

Connecticut Society of CPAs

2008



## STATE TAX FORUM

October 21, 2008

The Aqua Turf Club, Plantsville, CT

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# CSCPA State Tax Forum • • •

7:30 Registration

8:00 Opening Remarks

**Duncan W. May, CPA**

**Conference Chair**

Miller, Moriarty & Company  
New Britain, CT

**Brenden Healy, CPA**

Haggett Longobardi - a division of J.H. Cohn LLP  
Glastonbury, CT

8:15 General Session 1

Legislative Update – UDITPA-SSTP

**Alan E. Lieberman, Esq.**

Shipman & Goodwin, LLP, Hartford, CT

**Stephen J. LaRosa, CPA**

PricewaterhouseCoopers, Hartford, CT

A discussion of the recent court cases, tax legislation, rulings, and other administrative pronouncements affecting Connecticut state taxation today as well as an update on national initiatives with multi-state implications such as the Uniform Division of Income for Tax Purposes Act (UDITPA) and the Streamlined Sales and Use Tax Project (SSTP).

8:55 General Session 2

Changes in Workers'

Compensation in Connecticut

**Michael Dunn, Esq.**

Smith Brothers Insurance, Glastonbury, CT

Attorney Dunn discusses administrative and judicial changes to workers' compensation in Connecticut.

9:10 General Session 3

Developments in Financial

Reporting for State Taxes – The

Latest on FIN 48, FAS 5, and IFRS

**Virginia A. Gates, CPA**

PricewaterhouseCoopers, LLP, Stamford, CT

FIN 48 implementations for uncertain state income tax positions are still fresh in our minds. Now the FASB is considering changes to accounting for contingencies under FAS 5, which could impact indirect taxes, including sales and property taxes. In addition, the move from GAAP to IFRS is just around the corner. This session discusses the state tax issues that have arisen under FIN 48, the implications of changes to FAS 5, and what IFRS means for state taxes.

9:45 Break

10:00 General Session 4

The Expansion of Nexus and  
Practical Responses

**Charles H. Lenore, Esq.**

Day Pitney, LLP, Hartford, CT

Many traditional limitations on the creation of nexus have fallen in recent years. This topic provides examples of the conduct (direct and indirect) that can create nexus and suggests practical responses when nexus is found to exist.

11:00 Concurrent Sessions

• • • concurrent session A:

New York and Massachusetts  
Business Taxation

**Russell D. Levitt, JD, LLM**

KPMG, New York, NY

**David M. Sheehan, JD**

KPMG, Boston, MA

Mr. Sheehan will address the new Massachusetts tax legislation, including unitary combined reporting, corporate tax rate reductions, and full conformity with the federal entity classification rules, as well as relevant judicial and administrative developments. Mr. Levitt will address New York developments including 2007 and 2008 state and city legislation, combined reporting, cases, and letter rulings.

• • • concurrent session B:

Challenges and Unresolved Issues  
Facing Individual Taxpayers

**Richard W. Tomeo, Esq.**

Robinson & Cole, LLP, Hartford, CT

This presentation addresses a variety of challenges and issues under the Connecticut income tax, including difficulty of changing residence from Connecticut, when will physical presence be disregarded for residency purposes, risks of multiple-state taxation of income, working with the Connecticut accrual rule for part-year residents, and sourcing of income for nonresidents, including income from stock options, deferred compensation, restricted property, and covenants not to compete.

12:00 Luncheon

12:45 Post-Luncheon Keynote

Connecticut's Film Production Tax  
Incentives

**George Norfleet**

Connecticut Council on Culture and Tourism  
Hartford, CT

Almost everyone in Connecticut is aware that Hollywood has discovered our state and taken a liking to filming here of late. Some stars have even staked out their favorite restaurants.

This influx of celebrity has not come without a simultaneous impact to the state's economy: an estimated half a billion dollars in film production company spending over the past two years. This surge in production and spending is a direct result of the tax incentive legislation that went in to effect in July of 2006.

We will take a closer look at the specifics of each of the three film tax credit programs: film production, infrastructure, and digital animation production.

We will also provide a snapshot of the performance to date of the legislation and describe the application process for those production companies wishing to take advantage of the program.

1:15 Transition

1:25 Concurrent Sessions

• • • concurrent session C:

Pass-Through Entities and  
Multi-State Issues

**John L. Evanich, Jr., CPA**

Haggett Longobardi - a division of J.H. Cohn LLP  
Glastonbury, CT

A major tax advantage to pass-through entities is that they are not normally subject to federal tax at the entity level. This tax advantage is also offered by those states, which do not impose an entity-level tax. However, this general rule cannot be relied upon; each state treats these entities and their owners differently, resulting in many various modifications to this concept of taxation.

Recent activity points to increased scrutiny of pass-through entities, and state revenue examiners are becoming increasingly more aggressive. Hot issues include allocation versus apportionment, information reporting versus composite filing, and state tax nexus. We will examine these variations in rules, and discuss some practical examples faced by tax practitioners.

•••concurrent session D:  
Connecticut Employment  
Tax Audits

**Alan E. Lieberman, Esq.**

Shipman & Goodwin LLP, Hartford, CT

**Raymond J. Casella, Esq.**

Shipman & Goodwin LLP, Hartford, CT

**John Biello**

State of Connecticut Department of Revenue  
Hartford, CT

The Connecticut Department of Revenue Services is devoting considerable audit resources to determine whether businesses are properly withholding and remitting employment-related taxes, including those related to misclassified independent contractors and nonresident workers.

This session reviews the potential liabilities that can arise from an employment tax audit, the typical procedures that will be followed as part of the audit, and how you can effectively manage and resolve an audit.

2:25 General Session 5  
Fraud/Identity Theft

**Robert Diaz**

United States Postal Service, New Haven, CT

**Joseph Bunaskavich**

United States Postal Service, New Haven, CT

Postal Inspectors Robert Diaz and Joseph Bunaskavich will talk about a case study of theirs titled "Account Selling," which was classified as the largest identity theft ring in San Diego County history at the time. They will also touch upon some lottery scams and how they affect both the old and the young.

3:25 Cookie Break

3:40 General Session 6  
Protecting Assets for the Disabled  
or Elderly: What Still Works, and  
What New Tools and New  
Programs Are Out There?

**Paul T. Czepiga, CPA, JD**

Czepiga Law Group LLC, Newington, CT

**Brendan F. Daly, JD, CELA**

Czepiga Law Group LLC, Newington, CT

Helping clients facing Medicaid issues is not easy. Congress passed rule changes in February 2006. In

May 2007, Connecticut issued interpretive regulations that turned out to be a very unpleasant surprise. Challenges have arisen to Connecticut's regulations. Several administrative Fair Hearing decisions now provide an idea of what works, what doesn't, and what might work.

"Money Follows the Person" – will this new program help? What about special programs for disabled individuals, cancer victims, and other groups – how do they work and where can you learn about them? Who is most affected by these changes?

Let's take the confusion out of the process; take a peek behind the curtain and get your questions answered by experienced attorneys.

4:40 Adjournment



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Registration Form

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**One:** ☐ Member of \_\_\_\_\_ State CPA Society (Member Fee)  
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Registration Fees

**Standard Fees**

\$260 Member  
\$335 Non-Member

**Early Bird Fees\***

\$225 Member  
\$300 Non-Member

\*Early Bird fee good through 10/6/2008.

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**Choose 2 Breakout Sessions** (one each session)

Concurrent Session 1: **A** or **B** Concurrent Session 2: **C** or **D**

Enclosed \$ \_\_\_\_\_ (Registrations received with full payment on or before October 6, 2008 qualify for the Early Bird discount.)

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2008 State Tax Forum

Express Code: STF

**Aqua Turf Club  
Plantville, CT  
October 21, 2008**

# CSCPA State Tax Forum

Tuesday, October 21, 2008 Aqua Turf Club, Plantsville, CT

## Conference Information

**Registration Fee:** See below.

**Registration:** 7:30 – 8:00 a.m.

**Conference Program:** 8:00 a.m. – 4:40 p.m.

**CPE Credit:** 8 hours

**Attire:** Casual attire recommended. Meeting room temperatures are difficult to control; please dress in layers to ensure comfort.

## Registration and Fee

Advance registration including payment is required. The fee includes materials, breaks, and lunch. Course confirmations will be sent via email.

## Registration Fees

Standard Fees	Early Bird Fees*
\$260 Member	\$225 Member
\$335 Non-Member	\$300 Non-Member

\*Early Bird fee good through 10/6/2008.

## Cancellation

Cancellations received after October 14, 2008 are subject to a \$50 cancellation fee. There will be no refunds for cancellations received after October 15, 2008.

## Location

**From Waterbury** – Traveling I-84 eastbound, take exit 28 and take a right onto Route 322. Go straight; under the second underpass, take a left at the car wash onto Old Turnpike Road. At the first stop sign, take a right onto Mulberry Street. Aqua Turf Club is located 1/2 mile down on the right.

**From Hartford** – Traveling I-84 westbound, take exit 29 (left-hand exit). At the end of the exit will be a light. Go straight onto Mulberry Street. Go approximately one mile down the road. The Aqua Turf Club will be on your right.

## CSCPA State Taxation Committee

**Lamar S. Fife, CPA, Committee Chair**

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