

PETZ PRESS

Since 1974 PEI has been providing software solutions built on the balanced union of people and technology.

September 2007

IRS National Forum Drawing Winners



Jackie Pickett Las Vegas \$1000 Winner



Teresa Little - Atlanta Camera Winner



Stan Carcoile New York Camera Winner

For the fifth consecutive year, Petz Enterprises, Inc. raffled off a briefcase containing 1,000 one-dollar bills at the Las Vegas IRS Forum. This year's winner is Jackie Pickett of "Super Fast Tax Service". Drawings for a HP Digital Camera were held at the Atlanta and New York IRS Forums. Teresa Little of "The Little Tax Shop" won in Atlanta and Stan Carcoile of "M&M Tax Service" won in New York. **Congratulations to all of our winners.**

It was great being able to talk with many of our old friends and make many new ones. Thanks for stopping by our booth.

New Electronic PIN Signature Requirement

The Internal Revenue Service will simplify the signature process for electronically filed individual income tax returns submitted by tax practitioners. The simplification eliminates the need for a paper signature document to be sent to the IRS in support of electronically filed tax returns.

Beginning with the 2008 filing season, tax practitioners can e-file individual income tax returns only if the returns are signed electronically using one of two methods: either a Self-Select Personal Identification Number (PIN) or a Practitioner PIN. A Self-Select PIN allows taxpayers to electronically sign their e-filed return by selecting a five-digit PIN. A Practitioner PIN is used when a taxpayer authorizes an Electronic Return Originator (ERO) to input an electronic signature on behalf of the taxpayer. Practitioner PINs require the use of Form 8879, IRS e-file Signature Authorization, which is retained by the ERO.

"Nearly 90 percent of tax professionals already use electronic signatures to sign returns," Acting IRS Commissioner Kevin M.

Brown said. "It's the right time to take the next step toward truly paperless filing."

Out of some 55 million e-filed returns that have come from tax professionals this year, more than 49 million used the Self-Select PIN or the Practitioner PIN. Overall, more than 77 million individual tax returns have been e-filed so far this year.

The change will simplify tracking, verification and follow-up on the paper signature documents, which were required for tax returns that did not use an electronic signature.

Tax practitioners will no longer submit a paper signature for e-filed returns by using Form 8453, U.S. Individual Income Tax Declaration for an IRS e-file Return. Instead, a newly designed Form 8453 will be used to transmit supporting paper documents that are required to be submitted to the IRS with e-filed returns.

The new Form 8453 will be released later for use during the 2008 filing season.

Thinking Ahead to 2008

Reduce your loss of tax preparation fees caused by un-funded Federal returns with state bank products:

Many of our customers are not aware that the banks offer direct deposits of state refunds in which your tax preparation fees may be deducted. In the case where a federal bank product refund is not funded a state bank product may help reduce the loss of your tax preparation fees as your fees will be deducted before the state refund is deposited into the taxpayer's account. Ask your Petz Enterprises, Inc. Technical Support staff to explain how to offer state bank products.

Protect Your Identity:

To protect your identity you may use a Preparer Tax Identification Number (PTIN) instead of inserting your Social Security Number as your identification number on each tax return you prepare.

To apply for a "PTIN" from the IRS you may apply online, by mail, or by fax. The form, W-7P, Application for Preparer Tax Identification Number, along with the instructions, may be located at the IRS website: www.irs.gov

Assist Your Customers in Receiving ITINs (Individual Taxpayer Identification Numbers) Become an IRS Acceptance Agent:

According to IRS Publication 4393 (in English and Spanish), an Acceptance Agent is an individual or an entity that is authorized by the IRS to assist alien individuals and other foreign persons in obtaining Individual Taxpayer Identification Numbers from the IRS.

Becoming an IRS Acceptance Agent may add another source of revenue to your business. Some ERO's charge to assist their customers in applying for ITINs.

To apply to become an IRS Acceptance Agent see IRS Publication 4393 online at www.irs.gov.

Hurricane Relief



Victims of 2005 Hurricanes Get Additional Year to Sell Vacant Land

The Internal Revenue Service is extending for an additional year the time limit within which victims of Hurricanes Katrina, Rita and Wilma have to sell vacant land that they own and used as part of their principal residence that was destroyed as a result of the hurricanes.

Federal tax rules state that individuals have two years within which to sell the vacant land to be able to take advantage of the exclusion on gain from the sale of a principal residence.

Given that the two-year anniversary is approaching for victims of the 2005 hurricanes, the IRS has decided to provide additional time to take advantage of the exclusion. The IRS is granting relief by declaring that these victims now have three years after the destruction of their principal residence as a result of the hurricanes to sell the vacant land that they own and used as part of their principal residence.

*"There is only one success - to be able to spend your life
in your own way."*

Christopher Morley

PEI Celebrates National Root Beer Float Day



PEI kicked off the beginning of summer with a “You keep us afloat celebration” marking National Root Beer Float Day. Armed with tubs of smooth vanilla ice cream, specially brewed root beer and an abundance of frothy foam, PEI perfected an all-American classic. The root beer float is thought to have been invented by Frank J. Wisner in August of 1893. He was inspired to “float” a scoop of vanilla ice cream on top of his Myers Avenue Red

root beer from his late night glimpse of the snow on top of the blackened Cow Mountain (location of his gold claims). It was an instant hit with the children of Cripple Creek who soon shortened the convoluted name Mr. Wisner came up with to just a “Black Cow”. Mr. Wisner often remarked that if he had a nickel for every time someone ordered a Black Cow, he would have been a rich man.

Danny’s Corner

Since joining PEI in May 2007, I’ve had the opportunity to meet with several of you over the phone, during a summer training session or at one of the IRS Trade Forums. I have thoroughly enjoyed discovering the specific needs of your business and more importantly gaining insight as to how we can better serve you now and in the future. I hope to meet each of you in the coming months and identifying ways in which we can grow the partnership together. If there is ever an issue you need help resolving or if you would simply like to provide feedback on how we’re doing please contact me directly, I’d love to hear from you.

We look forward to serving you in 2008!

Sincere regards,

Danny Thomas
National Sales Manager

2007 Filing Season Statistics

	2006	2007	% Change
Individual Income Tax Returns			
Total Receipts	128,872,000	132,680,000	3.00%
Total Processed	128,491,000	132,274,000	2.90%
E-Filing Receipts:			
TOTAL	71,627,000	78,048,000	9.00%
Tax Professionals	51,523,000	55,729,000	8.20%
Self-Prepared	20,104,000	22,319,000	11.00%
Web Usage:			
Visits to IRS.gov	1,014,020,000	1,051,660,000	3.70%
Total Refunds:			
Number	97,526,000	101,699,000	4.30%
Amount	214.085 Billion	228.858 Billion	6.90%
Average Refund	\$2,195	\$2,250	2.50%
Direct Deposit Refunds:			
Number	56,023,000	60,547,000	8.10%
Amount	145.453 Billion	161.929 Billion	11.30%
Average Refund	\$2,596	\$2,674	3.00%