Keeping Up:
Tax Law Changes

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This Session

• “Keeping up with complex, ever-changing tax laws is the #1 issue for small firms. What resources are available? For free? With fees? Which do you recommend, or contrarily, avoid? This will be a facilitated discussion to uncover the top resources fellow Indiana small firm practitioners are using to help keep up! Come prepared with ideas and questions.”
  • Introductory Presentation...
  • ...followed by an open discussion.
Number One Issue for Small Firms

• According to the AICPA Private Companies Practice Section (PCPS) 2013 CPA Firm Top Issues Survey, “Keeping up with changes and complexity of tax laws” is the number one issue for:
  • Solo Practitioners, and
  • Firms with 2 to 5 professionals

• Also the Number One issue for Solo Practitioners in the 2011 Survey – and generally.

Four General Comments to Keep in Mind

(and some Suggestions)
First Thing to Keep in Mind:

• You Cannot Keep Up With Everything!

• Tax Law is simply too expansive and too complex, and there are too many new laws, new rules and regulations, and new court decisions, to keep up with everything.

Second Thing to Keep in Mind:

• The burden of keeping up with tax law changes increases with the scope of your tax practice.

• Don’t try to “be all things to all people” (this is good general business advice too)
  • The increased revenue may not be worth the cost (in time and money) of being proficient and up-to-date on the relevant tax rules
  • Broader practices also naturally inhere greater risk
• You can reduce the ‘stress’ associated with keeping up with tax law changes by focusing your practice on areas you are already relatively comfortable with
  • Then, branch out into new areas gradually (and carefully).
Third Thing to Keep in Mind:

• Even if you’ve selected a relatively narrow scope for your practice...
• ...you still won’t be able to keep up with every tax law change in your area.

• So, while wanting to keep up to date is a good thing, don’t be overly anxious about it.
• There will always be new issues in tax practice
  • Issues can (and should) be researched when encountered.

Fourth Thing to Keep in Mind:

• Some level of overhead costs attributable to having access to research materials and keeping up to date is inevitable.
  • Even if this is just a copy of the current edition of the U.S. Master Tax Guide / Federal Tax Handbook...
  • ...but it is very likely you will also need resources beyond just this one source.

• One reason for this is that a paid preparer can be penalized for signing a return containing a position for which there is not “substantial authority”
“Substantial Authority” for Tax Return Positions

- Statute (IRC, etc.)
- Regulations and Administrative Rulings
- Judicial Decisions
- Etc.

- Secondary Sources (e.g., the U.S. Master Tax Guide) are generally not considered an “authority” for this purpose. See, e.g., Newman, T.C. Memo. 1981-621
  - Nor (for better or worse) are IRS Publications. 😄

Suggestion: Network

- Even if you are a solo practitioner, you don’t have to practice completely on your own.
- Take advantage of professional networking groups and opportunities – E.g.:
  - INCPAS Tax Listserv
  - “AICPA Tax Practitioners” Group on LinkedIn:
    - “This group, officially sponsored by the American Institute of Certified Public Accountants (AICPA), keeps members up-to-date on tax legislative and regulatory developments and fosters peer discussions on both tax and practice management issues.”
Suggestion: Take CPE Seriously

• All active Indiana CPAs are required to take CPE.

• If you’ve got to take CPE anyway, make good use of your time, effort, and money by taking courses that will be most helpful to your practice, rather than just taking the courses that are the cheapest, easiest, most convenient, etc.

• Consider tax-focused seminars

Keeping Up to Date: Subscription Services
Subscription Services

• Checkpoint Newsstand
• RIA News Headlines
• RIA Federal Taxes Weekly Alert Newsletter
• BNA Daily Tax Report
• Today’s Federal News Highlights (CCH)
• Tax Analysts News Services (e.g., Tax Notes)

• Choose Daily vs. Weekly based on your preference

Two Newsletters Suggested by Prof. Bill Kulsrud

• “Monthly Tax Update” by John J. Connors, J.D., LL.M., CPA
  • $195 / year

• PPC’s Practitioners TaxACTION Bulletins (published by ThomsonReuters / Checkpoint)
  • Twice per month
  • $350 / year
Professional Journals

- The Tax Adviser (AICPA)
- Taxation for Accountants (WG&L)
- Practical Tax Strategies (WG&L)
- Journal of Taxation (WG&L)
- Journal of Corporate Taxation (WG&L)
- Corporate Taxation (WG&L)
- Journal of International Taxation (WG&L)
- TAXES: The Tax Magazine (CCH)

An Unavoidable Tradeoff

- Subscription services can save you time and give you access to analytical secondary sources, but they also increase your overhead costs.

- Free Sources will save you money, but it generally requires more time to survey, read, and analyze new items.

- (In any case, while subscription services may save you time and be worth the money, there is no substitute for self-sufficiency in research.)
Sources of Tax Law

• Legislation
  • Internal Revenue Code & Revisions
  • “Off Code” Provisions / Transition Rules

• Administrative
  • Treasury Regulations
  • Other Administrative Rulings

• Court Decisions
  • U.S. Tax Court, Court of Federal Claims, District Courts, Courts of Appeal, U.S. Supreme Court

Keeping Up to Date:
Free Resources
Internal Revenue Bulletins (I.R.B.)

  - Available in both PDF and HTML
- “The Internal Revenue Bulletin is the authoritative instrument of the Commissioner of Internal Revenue for announcing official rulings and procedures of the Internal Revenue Service and for publishing Treasury Decisions, Executive Orders, Tax Conventions, legislation, court decisions, and other items of general interest. It is published weekly.”
  - Regulations (Final, Temporary, and Proposed)
  - Rev. Procs.
  - Rev. Ruls.
  - Notices
  - Announcements

IRS e-News Subscriptions

- Various Lists (currently 29)
  - IRS Newswire [News Releases]
  - IRS Tax Tips [Short Articles on Single Topics]
  - E-News for Tax Professionals [includes technical guidance (e.g., Rev. Procs. & Notices)]
  - Guidewire [technical guidance]
  - E-News for Small Business
Other IRS e-News Subscriptions

- Form 1065 e-News for Partnerships
- Employee Plans
- Exempt Organization Update
- Federal, State & Local Governments
- Schedule M-3 Frequently Asked Questions
- FATCA News & Information
- Tax Exempt Bond Community Update
- Indian Tribal Governments News

U.S. Tax Court Opinions

- New opinions, if any, are posted Monday through Friday, after 3:30pm Eastern time

- Also: Opinions Search
  - T.C. & Memo. opinions since September 25, 1995
    - T.C. opinions in published format since January 11, 2010
  - Summary Opinions since January 10, 2001
Congressional Legislation

- beta.congress.gov (revamp of THOMAS)
- Enacted Public Laws (in Bill Format)
- Current / Pending / Active Legislation

- Includes:
  - Bill Summaries
  - Bill Text
  - Congressional Committee Reports
  - Congressional Record

Official Prints of Public Laws

- Official Prints of Public Laws (in PDF) available from the Government Printing Office:
Internal Revenue Code (IRC)

• Searchable HTML Format available from the U.S. House Office of the Law Revision Counsel:
  • http://uscode.house.gov/
  • With: Sources (with links to many Public Laws), Amendment Notes, Effective Dates, and Cross References

• Official Prints of Code (in PDF) available from the Government Printing Office:
  • Caveat: May be a few years out of date.
    • E.g., the 2012 edition is currently the most recent available.

TaxProfBlog

• http://taxprof.typepad.com/
• Broader Scope – E.g.:
  • IRS Tax Scandal
  • Academic Scholarship
  • Whistleblower Cases
  • Deaths of Tax Professors & Professionals
  • Legal Education
• But, the “Weekly Tax Roundup” often identifies articles that are valuable both in terms of keeping up to date and expanding practical knowledge.
TaxProfBlog Subscriptions

**RSS Feeds:** You can subscribe to one of three different feeds to receive TaxProf Blog posts via your RSS reader:

- **All Posts** will send you all blog posts
- **Tax Posts** will send you only tax-related blog posts
- **Legal Education** will send you only law school-related blog posts

**Email:** You can subscribe to receive TaxProf Blog posts via email through one of two approaches:

- **FeedBlitz:** Receive TaxProf Blog posts via email, delivered to you either daily, every 12 hours, every 8 hours, every 4 hours, or hourly (at your option).
- **TaxProf Blog Email Service:** Twice daily (during the week) and once daily (on the weekend) emails to the TaxProf Discussion Group with titles and links to recent TaxProf Blog posts.

Indiana State Tax Resources
Indiana Tax Law Resources

• Indiana Department of Revenue (DOR) Website:
  • [http://www.in.gov/dor/](http://www.in.gov/dor/)

• IN DOR Rulemaking Docket
  • [http://www.in.gov/dor/4676.htm](http://www.in.gov/dor/4676.htm) (currently)

• Indiana Tax Court Opinions
  • [http://www.in.gov/judiciary/opinions/taxcourt.html](http://www.in.gov/judiciary/opinions/taxcourt.html)

• Indiana General Assembly
  • [http://iga.in.gov/](http://iga.in.gov/)

(Other)
Free Research Resources
Treasury Regulations (Official)

• Code of Federal Regulations (CFR) (Annual ed.)
  • Available in:
    • PDF
    • XML

Regulatory Developments

• http://www.regulations.gov/
Cornell Legal Information Institute

- http://www.law.cornell.edu/

- Internal Revenue Code (IRC)
  - http://www.law.cornell.edu/uscode/text/26

- Treasury Regulations
  - http://www.law.cornell.edu/cfr/text/26/chapter-I

What are your favorite resources?