended to help clarify when a manufacturer of malt or brewed beverages must collect sales tax on the sale of malt or brewed beverages.

Effective January 1, 2019, the Department will provide manufacturers the following two options for collecting and remitting sales tax:

1. Include the sales tax in the advertised price of their product; or
2. Separately state and charge sales tax on each individual sale.

Under Option #1, the sales tax shall be computed by the following formula: (Total receipts from the sale of its own products ÷ 1.06) X .06 = Sales Tax Due. Please note that a manufacturer that elects to collect tax using this method must display a sign at the location where its prices are displayed noting that the displayed purchase price includes sales tax. Additionally, a manufacturer must pay sales tax when it purchases products other than its own to sell to the public for consumption on-premises. The Department will not require a manufacturer to collect sales tax on sales of other manufacturers' products to the public (similar to how a bar or restaurant operates).

Under Option #2, the manufacturer must collect and remit sales tax on each individual sale of its own product, whether the sale is for on-premises or off-premises consumption. Additionally, if a manufacturer sells the products of other manufacturers, it must collect the sales tax on the purchase price of those sales as well. The manufacturer should provide the other manufacturer with an exemption certificate claiming a sale for resale exemption. A manufacturer claiming the resale exemption must collect sales tax when it sells the property to its customers. If the manufacturer does not provide an exemption certificate to the other manufacturer when making a purchase and pays sales tax on items that it later resells to customers and charges sales tax, the manufacturer may claim a Taxes-Paid-Purchases Resold credit on its sales tax return.

For manufacturers that sell malt or brewed beverages under a retail license, there are special rules because sales tax is not charged on the sale to the ultimate consumer of the malt or brewed beverage. In these type of situations, the Department will require the manufacturer to use a constructive purchase price for its own products in order to determine the proper tax base upon which to remit sales tax. The Department considers the actual retail price of the malt or brewed beverages sold to consumers to best reflect the constructive purchase price. In this scenario, the Department will allow a manufacturer to calculate its tax owed using the Option #1 method mentioned above. 

ANNOUNCEMENTS UPDATES & GENERAL INFORMATION

CONTINUED FROM PAGE 5

Don't Reinvent the Wheel the Small Firm Toolkit Is There to Help You Save Time

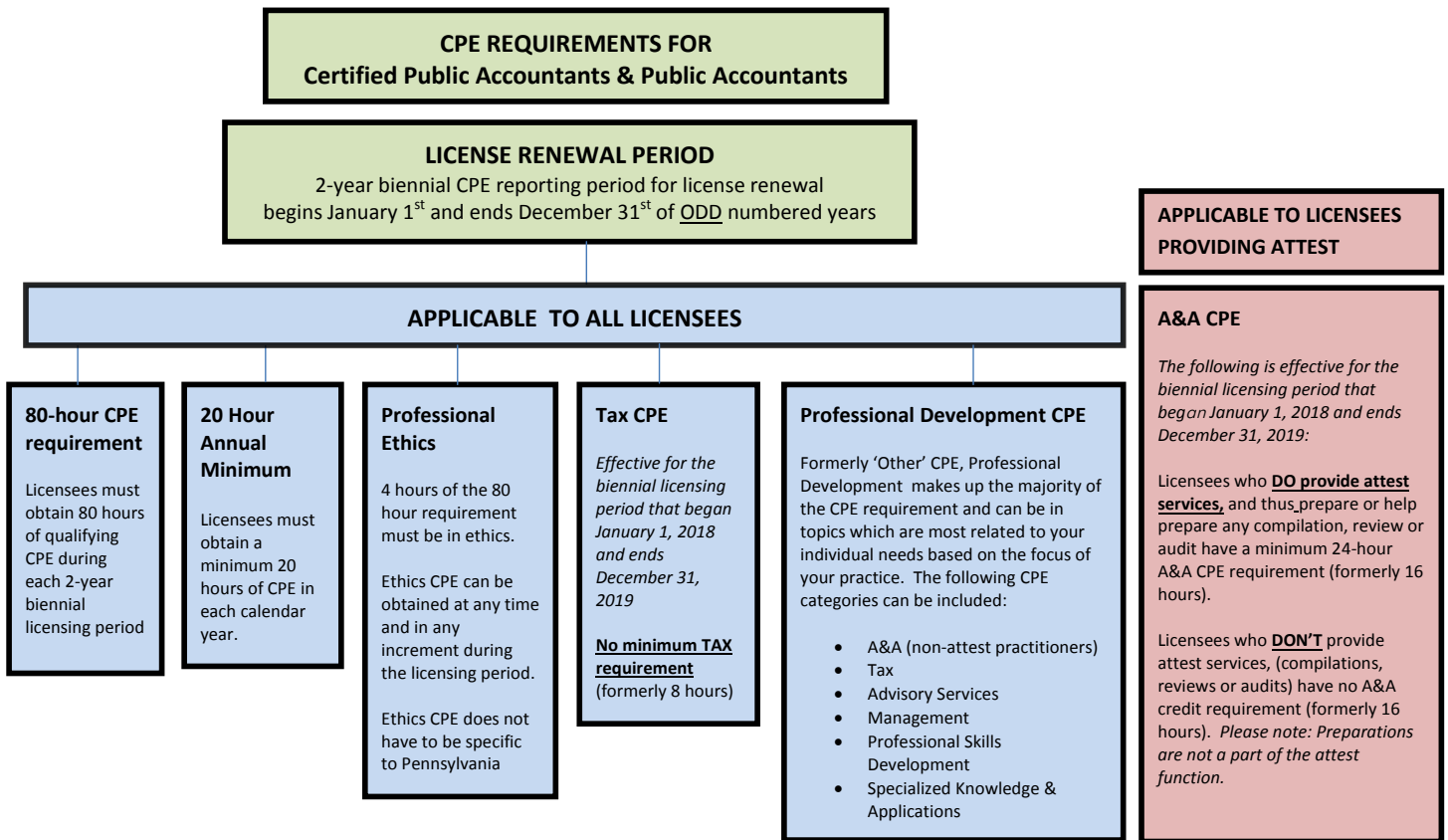
A comprehensive set of sample documents that members can adopt or

adapt to fit their purpose. Our list of documents include: consent to disclose/ use letters, personal and business engagement letters, client fee increase letter, client termination letter, tools for managing your practice, checklists that fit a variety of situations, and much more. Don't see what you need? Let us know. We are always interested in your suggestions and can add additional documents upon request.

PSTAP Listserv - Email Discussion Group

This has been identified by members as one of the most useful membership benefits. Through this email discussion group members can collaborate with other members, post questions, get answers, share experiences, and keep abreast of announcements and changes in the industry. Not a subscriber? Contact us at 1-800-270-3352 and we will add you to the list! See page 16 for more details and recent discussion topics. 🍁

Pennsylvania CPE Requirements at a Glance



Here is a snapshot of the required CPE based on the services you provide:

If you **DO** provide attest services: 24 hours A&A, 4 hours ethics, 52 hours professional development = 80 hours CPE

If you **DO NOT** provide attest services: 76 hours professional development, 4 hours ethics = 80 hours CPE

THE TAX BOOK™

Real Answers. Real Fast!

WEBLIBRARY™

Online Tax Research



"JACOB SPECIAL"

ONLY \$279!
\$355 RETAIL VALUE

SPECIAL PRICING & FREE SHIPPING!

Pennsylvania Society of Tax & Accounting Professionals

For Discounts Use Promo Code: **395**

TMI donates \$5 for each copy of *The Tax Book* and \$10 for each WebLibrary user purchased!

3 WAYS TO ORDER

Online: thetaxbook.com/order
Phone: 866-919-5277
Mail/Fax: Order form below



Calculate Your Quantity Discount Here

The more you order, the more you save on each item!

STEP 1 Enter Quantity and Calculate Cost for Each Item

SPECIAL OFFER!	Quantity	Price	Cost
BEST Seller "Jacob Special": WebLibrary Plus (1st User), Deluxe Plus, FREE Shipping!	x	\$279 1st user/book	= \$
"Jacob Special" Add User: WebLibrary Plus (Add Users), Deluxe Plus, FREE Shipping!	x	\$99 per user/book	= \$

TheTaxBook Series Tax Research Books	Quantity	Price	Cost
BEST Seller Deluxe Edition Plus	x	\$89 \$79	= \$
Deluxe Edition	x	\$82 \$73	= \$
1040 Edition Plus	x	\$68 \$58	= \$
1040 Edition	x	\$59 \$52	= \$
Small Business Edition	x	\$59 \$52	= \$
FastTaxFacts Master Set	x	\$59 \$52	= \$
Social Security & Medicare	x	\$59 \$52	= \$
All States Edition	x	\$87 \$77	= \$
California Edition	x	\$59 \$52	= \$
Depreciation Edition	x	\$59 \$52	= \$
New Tax Law Books <i>3 Publications for New Tax Law</i>			
New Tax Law Package (3 books)	x	\$99 \$99	= \$
NEW Item TCJA Supplement Summer	x	\$39 \$35	= \$
NEW Item TCJA Supplement Winter	x	\$49 \$44	= \$
What's New In-Depth	x	\$59 \$52	= \$

TheTaxBook WebLibrary Online Tax Research	Quantity	Price	Cost
BEST Seller WebLibrary Plus (1st User)	x	\$259 \$229	= \$
WebLibrary Plus (Add Users)	x	\$99 \$89	= \$
WebLibrary (1st User)	x	\$149 \$129	= \$
WebLibrary (Add Users)	x	\$79 \$69	= \$

TheTaxReview Series Online CPE Courses	Quantity	Price	Cost
HOT Item 20 Online Credit Hours	x	\$189 \$125	= \$
8 Online Credit Hours	x	\$95 \$75	= \$
1 Online Credit Hour	x	\$17 \$15	= \$

ClientTaxTools Series Client Handouts	Quantity	Price	Cost
BEST Seller Client Handouts	x	\$129 \$99	= \$
Calendar with Mileage Logs (30 pack), FREE Shipping!	x	\$55 \$45	= \$

STEP 2 Total Quantity and Cost Columns		
Total Quantity of All Items	A	Total Cost B

STEP 3 Calculate Quantity Discount (Total Quantity × Quantity Discount Per Item)					
Order Any 3 Items, Save \$15!	Total Quantity of All Items (from STEP 2)	Quantity Discount Per Item	Quantity Discount		
A	(items) ×	1-2 Items: \$0 per item 3-10 Items: \$5 per item 11+ Items: \$7 per item	= \$	C	

STEP 4 Calculate Shipping for TheTaxBook Series (Book Quantity × Shipping Per Book)					
Call for international orders.	Total Quantity of TheTaxBook Series	TheTaxBook Shipping Charge Per Book	Shipping Charge		
	(books) ×	1-2 Books: \$7 per book 3-10 Books: \$5 per book 11+ Books: \$4 per book	= \$	D	Free Shipping

STEP 5 Calculate Order Cost (Total Cost – Quantity Discount + Shipping Charge)				
Total Cost (from STEP 2)	Quantity Discount (from STEP 3)	TheTaxBook Shipping Charge (from STEP 4)	Order Cost	
B	- C	+ D	= \$	Free Shipping

STEP 6 Finalize Your Order		
Sales Tax	MN residents add 7.525% (Order Cost from STEP 5 × 0.07525)	= \$
Order Total	Order Cost (from STEP 5) + Sales Tax	= \$

2018 ORDER FORM

PROMO CODE: **395**

Customer # _____
(If available)

Company Name _____

Name _____

Address _____
(If P.O. Box, please include physical address)

City, State, Zip _____

Email _____
(Needed for order and shipping confirmation)

Day Phone _____ Billing Zip _____
(If different, needed for credit card orders)

PAYMENT OPTIONS Credit Card Money Order Check payable to: Tax Materials, Inc.

MasterCard Discover Visa American Express Expiration Date _____

Remember to include credit card number & expiration date (security code not required)

Cardholder's Signature _____

Your credit card will be charged for the entire order when the first item ships. For orders that include an online product, access is available immediately and your credit card will be charged when you order.



Voted #1 Tax Research Product 6 years in a row!
Once again *The Tax Book* was voted the #1 Tax & Accounting Research Solution in the 2018 CPA Practice Advisors Readers' Choice Awards.



Tax Materials, Inc.
15105 Minnetonka Ind. Rd.
Suite 221
Minnetonka, MN 55345

www.thetaxbook.com
Email: info@thetaxbook.com
Toll Free: 866-919-5277
Local: 952-746-5276
Fax: 952-746-5278

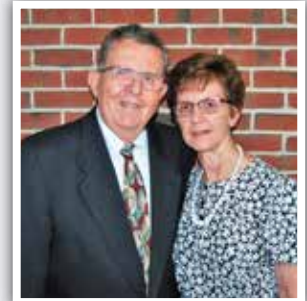
71ST ANNUAL MEETING - JUNE 2018 - WARNE



Outgoing President Richard Kelly recognizes Treasurer Barbara Soltysiak for a job well done!



PSTAP Executive Office Staff: (left to right) Cathy Beck, Office Manager; Sherry DeAgostino, Executive Director; Amy McGraw Executive Assistant.



Lehigh Valley Chapter Represents!



R HOTEL, HISTORIC DOWNTOWN WEST CHESTER



Buxmont Chapter Members Strike a Pose



Richard Kelly passing on the gavel to James Tice as he takes over the Presidency.



*That's All Folks!
(Richard & Kathleen Kelly)*

A MESSAGE FROM

The NSA State Director



Greetings:

On behalf of the National Society of Accountants, NSA President Brian Thompson and incoming President, Christine Freeland,

I congratulate PSTAP for Seventy One years of service to the Tax and Accounting Profession. I wish PSTAP President, James Tice, along with the Board of Directors a successful year.

As I complete my fifth year as NSA State Director to Pennsylvania, I would like to thank PSTAP for their continued support. This past year, I have served on: The Rules Committee, and the Leadership Development Program.

At the Annual Convention in August 2018 in Minneapolis, MN, I have

submitted my name as a Candidate for District Governor II.

What is Happening within NSA

NSA representatives attend the National Practitioners Liaison meeting at the IRS in Washington DC every month. These meetings provide a wonderful opportunity to receive updates from the IRS and more importantly share with them issues that our members have. If someone has IRS systemic issues, please offer to direct those to our Federal Taxation Committee.

NSA has been working with the IRS along with some tax software companies offering recommendations on how to improve data security policies while trying to limit the hardship placed on tax preparers. NSA participated in many press conferences all across the United States bring awareness to tax preparers

and the public about the need for data security. NSA continues to work towards protecting your right to practice. We continue to work with the ASO's to help them monitor their State Legislature and State Boards of Accountancy and offer assistance with issues that may arise.

There will be major changes at NSA within the coming months. John Ams, the Executive Vice President is retiring and the Board of Governors is currently interviewing his replacement. Also changes within the Administration Department.

Please feel free to contact me with any questions via e-mail at: andrewpiernock@comcast.net

Sincerely yours,

Andrew J Piernock, Jr. ATP
NSA State Director - Pennsylvania

Congratulations to Andrew J. Piernock who was elected as the NSA Governor for District II at the NSA convention which took place from August 22-26th in Minneapolis Minnesota. In addition to Pennsylvania, District II includes: Delaware, New Jersey, New York and Puerto Rico. Andy had to resign his position as State Director in order to run for District Governor. Pending approval by the NSA Board of Governors, PSTAP member Elliot Hershman, CPA, (Philadelphia Tri County Chapter), will fill the position of NSA State Director.

Have you LIKED Us on Facebook?



Pennsylvania Society of Tax & Accounting Professionals



PENNSYLVANIA SOCIETY OF
TAX & ACCOUNTING
PROFESSIONALS
LEVERAGE THE POWER OF SMALLER PRACTICESSM



Upcoming Events & Seminars
Announcements & News
Tax Updates and Changes

PENNSYLVANIA SOCIETY OF TAX & ACCOUNTING PROFESSIONALS

ORDER EARLY. SAVE BIG.

Save up to 25% on Quickfinder*

With Quickfinder quantity discount pricing, the more you buy, the more you save.

Order Quantity	ORDER by 9/30/18 Save up to 25%*
1	5%
2	-10%
3 – 5	-15%
6 – 10	-20%
11 – 20	-22%
21+	-25%

PRODUCT UPDATE POLICY

**Automatic Renewals: Select products identified with ** herein are eligible to automatically renew. By checking the Auto-Renewal box for any eligible product ordered herein, you acknowledge and agree that you are purchasing an automatic renewal subscription to the selected product(s) and that you understand that the subscription to the selected product(s) will automatically renew at the conclusion of your initial term for subsequent terms of one (1) year each, unless and until either party gives the other party written notice of termination before the end of the then-current term. Once a renewal term has commenced, it is non-cancellable. Subscription renewals will be invoiced based on the price in effect at the time of renewal, and the license fees are subject to increase over the previous year's term (plus shipping and handling, if applicable). If a renewal term has begun, requests to cancel will be effective at the end of the current subscription term. Your automatic renewal will include shipments of periodic updates, revised editions, and/or supplements. Notifications of your upcoming renewal term will be sent approximately ninety (90) days in advance of the renewal date.

+ New orders may be canceled within 30 days after purchase. Orders automatically renew prior to the subscription expiration and are non-cancellable after the start date of the renewal term. To cancel, provide written notice of termination before the start date of the renewal term.

Requests to cancel subscriptions or to return products may be mailed to Thomson Reuters (Tax & Accounting) Inc., Customer Service Department, P.O. Box 115008, Carrollton, TX 75011-5008 or by calling 1 800 431 9025, option 2. If tangible product(s) need to be returned, a prepaid return shipping label will be provided upon request.

CUSTOMER INFORMATION

Customer number _____

Company name _____
(If P.O. Box, please include physical address for UPS.)

Name _____

Address _____

City, state, ZIP _____

Email _____
(Required for order confirmation and eBook fulfillment.)

Day phone (____) _____

Payable to: Quickfinder
36786 Treasury Center
Chicago, IL 60694-6700

PAYMENT INFORMATION

Make checks and money orders payable to Quickfinder

Check Credit card

Note: The charge on your credit card statement will appear as TTA-Research & CPE.

Credit card account # Visa MasterCard Discover AMEX

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

CC payments — Note: Our policy is to charge your credit card at the time of order.

Expiration date:

--	--	--	--

Month Date

_____ Cardholder's name (printed as it appears on card)

_____ Cardholder's signature

3 EASY WAYS TO ORDER
Order by September 30 to save up to 25%*

- ▶ Visit tax.tr.com/PSTAP
- ▶ Call 1 800 510 8997
- ▶ Mail in the completed order form

QUICKFINDER HANDBOOKS AND QUICK REFERENCE GUIDES

	BEST VALUE			BEST VALUE			ORDER TOTAL	BEST VALUE			ORDER TOTAL
	Standard Binding	ProView eBook	3-Ring Binder	Standard Binding	ProView eBook	3-Ring Binder		Standard Binding	ProView eBook	3-Ring Binder	
TAX PREPARATION TOOLS	LIST PRICE			ORDER QUANTITY			ORDER TOTAL	TOTAL PRODUCT ORDER \$			ORDER TOTAL
	A	B	C	D	E	F		COLUMN A X COLUMN D	COLUMN B X COLUMN E	COLUMN C X COLUMN F	
EXAMPLE PRODUCT	\$55	\$51	\$58	2	5	6	13	\$110	\$255	\$348	\$713
1040 Quickfinder Handbook	\$55	\$51	\$58					\$	\$	\$	\$
Small Business Quickfinder Handbook	\$55	\$51	\$58					\$	\$	\$	\$
Premium Quickfinder Handbook	\$77	\$73	\$80					\$	\$	\$	\$
All States Quickfinder Handbook	\$85	\$81	N/A			N/A		\$	\$	N/A	\$
Individuals – Special Tax Situations Quickfinder Handbook	\$55	\$51	N/A			N/A		\$	\$	N/A	\$
Depreciation Quickfinder Handbook	\$55	\$51	N/A			N/A		\$	\$	N/A	\$
Laminated Tax Tables for Individual Returns	\$16	\$12	N/A			N/A		\$	\$	N/A	\$
Laminated Tax Tables for Business Returns	\$16	\$12	N/A			N/A		\$	\$	N/A	\$
TAX PLANNING TOOLS											
Health Care Reform Quickfinder Handbook	\$55	\$51	N/A			N/A		\$	\$	N/A	\$
Quickfinder Annual Tax Update	\$55	\$51	N/A			N/A		\$	\$	N/A	\$
Tax Planning for Individuals Quickfinder Handbook	\$55	\$51	N/A			N/A	N/A	\$	\$	N/A	\$
Social Security and Medicare Quickfinder Handbook	\$55	\$51	N/A			N/A	N/A	\$	\$	N/A	\$
IRA and Retirement Plan Quickfinder Handbook	\$55	\$51	N/A			N/A	N/A	\$	\$	N/A	\$
Quickfinder Tax Tips Newsletter**	\$71	\$68	N/A			N/A	N/A	\$	\$	N/A	\$
QUICKFINDER ORDER TOTALS											
								\$	\$	\$	\$

** AUTO-RENEW

CALCULATE YOUR QUICKFINDER ORDER DISCOUNTS AND SHIPPING CHARGES

STEP #		
1	Enter your total number of products ordered	QUANTITY =
2	Enter your total QF order dollar amount	\$ =
3	Calculate your discount dollar amount based on the chart below	-\$
4	Calculate shipping for Quickfinder – \$6.00/Handbook – \$3.50/Tax table	-\$
5	Calculate Quickfinder order total – Add amounts from steps 2, 3, and 4.	\$

Order Quantity	ORDER by 9/30/18 Save up to 25%*
1	5%
2	-10%
3 – 5	-15%
6 – 10	-20%
11 – 20	-22%
21+	-25%

CALCULATE YOUR COMBINED ORDER TOTALS AND SHIPPING CHARGES

6	Sales tax (apply your rate)	\$ =
7	Grand total	\$ =

New from Quickfinder: Tax Reform Essentials Library

Sorting through the implications of tax reform for your clients may seem like an uphill battle, but it doesn't have to be an insurmountable task if you have the right tools. The key tax reform resources for tax professionals in this library are the tools to save you time and your clients tax dollars now, in planning 2018 transactions, and throughout the next tax season when complying with the many changes first effective this year under the Tax Cuts and Jobs Act (TCJA). These Quickfinder Handbooks incorporate the TCJA changes into the timeless, concise and easy-to-use Quickfinder format that our customers have trusted since 1973. Learn more at tax.tr.com/qfbundles

* Savings of up to 25% applies to new orders placed by September 30, 2018. Savings promotion excludes PPC, RIA, Checkpoint and Checkpoint Learning CPE and may not be combined with any other offers.

PRACTITIONER'S CORNER

IRS to Issue Regulations to Clarify Qualifying Relative

In Notice 2018-70 (IRB 2018-38) informs individual taxpayers that IRS intends to issue proposed regulations clarifying who is a qualifying relative for the new \$500 credit for dependents and head of household filing status for years in which the exemption amount is zero-taxable years 2018-2025. The notice explains that proposed regulations will provide that the reduction of the personal exemption amount to zero will not be taken into account for purposes of the \$500 credit and head of household filing status. Instead, the exemption amount for the application of these provisions will be treated as \$4,150, as adjusted for inflation, for years in which the exemption amount is zero. The notice further provides that taxpayers may rely on the rules of this notice prior to the issuance of proposed regulations.

IRS Protect Your Clients; Protect Yourself: Tax Security 101 - Tip 8

The IRS has released the eighth tip in a series called **Protect Your Clients; Protect Yourself: Tax Security 101**. The Security Summit awareness campaign is intended to provide tax professionals with the basic information they need to better protect taxpayer data and to help prevent the filing of fraudulent tax returns. The IRS has also revised Publication 4557, **Safeguarding Taxpayer Data**, to detail critical security measures that all tax professionals should enact. The publication includes information on how to comply with the FTC Safeguards Rule (requiring a data security plan), which includes a checklist of items for a prospective data security plan.

IRS Issues Guidance on Calculation of Wages for Purposes of Section 199A

IRS Notice 2018-64 provides guidance on methods for calculating W-2 wages for purposes of Section 199A of the Code, which for certain taxpayers,

provides a limitation based on W-2 wages to the amount of the deduction for qualified business income under Section 199A(a); and (2) for purposes of Section 199A(b)(7), which, for certain specified agricultural and horticultural cooperative patrons, provides a reduction to the Section 199A(a) deduction based on W-2 wages.

IRS Changes Tax Transcript Format

The IRS announced (IR-2018-171) that to better protect taxpayer data, they will use a new format for individual tax transcripts that will redact personally identifiable information from the Form 1040 series. Beginning September 23, 2018, the new format will be the default format available via Get Transcript Online, Get Transcript by Mail or the Transcript Delivery System for tax professionals. Financial entries will remain visible, which will give taxpayers and third-parties the data they need for tax preparation or income verification. The following information will be provided on the new transcript:

- Last 4 digits of any SSN listed on the transcript: XXX-XX-1234
- Last 4 digits of any EIN listed on the transcript: XX-XXX-1234
- Last 4 digits of any account or telephone number
- First 4 characters of the last name for any individual
- First 4 characters of a business name
- First 6 characters of the street address, including spaces
- All money amounts, including balance due, interest and penalties

On September 23, the IRS also will post an updated Form 4506-T and Form 4506T-EZ, Request for Transcript of Tax Return, that will have a new Line 5b for a 10-digit Customer File Number. Legitimate third parties with a need for income verification or tax data often request taxpayers complete a Form 4506-T. There is no change in the process for students seeking income verification through Free Application for Federal Student Aid

(FAFSA) or disaster victims seeking FEMA assistance. Nor will business tax transcripts change. For more information, go to About the new Tax Transcript: FAQs.

IRS Fact Sheet for Renting Out Residential Property

The IRS has released Fact Sheet 2018-14, Know the Tax Facts About Renting Out Residential Property. The Fact Sheet is available at www.irs.gov and includes links to other information Fact Sheets and publications about residential rentals.

IRS Cyber Warning to Tax Professionals

The IRS is warning tax professionals that savvy cybercriminals target IRS-issued identification numbers to help impersonate practitioners as well as taxpayers. To help protect against this threat used on the Dark Web, the IRS, state tax agencies and the tax industry reminded practitioners that they must maintain, monitor and protect their Electronic Filing Identification Numbers (EFINs) as well as keep tabs on their Preparer Tax Identification Numbers (PTINs) and Centralized Authorization File (CAF) numbers. For more information about monitoring EFINs, PTINs and CAFs, refer to IR 2018-164.

PA DOR Bonus Depreciation: Corporate Tax Bulletin, Forms & Instructions

Earlier in the summer, in response to Act 72 of 2018, the PA DOR issued Corporation Tax Bulletin 2018-03 which provides guidance regarding the treatment of federal bonus depreciation for corporate taxpayers. It addresses deductions for property placed in service before Sept. 28, 2017, deductions for property placed in service on or after Sept. 28, 2017, and the treatment of taxpayers who have filed tax returns.

The PA Department of Revenue has

GET ON THE LIST!

Subscribers of the PSTAP Email Discussion List have touted it as one of the most valuable membership resources, especially during tax season. This is a Free member resource. Call 1-800-270-3352 or send an email to: info@pstap.org and put "Add me to the Email List" in the subject line and we will do the rest.

What is the PSTAP email discussion list? It is a tool that allows PSTAP members to collaborate and share information with each other about a variety of topics. It essentially is a private, online meeting space in which members can communicate.

Is it difficult to use? It is as simple as using email. If you can send and receive email, you can participate in our email discussion list.

How does it work? PSTAP members "subscribe" to the list. Any subscriber can then post to the list by simply emailing a message to our discussion list email address. The automated server receives the email and then sends it to the entire list of subscribers. Other subscribers can then respond, and just like that, a discussion unfolds.

Why should I subscribe? By subscribing to the PSTAP email discussion list, you have the ability to collaborate with other professionals. You can post questions, receive and give answers, or simply just review what others have posted. Regardless of your level of activity, you have access to a group of practitioners who have the same issues that you do. In addition, you will be kept current on industry changes that affect your livelihood. In addition, the archive feature allows you to review past discussion items.

What types of topics are discussed?

Here is a list of some of the recent discussions:

- New IRS process regarding tax transcripts;
- Taxation of non-qualified education withdrawals;
- Healthcare savings accounts & Medicare
- 199A 20 percent deduction
- PA treatment of 529 withdrawals for K-12 tuition
- Reverse mortgages

SUBSCRIBE TODAY: Call 1-800-270-3352 or send an email to: info@pstap.org and put "Add me to the Email List" in the subject line.



posted REV 1834, the new PA bonus depreciation form and instructions for Corporate Net Income (CNI) Tax purposes (Schedule C-8 and C-9). The form reflects PA's new depreciation rules that went into effect for tax years beginning on or after 1/1/17 and is required to be filed each year with the RCT-101. The REV-1834 replaces the current REV-799 (Schedules C-3 and C-4.). Entity types other than those taxed as C corporations should NOT use this form. All other entity types follow PIT law, which does not recognize bonus depreciation. The new form and instructions are available at www.revenue.pa.gov.

Pennsylvania Department of Revenue Online Service Center

PA DOR has asked that we remind practitioners about their Online Customer Service Center. There are more than 3,000 frequently asked questions posted in a searchable database or practitioners may post their own question.

Follow these steps:

1. Go to revenue.pa.us and select GET ASSISTANCE
2. Click Online Customer Service Center to review the FAQs.
3. Submit your own questions by following the prompts and attaching any relevant documentation.

When the question is answered, an

email will be sent to you so that you can log in to the portal and view the response.

HAVE YOU HAD EXPERIENCE WITH THE ONLINE CUSTOMER SERVICE CENTER? Please let us know about your experience, good or bad. We would like to provide feedback at our annual meeting with DOR. Send your comments to: sherry@pstap.org.

Some Disciplinary Actions May Now be Expunged - Act 6 of 2018

The Act of February 15, 2018 (P.L. 14, No. 6) (Act 6 of 2018) allows certain disciplinary actions to be removed from a Pennsylvania licensee's licensure record. Expungement is limited to two types of violations:

- violations involving failure to complete continuing education requirements, and
- violations related to practicing on a lapsed license for six months or less.

Expungement means that the disciplinary record will be removed from an individual's licensure record by: (1) permanently sealing the affected record from public access; (2) deeming the disciplinary proceedings as not having occurred; and (3) except with respect to any subsequent application for expungement, affording the licensee, the right to represent that no disciplinary record exists.

To be eligible for expungement of a disciplinary action, the following conditions must be met:

1. The application for expungement must be filed not earlier than four years from the final disposition of the disciplinary record.
2. The disciplinary record must be the only discipline that the licensee, registrant, certificate holder or permit holder has with the applicable board/commission.
3. The licensee, must not be the subject of an active investigation

related to professional or occupational conduct.

4. The licensee must not be in a current disciplinary status (i.e., revoked, suspended, on probation, etc.) and any fees or fines assessed must be paid in full.
5. The licensee, registrant, certificate holder or permit holder must not have had a disciplinary record previously expunged by the BPOA
6. The licensee shall pay all costs associated with the expungement as established by the Commissioner by regulation.

The Commissioner is in the process of establishing the administrative process for licensees, registrants, certificate holders and permit holders to apply for expungement through the Pennsylvania Licensing System (PALS) and will be promulgating a regulation establishing the fee associated with processing an application for expungement. Once these steps are completed, licensees will be able to apply for expungement of these types of disciplinary records. A notice of the availability of the expungement application process will appear on the licensing boards' websites as well as on the PSTAP website.

DOR's e-TIDES Upgrade to Save Department \$1.7 Million

The new electronic correspondence feature in e-TIDES, the Department of Revenue's (DOR) online business tax system, allows business owners and tax professionals to receive all correspondence from the department that would normally be sent via the U.S. Postal Service. Examples include licenses and assessments.

The DOR will save \$1.7 million over five years while improving services to Pennsylvania's businesses. The system allows businesses and tax professionals to get all correspondence from the department electronically, saving time and reducing the need for paper.

"We moved to create this new electronic correspondence feature after hearing feedback from taxpayers and tax professionals, many of whom use this system on a regular basis," said Revenue Secretary Dan Hassell.

The savings of this initiative come from reducing costs for paper, inserts, envelopes, and postage. In the past, the department annually mailed about 1.6 million pieces of correspondence to the users of e-TIDES. 🏠



PSTAP State Secretary Jeanette Trama, EA, presents Lifetime Membership Certificate to Outgoing President, Richard B. Kelly, CPA, June 20, 2018, West Chester, PA.



PSTAP Executive Leadership (Left to Right) Barbara Soltysiak, CPA, Treasurer (Lehigh Valley Chapter); Linda Chicano, CPA, President Elect, (Philadelphia Tri County Chapter) James Tice, EA, President 2018-2019, (South Central Chapter), Sherry DeAgostino, Executive Director, Richard Kelly, CPA, President 2017-2018, (Southeast Chapter), Penny Erbe, EA, installed as First Vice President, (Western PA Chapter), Jeanette Trama, EA, Secretary (Northeast Chapter). Missing from Photo: Clare Shaw, CPA, installed as Second Vice President (Buxmont Chapter).

PSTAP recently offered a webinar series given by Ron Klein, J.D., Risk Management Counsel for Camico Insurance which addressed loss prevention and ways to identify potential business liability issues before they occur. The following cyber security article builds on some of the information that was covered in that webinar series.

TIPS FOR PREVENTING PHISHING SCAMS AND DATA BREACHES

By Randy R. Werner, J.D., LL.M./Tax, CPA

Cybercriminals have been evolving their tactics in recent years to focus on accounting and tax firms where there is an abundance of client data. The clear majority of thefts occur when someone at the firm opens a phishing email and clicks on a link or attachment that contains malware. Some malware downloads secretly into computers and allows thieves to covertly capture each keystroke or gain remote access to the computer, allowing them to steal the data stored there.

Loss Prevention Tips

Practitioners are urged to engage cybersecurity experts to better secure their data. Experts familiar with the firm's systems can work with insurance and breach-response service providers to reduce damages from breaches, minimize the costs, and expedite the recovery process.

The IRS recommends the following:

- Educate all employees about phishing in general and spear phishing in particular, which targets a specific recipient with social engineering techniques designed to deceive the recipient. Train all employees to go directly to a website for information rather than clicking on links provided in the message.
- Create a password policy that requires the use of strong, unique

passwords. Better yet, use a phrase instead of a word. Require different passwords for each account, and a mix of letters, numbers and special characters.

- Never take an email from a familiar source at face value; example: an email from "IRS e-Services." If it asks you to open a link or attachment, or includes a threat to close your account, think twice. Visit the e-Services website (not via a link embedded within the message) for confirmation.
- If an email contains a link, hover your cursor over the link to display the web address (URL) destination. If it's not a URL you recognize, or if it's an abbreviated URL, don't open it.
- Obtain a verbal confirmation by phone if you receive an email from a new client sending you tax information, or any client requesting last-minute changes to their refund destination.
- Use security software to defend against malware, viruses and known phishing sites, and update the software automatically. Create and enforce a policy to update and patch all software regularly.
- Use the security options that come with your tax preparation software.
- Send suspicious tax-related phishing emails to phishing@irs.gov.

The IRS has a procedure for tax professionals to report data thefts to the IRS.



They need only contact their state's IRS Stakeholder Liaison, who will notify appropriate IRS officials and serve as a point of contact. All practitioners should review [Data Theft Information for Tax Professionals](#) for details about the process and the additional steps they should take.

CAMICO also recommend that practitioners:

Back up all important data and information frequently to reduce the likelihood that critical data is lost in the event of a cyberattack or physical incident such as a fire or flood. Protect the backups in a remote or external location where they are safe from ransomware that seeks out backup copies. Periodically, verify whether the backup is working.

Implement the "least privilege" concept of user permissions. Strictly defined user permissions and restrictions help ensure that people have only the level of user rights they need to do their jobs.

Require site administrators to log out of systems and programs immediately after they have completed their tasks. Excessive rights and activities enable malware to cause more harm and result

Randy R. Werner, J.D., LL.M./Tax, CPA, is a Loss Prevention Executive with CAMICO (www.camico.com). She responds to CAMICO loss prevention hotline inquiries and speaks to CPA groups on various topics. Werner has Big Four public accounting experience in federal and state tax as well as regional accounting firm experience. She practiced as a sole practitioner in estate planning beginning in 1984.

in greater data losses. Also, not every piece of hardware needs to have administrative rights.

Have cyberinsurance that includes breach response services to help determine whether an incident is a breach as defined by current state and/or federal laws. Your cyberinsurance advisers, with the assistance of IT forensics, should be able to determine whether there has been a breach, assist with reporting and notification requirements, arrange credit monitoring, coordinate with call centers, provide public relations assistance, respond to ransomware demands, and provide services to decrypt and restore the firm's files.

Install a secure client web portal that will archive and store your clients' personal documents and data. A portal will lower your staff's administrative burden, ease the burden of locating important electronic documents, and eliminate the need to hunt for those documents within extended email threads.

Add another layer of security with multi-factor authentication. Usernames and passwords alone are often insufficient for preventing account takeovers. Adding and combining factors provides greater protection.

Avoid public wi-fi or hotspots when inputting or working with personal identity information. Cyber-criminals can easily see individuals' information on public wi-fi. Wait until you're on a trusted network.

Establish an incident response plan. Without a plan in place, entities' initial responses to incidents could make mountains out of molehills. An incident may not be a breach. In response to perceived breaches, personnel with good intentions often purge files that incident response professionals would have wished to analyze to determine whether there was an attack, its source, and those impacted. Purging of files could necessitate breach notifications when otherwise not required.

Robust breach response services and an effective risk management program are more important than ever to assist firms in preventing or recovering from an incident. Remember, adequate preparation will make all the difference in enabling your firm to get back to functioning as soon as possible.

For more information visit the Identity Theft and Data Security Resource Center on the CAMICO Members-only Site; log-in at www.camico.com. 

South Central Chapter Hosts Shredder Event

On June 20th, the South Central Chapter held its' inaugural chapter shredder event. Tri State Shredding was on site at the Radisson Hotel Harrisburg and shredded more than 2 tons of documents for participants following the morning CPE event. The event was a success and the chapter plans to make the Shredder Day an annual event. Annual Shredder Events are also held by other PSTAP chapter including Buxmont and Philadelphia Tri-County Chapters, and additional chapters are planning similar events in 2019. The shredder events are FREE events for PSTAP members. They are convenient and provide cost-savings to members by eliminating the need for in-house shredding.



South Central Chapter members begin to line up to unload their boxes.



Tri State Shredding provided exceptional service. Participants watched as their documents were shredded and they didn't have to remove any binder clips or paperclips.



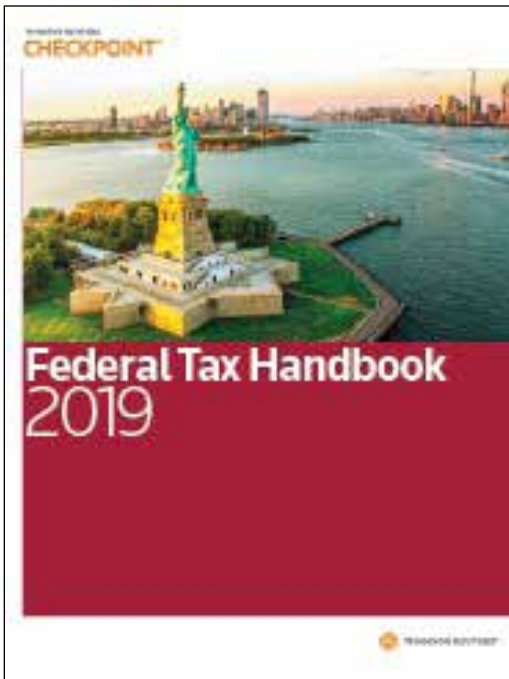
South Central Chapter Shredder Event Committee: (left to right) Robyn Bauder, Dale Zeiger, Celestine Henderson, James Tice and Barry Meyer are on site to assist with the unloading of boxes. The chapter even provided lunch to participants!

PSTAP MEMBERS ONLY DISCOUNT RIA FEDERAL TAX HANDBOOK, 2019 Edition

Place Your Order Today and Pay Just \$51! (List \$107.90)

The *RIA Federal Tax Handbook* continues to be the premier source for today's federal tax law.

This year's book is more extensive than ever, providing you with the precise explanations of tax changes affecting your business. But it's more than just a comprehensive tax resource written in terms you know and use.



ORDER FORM - RIA Federal Tax Handbook (2019 Edition)

NAME _____

FIRM _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

PHONE (____) _____ EMAIL _____

2019 RIA FEDERAL TAX HANDBOOK

Quantity Ordered	Order Subtotal @ \$51 per Book (includes shipping)	Sales Tax - \$3.06 per book	Total Enclosed
	\$	\$	\$

METHOD OF PAYMENT:

Check Enclosed (Please Make Check Payable to PSTAP)

VISA **MasterCard** **AMEX**

Card Number _____ Exp _____ CV CODE _____

Signature _____

PSTAP Executive Office
ATTN: RIA ORDER
20 Erford Road, Suite 200A • Lemoyne, PA 17043
FAX: 717.737.6847