

Letter from the Chair

Are you familiar with the work of the PCPS Technical Issues Committee? This group, made up of CPA practitioners who serve private companies, monitors standard-setting developments and speaks out on behalf of small firms and their private company clients. And they are extremely effective in their efforts. As we reported in our last issue, TIC recently achieved two important accomplishments. In a step that will affect the work of many practitioners, FASB decided to defer FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes*, for an additional year for most nonpublic entities so that implementation guidance for pass-through entities may be developed. TIC meets once a year with the FASB and regularly submits comment letters on standards that affect its constituency. The deferral for pass-through entities was something that TIC had specifically lobbied for. During the deferral period, FASB also plans to amend FIN 48 to provide relief from some of the disclosure requirements for nonpublic entities.

Elsewhere, in its proposed guidance on not-for-profit mergers and acquisitions, the FASB has decided that when an NPO acquires another entity that is predominantly supported by contributions and investment returns and is in a net liability position, the excess should be charged to the statement of activities rather than goodwill. In all other cases, the excess is recognized as goodwill. TIC had lobbied for this approach for years, based on its understanding of the needs of many of the NPOs that our members serve.

Letter from the VP

PCPS always strives to provide its members with the most relevant and timely resources. That's why I'm happy to tell you about some tax-season tools available now to our members. First, there's a special AICPA Tax Section E-Alert that reviews the major tax provisions of interest to practitioners and businesses in the Emergency Economic Stabilization Act of 2008. Of particular importance to CPAs, this act changed the tax preparer reporting standard under section 6694 to "substantial authority" from "more likely than not" for undisclosed, non-tax shelter positions. This victory for the profession, which the Institute has long advocated, means that the same standard that applies to taxpayers also applies to tax preparers. Other provisions in the act cover brokers' statements, AMT relief, individual and business extenders and disaster relief.

In addition to this tax update, PCPS members can receive a special 15% discount on customizable copies of the 2009 *Newkirk Tax Planning Guide*.

The guide, which is meant to be given to current and prospective clients, covers a range of issues for individuals, including the AMT, tax breaks on the job, paying for college, charitable deductions, investments and retirement savings and health care and Social Security. The section on tax planning for businesses covers deductions, asset purchases and tax-favored benefit strategies.

Practitioners can customize their guides with their firm name and contact details.

PCPS members can access both the E-

Seasonality Success Offers Advice on Dealing with Economic Crisis

Seasonality Success, a newsletter that is an exclusive benefit of PCPS membership, offers tips on how to make the most of busy season opportunities. A special Winter 2009 issue reviews current economic conditions and provides advice for practitioners.

Articles discuss:

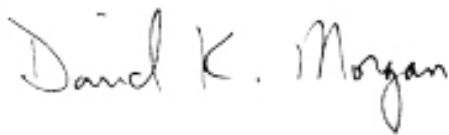
- How CPAs are working with clients to meet the challenges - and seize the opportunities - in a recession.
- Adjusting billing and collection procedures after many years of a strong economy.
- Creating a consistent response to client and staff questions.
- Using the PCPS Client Credit Crisis Communication.

Find this issue at www.aicpa.org/pcps.

TIC has been able to achieve these results because it meets frequently with key standard setters. In addition to the FASB, TIC has annual liaisons with the Auditing Standards Board, the Private Company Financial Reporting Committee and the Governmental Accounting Standards Board, and conducts outreach to groups such as the Professional Ethics Executive Committee. TIC members also serve on influential standard-setting task forces, ensuring that the small firm perspective is considered early on in the process.

If you'd like to keep up with TIC activities, be sure to check out the *TIC Alert*, a newsletter that offers concise and understandable updates on standard-setting developments. [Click here](#) to find the *Alert*, and to learn more about TIC.

All the best,



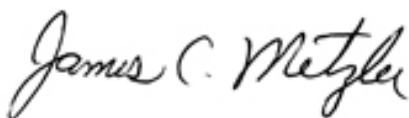
David Morgan, CPA/PFS Chair, PCPS Executive Committee

Alert and a link to the guides on the PCPS Firm Practice Center at www.aicpa.org/pcps.

Finally, I want to remind you about *Seasonality Success, Winning Strategies for Profitable Firms*, another great busy-season resource designed exclusively for PCPS members.

The Winter edition of this award-winning newsletter, devoted to handling a variety of issues during an economic downturn, will be published by January 15. You can also find archived issues, which are full of tips on making the most of tax season opportunities, at www.aicpa.org/pcps.

Best regards,



Jim Metzler, CPA.CITP AICPA Vice President, Small Firm Interests

PCPS Conference Discount

The following conferences offer PCPS members a \$100 discount.

When registering, use coupon code **SECTION100**.

- **May 4-6, 2009** AICPA Practitioners Symposium, Bellagio, Las Vegas, NV
- AICPA National Advanced Accounting and Auditing Technical Symposium (NAAATS), Hilton San Diego Bayfront, San Diego, CA

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