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Mary Girsch-Bock • Dec. 17, 2020



AICPA News is a roundup of recent announcements from the American Institute of CPAs.

### **AICPA Encourages SBA and OMB to Follow Congress' Intent and Reconsider Need for Burdensome PPP Loan Questionnaire**

In a letter sent to the Small Business Administration (SBA) and the Office of Management and Budget (OMB), the American Institute of CPAs (AICPA) reiterated that the new PPP “Loan Necessity Questionnaires” are burdensome and do not represent Congress’ intent when it established the much-needed relief program.

The [letter](#) provides a common-sense solution, stating, “rather than asking for data

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SBA Forms 3508, 3508EZ and e508S – should continue to be used in lieu of the new questionnaires.

Visit the AICPA's [Coronavirus Resource Center](#) for more up-to-date information, news and tools that help accounting professionals navigate the pandemic.

## **Marta Zaniewski Joins AICPA as Vice President for State Regulatory and Legislative Affairs**

The [American Institute of CPAs \(AICPA\)](#) announced today that Marta Zaniewski has joined the organization as vice president of state regulatory and legislative affairs.

Zaniewski serve as the AICPA's primary voice and contact on those matters, working closely with state CPA societies, state boards of accountancy, the National Association of State Boards of Accountancy, the [Alliance for Responsible Professional Licensing](#) (ARPL) and state legislative and executive branch officials.

Zaniewski previously served as the assistant vice president for advocacy and external engagement at the National Council of Architectural Registration Boards (NCARB).

Prior to making the transition to association work, Marta was a political appointee in the Bush-Cheney White House from 2004-2008. She holds her BA from the University of California in Political Science.

## **Applications Open for nearly \$1 million in AICPA Scholarships**

The [American Institute of CPAs \(AICPA\)](#) is now accepting applications for a wide range of scholarships, which are intended to strengthen the future of the profession by building a solid pipeline of promising young individuals to become CPAs.

The AICPA offers a variety of scholarships, ranging from high school students

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and who intend to continue their accounting studies at an accredited college or university.

## LEGACY SCHOLARSHIPS

The [AICPA Legacy Scholarships](#), funded by the AICPA, the AICPA Foundation, and partners, offer \$3,000 to \$10,000 per student, with more than \$700,000 in total scholarships available.

The scholarship awards that comprise the [AICPA's Legacy Scholars Program](#) are:

- [AICPA/Robert Half Student Scholarship Award](#), which provides \$10,000 to up to four undergraduate and graduate students who intend to earn their CPA.
- [American Woman's Society of CPAs \(AWSCPA\) Scholarship Award](#), which offers \$5,000 to up to four outstanding women pursuing a degree in accounting.
- [AICPA John L. Carey Scholarship Award](#), which gives \$5,000 to up to five non-accounting or business degree holders pursuing a graduate degree in accounting.
- [AICPA Scholarship Award for Minority Accounting Students](#), which offers \$3,000 to \$5,000 to approximately 90 outstanding minority students to encourage their study of accounting.
- [AICPA Foundation Two-year Transfer Scholarship Award](#), which provides \$5,000 to up to 25 students transferring from a two-year school to a four-year program to complete their accounting degree.
- [AICPA Foundation Scholarship for Future CPAs](#), which offers \$5,000 to up to 25 students interested in pursuing their CPA license after graduation.

## DOCTORAL SCHOLARSHIPS

The [Minority Doctoral Fellowship program](#) provides \$12,000 to 25 students,

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range of other scholarships available to accounting students around the country.

## **AICPA and More Than 560 National and Local Business Organizations Urge Congress to Immediately Pass PPP Expense Forgiveness Legislation**

In early December, The [American Institute of CPAs](#) (AICPA) and a coalition of more than 560 organizations representing millions of employers and American workers sent Congressional leaders a [letter](#) urging passage of legislation making it clear that expenses related to a forgiven Paycheck Protection Program (PPP) loan are tax deductible. The letter states that without legislation, there is "...the specter or a surprise tax increase of up to 37 percent on small businesses when they file their taxes for 2020."

While the Coronavirus Aid, Relief and Economic Security (CARES) Act was designed to provide relief to businesses by allowing the deductibility of expenses related to loan forgiveness, Notice 2020-32, issued by the Internal Revenue Service (IRS), directly contradicts this intent, instead transforming tax-free loan forgiveness into taxable income. AICPA has made repeated calls for Congress to fix this problem.

A [letter](#) cosigned by State CPA Societies from all 50 states and four territories as well as the AICPA has also been sent to Congressional leadership urging immediate action on this issue.

## **45% of American Taxpayers Have No Idea When They Last Updated Their Withholding: AICPA W-4 Survey**

Many American taxpayers haven't caught up with the latest changes in the redesigned W-4, which the IRS released a year ago, putting them at risk for an unexpected tax bill next April. In fact, nearly two in five (37 percent) American

taxpayers admit they aren't even familiar with the W-4. That's according to new

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## **Inaction Can Lead to an Unpleasant Tax Surprise**

There is no IRS requirement for American taxpayers to submit the new W-4, unless requesting a change to their withholding or starting a new job. When asked about their federal income tax withholding strategy, less than half of all tax-filing Americans (44 percent) said it was their goal to pay as close to the exact amount as possible.

### **I Owe How Much?!**

According to IRS 2019 tax-year [filing statistics](#) through late July 2020, the average tax bill for American taxpayers who owe money at the time of filing is \$5,527\*. Yet, two in five tax-filing Americans (39 percent) aren't confident they could pay a \$3,000 tax bill on short notice without using a credit card or borrowing money.

Whether you are going to have a bill, or a refund come Tax Day 2021— you should know now. To get an early estimate on what taxes you will owe based on your current withholding and what you earn, the IRS has a free [Tax Withholding Estimator](#). By using this tool, Americans can take their recent pay stubs and get a general idea of whether to expect a refund or plan for a bill.

### **A Tax Refund Is Good, Right?**

If you deduct more money from your paycheck throughout the year than you'll owe when filing taxes, you will likely receive a tax refund. In the past three years, 1 in 10 tax-filing Americans (11 percent) claim to have received an unusually large tax refund. Of these, over 2 in 5 (43 percent) were extremely or very surprised.

### **Tax Surprise Coming!**

There are specific people who need to review and make changes to their withholding

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issued [Statement on Standards for Attestation Engagements \(SSAE\) No. 22, Review Engagements](#), to supersede SSAE No. 18, *Attestation Standards: Clarification and Recodification*, as amended, section 210 of the same title.

In a review engagement, the practitioner obtains a limited level of assurance that the subject matter is in accordance with specified criteria. SSAE No. 22 describes the types of procedures a practitioner may perform in a review engagement and:

1. Clarifies for practitioners that the objective of a review engagement is to obtain limited assurance – as opposed to it being an exercise in performing analytical procedures and inquiries.
2. Results in more transparent reporting by requiring that the practitioner disclose, in the review report, the procedures performed in order to obtain limited assurance.
3. Allows the practitioner to issue a report containing an adverse review conclusion when the subject matter is materially and pervasively misstated.

### **More than Half of Business Executives Predict a Negative Impact on Their Companies if A New Round of Economic Stimulus Fails to Pass in Next Few Months, AICPA Survey Finds**

More than half of business executives (54 percent) say they expect some negative impact to their organizations if a renewed round of economic stimulus does not materialize by early 2021, according to the fourth-quarter [AICPA Economic Outlook Survey](#).

Most survey respondents said a lack of renewed stimulus would have a slight (28 percent) or moderate (18 percent) negative impact on their companies, although eight percent predicted it would have a significantly negative impact.

Just over a third of survey respondents (34 percent) said a stimulus package would

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months. This isn't evenly distributed, however, as the hospitality and leisure sector, for one, continues to show contraction. Some 14 percent of companies say they don't expect to get back to pre-pandemic staffing levels for several years.

Accounting

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