Indian Tribal Governments

ITG NEWS

Keeping First Nations Informed

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Director's Message

We've sent you a few notices since the beginning of the year letting you know about upcoming events which are of interest to Indian tribal governments. Of particular note are the upcoming events related to governmental pension plans including a phone forum on April 24th and the public hearing on July 10th. We're also working on a listening meeting which will be sometime in June. When we have the date and time confirmed, we'll send you an email and post the information on our website at www.irs.gov/tribes.

As you're reading this, I'm sure you are working hard preparing your tax returns, whether you are an individual or a tribal business. This edition provides some information we believe would be helpful to you all regarding the tax season.

Lastly, we will be hosting our second Indian Tribal Governments webinar on June 30th. We will also send you an email with information about how to register for this free outreach event. The webinar will cover Travel Expenses, Tribal Council Pay, and Tip Agreements.

As always, we welcome your questions and comments. You can always send us an email at tege.ask.itg@irs.gov.

Sincerely,

Christie Jacobs, Director

Meetings on Possible ITG Governmental Plan Guidance

The IRS will host a phone forum on April 24, 2012, to discuss proposed drafts of the general guidance on possible standards for determining if a retirement plan of an Indian tribal government is a governmental plan under section 414(d) of the Internal Revenue Code.

The phone forum details are provided below:

Phone	Conference Access Code	Eastern	Central	Mountain	Pacific
(800) 683-4564	749267	2:00 p.m.	1:00 p.m.	12:00 p.m.	11:00 a.m.

There is no cost, but all participants must pre-register to attend. Click here to register.

You will be assigned a Personal Identification Number (PIN) that must be used to join the conference. If you have never registered with AT&T phone forum, you will need to click on "create a profile" first.

Participants will be able to submit questions to the presenters.

If you have a particular issue you would like addressed, you can also email us in advance at tege.ask.itg@irs.gov.

Additionally, the IRS will hold a public hearing in the auditorium of the Internal Revenue Service building at 1111 Constitution Avenue NW, Washington, DC, July 10, 2012, at 10 a.m.

The public hearing is an advance notice of proposed rulemaking REG-133223-08, relating to the determination of whether a plan of an Indian Tribal Government is a governmental plan within the meaning of IRC section 414(d).

The public hearing notice extends the comment period to June 18, 2012. If you are interested please review the applicable notice for details on the procedures for attending the hearing, as well as information on submitting requests to speak and an outline of topics.

ITG will be scheduling a Consultation Listening meeting regarding Indian tribal government plans. Upon confirming the date and time, ITG will send an email to ITG News subscribers. ITG will also post the details on www.irs.gov/tribes.

Health Savings Accounts Eligibility

Notice 2012-14 provides guidance that clarifies an Indian's ability to maintain a Health Savings Account (HSA) while being eligible for Indian Health Services (IHS).

In the past, eligibility for IHS services alone barred IHS eligible Indians from maintaining a HSA. Notice 2012-14 provides that IHS-eligible individuals may now maintain a HSA provided that they have not utilized IHS services for the three month period preceding their adoption of a HSA. Notice 2004-2, Q&A-6, provides that the receipt of permitted coverage, such as dental and vision care, or the receipt of preventive care, such as well-baby visits, immunizations, weight-loss and tobacco cessation programs, does not affect an individual's eligibility. The other Code requirements associated with HSAs will also have to be met as well.

Request for Comments

The Treasury Department and the IRS request comments on the eligibility rule described in this Notice. Comments must be submitted by April 30, 2012. All materials submitted will be available for public inspection and copying.

Three options are available:

- Mail: Internal Revenue Service, CC:PA:LPD:RU (Notice 2012-14), Room 5203, PO Box 7604, Ben Franklin Station, Washington, DC 20224.

- Hand-delivered: Monday through Friday between the hours of 8 a.m. and 4 p.m. to the Courier's Desk, 1111 Constitution Avenue, NW, Washington, DC 20224, Attn: CC:PA:LPD:RU (Notice 2012-14), Room 5203.

- E-Mail: notice.comments@irscounsel.treas.gov. Include the notice number (Notice 2012-14) in the subject line.

VOW To Hire Heroes Act of 2011 – Determining Credit Eligibility

On February 10, 2012, the IRS released Notice 2012-13, providing guidance on the VOW to Hire Heroes Act of 2011 (the Act), enacted Nov. 21, 2011. That law expanded the Work Opportunity Tax Credit (WOTC) to businesses that hire eligible unemployed veterans, and for the first time also makes the credit available to certain tax-exempt organizations.

Notice 2012-13 provides additional information and clarifies the eligibility of tax-exempt organizations and procedures for claiming the WOTC credit.

The IRS also announced that employers will have more time to file the required certification form for employees hired on or after November 22, 2011, and before May 22, 2012.

The Act, for purposes of this credit, defines a "qualified tax-exempt organization" as an employer that is an organization described in section 501(c) and exempt from taxation under section 501(a).

This means that an Indian tribal government is not a qualified tax-exempt organization unless it is an organization described in section 501(c) that is exempt from tax under Section 501(a). Therefore it is not eligible for this credit unless it has a received recognition from the IRS as an exempt-organization under section 501(c).

For more information on how qualifying businesses or exempt organizations can claim the credit, see Notice 2012-13.

July 2nd is Due Date for 2012 Filing Forms 11-C

Tribes selling **pull-tabs** are required to file:

- Form 11-C, *Occupational Tax and Registration Return for Wagering;* and
- Form 730, *Monthly Tax Return for Wagers*

Form 11-C is an annual return which applies to persons receiving taxable wagers whether they receive compensation or are volunteers. Both the tribal government and agents (persons who accept taxable wagers on behalf of the tribe) must file Form 11-C to register and to pay the occupational tax before wagers are accepted and annually thereafter. Each agent has a unique Employer Identification Number (EIN) for purposes of the Form 11-C Occupational Tax.

Generally, the amount of the occupational tax is $50 per year per person.

July 2, 2012 is the due date for Form 11-C for the period July 1st, 2012 through June 30, 2013.

FinCEN Reports Going Paperless

The January 2012 and October 2011 editions of the ITG News contained articles regarding the Financial Crimes Enforcement Network's (FinCEN) proposed mandate for electronic filing.

FinCEN confirms its requirement, with some extensions and exemptions, that its reports must be filed electronically (E-Filed) beginning July 1, 2012.

"E-Filing makes sense from every perspective. Both the government and the filer will save time and money," noted FinCEN Director James H. Freis, Jr. "We listened closely to the industry's concerns, balanced those concerns with the needs of law enforcement, and we are allowing some prudent exemptions. As part of FinCEN's overall modernization of its IT systems, the time has come to move our reporting framework from paper to the electronic age."

Although almost all FinCEN reports fall within the E-Filing mandate, Suspicious Activity Reports (SARs) and Currency Transaction Reports (CTRs) are by far the most commonly filed FinCEN reports and are the primary focus of this initiative.

For practical reasons, the Currency and Monetary Instrument Report (CMIR), which is most often completed by individuals upon physically crossing the border into the United States, is not included in the mandate. FinCEN Form 8300, *Report of Cash Payments Over $10,000 Received in a Trade or Business,* may also continue to be filed on paper.

FinCEN encourages individuals to E-File FBARs (Reports of Foreign Bank and Financial Accounts) and has made that convenient option available. However, FinCEN has extended the deadline for mandatory FBAR E-Filing until June 30, 2013 to allow time for practical adaptation and notice.

FinCEN issued a notice on its website detailing three categories for possible exemption, briefly:

- Some Money Services Businesses, or small credit unions, who may lack internet access and file a limited number of FinCEN reports
- Some financial institutions who file a large number of Currency Transaction Reports (CTRs) and may need time to adapt their aggregation systems
- "Other extraordinary circumstances"

To request an exemption, financial institutions must do so within 30 days and await FinCEN's response. To assist filers with the new requirements, FinCEN offers a recorded instructional presentation .

For more information about the benefits of using BSA E-Filing, please review the E-Filing Section on FinCEN's Web site. FinCEN is committed to working with financial institutions to increase their understanding of the value of E-Filing and has issued a brochure that highlights its benefits. For other technology-related questions specific to E-Filing, please call the BSA E-Filing Help desk at 1-866-346-9478, Option 1.

FinCEN Advises on Confidentiality of SARs

In an Advisory issued March 2, 2012, FinCEN reminds all financial institutions, including tribal casinos, of the need to maintain confidentiality of Suspicious Activity Reports (SAR). The Advisory recommends that all financial institutions include such information as part of its ongoing training of all employees and legal counsel and that they take risk-based measures to enhance the security of confidential SAR information. The unauthorized disclosure of a SAR is a violation of federal law. Both civil and criminal penalties could be imposed for SAR disclosure violations.

For the full report, please read the SAR Confidentiality Reminder.

Title 31 Help Available

The IRS offers a Helpline called the FBAR (Report of Foreign Bank and Financial Accounts) and Title 31. It connects practitioners and filers, both domestic and abroad, with a team of specially trained technicians, examiners and specialists to answer technical Title 31 questions.

The FBAR and Title 31 Helpline team answers questions related to reports required by the Bank Secrecy Act (BSA) of 1970, such as the Report of Foreign Bank and Financial Accounts (commonly known as the FBAR) and reports filed by money services businesses. The Helpline team can also assist with other Title 31 technical issues and BSA correspondence.

To reach the FBAR and Title 31 Helpline, dial:

- 866-270-0733 for callers within the U.S. (toll-free)
- 313-234-6146 for callers outside the U.S. (not toll-free)

Hours of operation for the FBAR and Title 31 Helpline are Monday - Friday, 8 a.m. to 4:30 p.m., Eastern time. An IRS employee will respond to messages left after-hours.

You can also find answers on our FBAR frequently asked questions page or by sending an inquiry to FBARquestions@irs.gov.

What the Taxpayer Advocate Service Can Do For You!

The Taxpayer Advocate Service (TAS) is an independent organization within the IRS. They help taxpayers who are experiencing economic harm, such as not being able to provide necessities like housing, transportation, or food; taxpayers who are seeking help in resolving problems with the IRS; and those who believe an IRS system or procedure is not working as it should. Here are seven things every taxpayer should know about TAS:

1. The Taxpayer Advocate Service is your voice at the IRS.
2. Service is free and tailored to meet your needs.
3. You may be eligible for help if you have tried to resolve your tax problem through normal IRS channels and have gotten nowhere, or you believe an IRS procedure just isn't working as it should.
4. The worst thing you can do is nothing at all!
5. TAS helps taxpayers whose problems are causing financial difficulty or significant cost, including the cost of professional representation. This includes businesses as well as individuals.
6. If you qualify for help, TAS will do everything they can to get your problem resolved. You will be assigned to one advocate who will be with you at every turn.
7. There is at least one local taxpayer advocate office in every state, the District of Columbia, and Puerto Rico. You can call your local advocate, whose number is in your phone book and in Publication 1546, *The Taxpayer Advocate Service of the IRS - How to Get Help With Unresolved Tax Problems.* You can also call the toll-free number at 1-877-777-4778.

There are people in your community who need TAS, but don't know it exists. The online Tax Toolkit provides information about taxpayers' tax responsibilities and benefits, and is full of great features like links to Facebook, YouTube, and Twitter.

Please consider sharing the Tax Toolkit link with your members, family, and friends. In addition, if you have a website, feel free to post this link to your site. It's a great resource for everyone!

Top Tips Every Taxpayer Should Know about Identity Theft

Identity theft often starts outside of the tax administration system when someone's personal information is stolen. Identity thieves may then use a taxpayer's identity to fraudulently file a tax return and claim a refund. In other cases, the identity thief uses the taxpayer's personal information in order to get a job. The legitimate taxpayer may be unaware that anything has happened until they file their return later in the filing season and it is discovered that two returns have been filed using the same Social Security number.

Here are 12 things the IRS wants you to know about identity theft so you can avoid becoming the victim of an identity thief.

1. The IRS does not initiate contact with taxpayers by email to request personal or financial information. The IRS does not send emails stating you are being electronically audited or that you are getting a refund.

2. If you receive a scam e-mail claiming to be from the IRS or discover a website that claims to be the IRS but does not begin with 'www.irs.gov', forward it to the IRS at phishing@irs.gov.

3. IRS impersonation schemes flourish during tax season and can take the form of e-mail, phone websites, even tweets. Scammers may also use a phone or fax to reach their victims. If you receive a paper letter or notice via mail claiming to be the IRS but you suspect it is a scam, contact the IRS at http://www.irs.gov/contact/index.html to determine if it is a legitimate IRS notice or letter. If it is a legitimate IRS notice or letter, reply if needed. If the caller or party that sent the paper letter is not legitimate, contact the Treasury Inspector General for Tax Administration at 1-800-366-4484. You may also fax the notice/letter you received, plus any related or supporting information, to TIGTA at 1-202-927-7018. Note that this is not a toll-free FAX number.

4. Identity thieves get your personal information by many different means, including:

    a. Stealing your wallet or purse
    b. Posing as someone who needs information about you through a phone call or e-mail
    c. Looking through your trash for personal information
    d. Accessing information you provide to an unsecured Internet site

5. To learn how to identify a secure website, visit the Federal Trade Commission at www.onguardonline.gov/media.

6. Do not routinely carry your Social Security card or other documents that display your Social Security number.

(Top Tips Every Taxpayer Should Know continued)

7. If your Social Security number is stolen, another individual may use it to get a job. That person's employer may report income earned by them to the IRS using your Social Security number, thus making it appear that you did not report all of your income on your tax return. When this occurs, you should contact the IRS to show that the income is not yours. Your record will be updated to reflect only your information. You will also be asked to submit substantiating documentation to authenticate yourself. That information will be used to minimize this occurrence in future years.

8. Your identity may have been stolen if a letter from the IRS indicates more than one tax return was filed for you or the letter states you received wages from an employer you don't know. If you receive such a letter from the IRS, leading you to believe your identity has been stolen, respond immediately to the name, address or phone number on the IRS notice.

9. If your tax records are not currently affected by identity theft, but you believe you may be at risk due to a lost wallet, questionable credit card activity, or credit report, you need to provide the IRS with proof of your identity. You should submit a copy of your valid government-issued identification – such as a Social Security card, driver's license, or passport – along with a copy of a police report and/or a completed IRS Form 14039, *Identity Theft Affidavit*, which should be faxed to the IRS at 978-684-4542. Please be sure to write clearly. As an option, you can also contact the IRS Identity Protection Specialized Unit, toll-free at 800-908-4490. You should also follow FTC guidance for reporting identity theft at www.ftc.gov/idtheft.

10. While preparing your tax return for electronic filing, make sure to use a strong password to protect the data file. Once your return has been e-filed, burn the file to a CD or flash drive and remove the personal information from your hard drive. Store the CD or flash drive in a safe place, such as a lock box or safe. If working with an accountant, you should ask them what measures they take to protect your information.

11. If you have information about the identity thief that impacted your personal information negatively, file an online complaint with the Internet Crime Complaint Center (IC3) at www.ic3.gov. The IC3 gives victims of cyber crime a convenient and easy-to-use reporting mechanism that alerts authorities of suspected criminal or civil violations. IC3 sends every complaint to one or more law enforcement or regulatory agencies that have jurisdiction over the matter.

12. For more information about identity theft – including information about how to report identity theft, phishing and related fraudulent activity – visit the IRS Identity Theft and Your Tax Records Page, which you can find by searching "Identity Theft" on the IRS.gov home page.

For more information about Identify Theft, please view the following articles found on IRS.gov:

- Protect Yourself from Identity Theft
- Taxpayer Guide to Identity Theft

Four Ways to Get IRS Forms and Publications

The Internal Revenue Service has free tax forms and publications on a wide variety of topics. Because of continued growth in electronic filing, the availability of free options to taxpayers and to reduce costs, the IRS no longer mails paper tax packages.

If you need IRS forms and publications, here are four easy methods for getting them.

On the Internet - You can access forms and publications on the IRS website 24 hours a day, seven days a week, at www.irs.gov.

- ***Note:*** Some forms provided as electronic files on IRS.gov are for "information only" and should not be reproduced on personal computer printers and filed with the IRS. The printed, paper versions of these forms are developed as "machine readable" products. As such, they must be produced using special paper, special inks, and within precise specifications. These "information only" forms are:
    - Form W-2 (series, excepting Form W-2G)
    - Form W-3 (series, excepting Form W-3(C)PR)
    - Form 1096
    - Form 1098 (series)
    - Form 1099 (series)
    - Form 5498 (series)
    - Form 5500 (series)
    - Form 8109-B

IRS Taxpayer Assistance Centers - There are 401 TACs across the country where the IRS offers face-to-face assistance to taxpayers, and where taxpayers can pick up many IRS forms and publications. Visit www.irs.gov and go to Contact My Local Office on the Individuals page to find a list of TAC locations by state. On the Contact My Local Office page, you can also select Office Locator and enter your zip code to find the IRS walk-in office nearest you as well as a list of the services available at specific offices.

At convenient locations in your community - During the tax filing season, many libraries and post offices offer free tax forms to taxpayers. Some libraries also have copies of commonly requested publications. Many large grocery stores, copy centers and office supply stores have forms you can photocopy or print from a CD.

By mail - You can call 1-800-TAX-FORM (800-829-3676) Monday through Friday 7 a.m. to 7 p.m. local time – except Alaska and Hawaii which follow Pacific time – to order current year forms, instructions and publications as well as prior year forms and instructions by mail. You will receive your order by mail, usually within 10 days.

You can download Publication 2053A, *Quick and Easy Access to IRS Tax Help and Forms.* Click here for information about state tax forms.

Getting Ready for Pow Wow Season

As Pow Wow season approaches, one of the most essential but often overlooked preparations involves proper information reporting or withholding associated with payments to Pow Wow participants and organizers.

Reporting responsibilities for a typical Pow Wow may include payments to any of the following:

- Pow Wow Committee Members (even if the Committee is a nonprofit entity);
- Arena Staff and Other Contractors (Announcer, Head Man Dancer, Head Woman Dancer, Arena Director, Head Drum, Whip Man and Woman, Judges, Construction Workers, Security Guards, and Honor Guard);
- Contest Participants (in all contest drumming and dancing categories);
- Raffle Winners;
- Concession and Other Vendors;
- Arts & Crafts Vendors

Let's discuss a couple of these....

A trade or business must report payments made to anyone receiving $600 or more. At a typical Pow Wow, the tribe represents the "trade or business".

Pow Wow committee members often work countless hours and travel many miles to fulfill their responsibilities as committee members. Some tribes pay committee members for their time, travel and meeting expenses. Other tribes do not. If a tribe pays its Pow Wow committee members, they need to determine if the Pow Wow committee member is an employee or an independent contractor, and then issue the appropriate Form W-2 or 1099-MISC. The tribe must obtain the social security numbers or tax identification numbers (TIN) *prior to* making any payments. A Form W-9 is the best way to secure this information. If the tribe does not obtain the social security numbers or TINs before payment, they withhold at the back up withholding rate of 28%. Report all withholding related to Form 1099 on Form 945, *Annual Return of Withheld Federal Income Tax.*

Pow Wow expenses can include travel or meeting expenses**.** If a tribe reimburses committee members for these or other Pow Wow costs ***and*** requires them to report their expenses to the tribe under an accountable plan, no IRS reporting is required. If a tribe does not pay or reimburse a committee member (or anyone else) for expenses, then that person can report the cost on their personal income tax returns as charitable contributions. Additional tax-deductible contributions include donated noncash items (food, shawls, blankets, beadwork, etc.) or prize money to a tribe.

Prizes paid to dance, drum, and other contest winners must be reported on Form 1099. Prior to making the payment, the tribe must obtain the recipient's name and taxpayer identification number. Otherwise the payment would be subject to back up withholding at a rate of 28%. The tribe would use Form W-9 to obtain the proper information and certifications.

Any payment that is reportable on Form 1099 is subject to aggregation. Payments for the calendar year which are $600 or more require reporting on a Form 1099. That means you must search your records for all payments made to a particular individual during the year to determine if a Form 1099 is required. For example, a prize payment of $200 during a Pow Wow would be added to a $500 payment in October to a painting contractor for total Form 1099 income of $700.

Prizes and awards paid to a non-resident/non-citizen of the United States are subject to 30% withholding. The tribe reports these payments on Forms 1042-S and 1042. There is no $600 threshold before reporting begins; in other words, **all** prizes are reportable and subject to withholding. A Form 1042-S can be issued without a U.S. tax identification number. The individual will file a Form 1040NR to claim a refund of part or all of their withholding, if applicable.

Raffles are taxable lotteries. Tribes must report raffle winnings on Form W-2G when the proceeds are $600 or more. For more information regarding gaming, please review Publication 3908, Gaming Tax Law and Bank Secrecy Act Issues.

Remember, a Tribe must be prepared to fulfill its tax reporting obligations. The time to obtain the correct name and taxpayer identification number is before the payment is made. This information needs to be communicated to your Pow Wow committee and Pow Wow workers. No job is done until the paperwork (even electronic "paperwork") is done-- including filing and providing the proper information returns, making timely deposits of withheld taxes, and filing Form 945 or Form 1042 by the due date.

We hope this information will assist tribes in planning for their tax reporting responsibilities. If you have any questions on preparing the information reporting for your Pow Wow event, please contact your ITG Specialist.

Federal Tax Information Available Through Social Media

Using the latest technologies, the IRS offers multiple avenues for you to get tax information. If you have a smartphone, we have an app! If you like to watch videos from your phone or computer, we have dozens of helpful YouTube videos…and, of course, follow us on Twitter.

Check out how the IRS delivers the latest tax information, initiatives, products and services through social media.

- **IRS2Go -** The IRS recently launched a smartphone application that allows you to interact with the IRS using your mobile device. Our app can help you get your refund status and tax updates. IRS2Go is available for the iPhone or iTouch and the Android.
- **YouTube -** The IRS offers short, informative videos on an assortment of tax-related topics through our YouTube Video channel. The videos are offered in English, American Sign Language and a variety of foreign languages.
- **Facebook** - IRS has Facebook pages that post valuable tax information for tax professionals and those needing help in resolving long standing issues with the IRS.
- **Twitter -** IRS tweets include tax-related announcements, news for tax professionals and updates for job seekers. Follow us @IRSnews.
- **Audio files for podcasts** - These short audio recordings provide useful information on one tax-related topic per podcast. They are available on iTunes or through the Multimedia Center on IRS.gov (along with their transcripts).
- **Widgets** - These tools, which can be placed on websites, blogs or social media networks, direct others to IRS.gov for information. The widgets feature the latest tax initiatives and programs and can be found on Marketing Express, the marketing site that allows IRS partners and tax preparers to customize their IRS communications products.
- **RSS** - Really Simple Syndication, or RSS, is an easy way to gather a wide variety of content in one place on your computer. The IRS now offers RSS feeds. RSS, is an easy way to get the news you want whenever it is updated, even if you are not on our website.

Keep in mind that the IRS uses these tools to share information with you. Do not post any confidential information on new or social media sites, especially your Social Security number. The IRS will not be able to answer personal tax or account questions through any of these services. To find links to all of IRS's social media tools, visit www.irs.gov and click on "Social Media.". You can also visit our IRS Multimedia Center.

ITG Outreach Successes

Alaska

Bethel **-** As part of their Tribal administrator training, the Association of Village Council Presidents (AVCP) invited ITG to present a half-day session on year-end filing requirements. Due to a limited IRS travel budget, ITG presenters could not travel to Bethel so a hybrid delivery of training was offered. Handouts and PowerPoint files were forwarded to AVCP. While AVCP staff was controlling the PowerPoint slides in Bethel, the ITG presenters were delivering the audio via conference call from Anchorage. The conference call format allowed interaction between Bethel and Anchorage; questions raised by the class could be answered immediately by the presenters. This delivery format was well received; however, it did have limitations; it was difficult for the ITG presenters to hear questions from the class and to gauge their level of understanding. Twelve attendees represented 8 tribal governments during this January 18th training session.

Dillingham - Meanwhile, Bristol Bay Native Association (BBNA) invited ITG to present a workshop on federal payroll tax liabilities and employee vs. independent contractor issues during BBNA's Presidents and Tribal Administrators training. ITG staff traveled to Dillingham for their presentation. Thirty attendees represented 17 tribal governments during this February 27 – 29 training.

Southwest

ITG held a Basic Employment Tax Training Workshop at the Local Governments Service Center located at Tuba City, Arizona. The training session was a success with the Southwest Group tribal customers. ITG customized the training session to meet the Western Agency's needs of the Navajo Nation Tribal Chapter Governments.

Approximately 35 individuals attended the training, and the participants gave very favorable feedback. ITG Specialists from Arizona IRS offices presented the workshop. They covered the following topics:

- Defining Employees vs. Independent Contractors
- Computing the correct taxes for payroll
- Completing Form 941, Employer's Quarterly Federal Tax Return
- Making Federal tax deposits
- Due dates on Tax Returns
- Completing Forms W-2/W-3 and 1099/1096
- Reconciling Forms 941 and W-2 at year end
- Avoiding Penalties
- Meeting rules for an Accountable Plan for Per Diem & Travel Reimbursements

(Outreach Successes continued)

Additionally, ITG's Southwest Group and the Navajo Nation Chapters worked together to develop the most productive workshops for the first quarter of 2012. ITG conducted specialized training at the University of New Mexico, Rio Rancho Campus for 100 attendees from 60 Navajo Nation Chapters. The various attendees brought their 2011 payroll records, quarterly filed Forms 941 and in some cases, a completed reconciliation of their payroll records to their Form W-2s and Form 941s. Once the attendees completed the reconciliation of the chapters' payroll records, they would enroll into the Business Services Online (BSO) with the Social Security Administration (SSA). The chapters were able to prepare and ensure the correctness of the Form W-2's to give to the chapter employees prior to furnishing the W-2's to the SSA electronically.

Western

The National Indian Gaming Association Conference in San Diego provided a great venue for ITG to present a workshop on "Tip Reporting and Tip Agreements". On April 2, Western Area ITG Specialists Mitchell Underwood and Scott Karafin focused on employer and employee tip reporting responsibilities, and tip agreements with the IRS. They discussed how to use certain methodologies to determine tip rates as well as controls casinos can establish for reporting on an "actual" basis. The workshop was well attended. We appreciate the invitation from NIGA, and as always it was a pleasure to see our contacts from various casinos and to establish new relationships with key employees representing various Tribes.

Upcoming Arizona Training Opportunities

ITG will be offering the following workshops at the IRS office located at 300 West Congress Street in Tucson: Conference Room B.

Basic Employment Tax Workshop – offered three times!

- May 23-24, 2012; 8:30 a.m. - 4:30 p.m.
- August 15-16, 2012; 8:30 a.m. - 4:30 p.m.
- October 10-11, 2012; 8:30 a.m. - 4:30 p.m.

Topics:

- Defining Employees vs. Independent Contractors
- Computing the Correct Taxes for Payroll
- Completing Form 941, *Employer's Quarterly Federal Tax Return*
- Making Federal Tax Deposits
- Due Dates on Tax Returns
- Completing Forms W-2/W-3 and 1099/1096
- Reconciling Forms 941 and W-2 at Year End
- Avoiding Penalties
- Meeting rules for an Accountable Plan for Per Diem & Travel Reimbursements
- The IRS Collection Process
- How the IRS and Social Security Administration Interact
- Introduction to the Volunteer Income Tax Assistance (VITA) Program, How to Get Involved

Advanced Payroll Topics Workshop – offered three times!

- June 5-8, 2012; 9:00 a.m. - 4:00 p.m.
- August 28-31, 2012; 9:00 a.m. - 4:00 p.m.
- October 23-26, 2012; 9:00 a.m. - 4:00 p.m.

Topics:

- Detecting Fraud
- Foreign Workers
- Fringe Benefits
- IRS Collection and Notices
- Job Training Payments/Compensation
- Loans to Tribal Members
- Money Service Businesses (MSB)
- Non-employee Honorariums & Travel Reimbursements Payroll Advances
- Accountable and Non-accountable Travel Accounts
- Reporting 401-K Contributions on the Forms 941 and W-2
- Scholarships
- Third-Party Sick Leave
- Tips & Tip Reporting

Space is limited; only 30 reservations will be accepted for each session. Please contact Tricia Miller at tricia.l.miller@irs.gov or Michelle Risk at michelle.l.risk@irs.gov for additional information or to register.

Pacific Northwest Training Opportunities

The office of Indian Tribal Governments (ITG) will be offering three workshops for our Tribal customers during May. The training location is 100 SW Main St., Portland, OR, Room 975. The dates and topics are listed below.

Basic Payroll Tax/Information Returns Workshop - May 22, 2012

Topics

- Employment Status (Employee or Independent Contractor)
- Form W-4 and Calculating Employment Tax Liabilities
- Employee Compensation and Other Employee Taxable Payments
- Employment Tax Deposits
- Preparation and Filing of Forms 941, 941x and W-2
- End of Year Reconciliation of Forms 941 and W-2
- Social Security – E verify & How to File W-2s Electronically
- Form W-9
- Preparation and Filing of Forms 945 and 1099 and Related Tax Deposits

Advanced Payroll Tax/Information Returns Workshop - May 23, 2012

Topics

- Independent Contractors Versus Employees
- Proper Reporting of Employee Related Payments:
  - 3rd Party Sick Pay
  - Fringe Benefits
  - Expense Reimbursement
- Proper Reporting for Non-employee Payments:
  - Work Experience/Training Payments
  - Scholarships
  - Expense Reimbursement
  - Foreign Workers
- TIN Matching
- IRS Exams and Information Document Requests
- IRS Collections and Notice Process

Gaming Information Return Workshop - May 24, 2012

Topics

- Required Tax Reporting for Gaming-related Payments/Activities
  - U.S. Residents - W-2Gs, Forms 1099-Misc, 1096, W-9, and 5754
  - Foreign Persons – Forms 1042, 1042-S and T, W-7, W-8BEN, and Pub. 515
- Tax Deposit Schedules
- How to Avoid Penalties and Interest
- End of Year Reconciliation of Forms 945 to W-2G and 1099-Misc and the Various 1042 Forms
- TIP Compliance – Form 8027, TRDA and GITCA Tip Agreements

For more information or to register, contact Doug Wellington at douglas.wellington@irs.gov or call 503-415-7315. Please respond by April 30, 2012.