A Q&A with CalCPA Education Foundation President

The Profession’s Professor

Labor Law Update New Year Legislation COT Asks, FTB Answers
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With the impact of fires, COVID-19 and politics, there are plenty of regulations California employers need to be aware of this coming year. Our expert provides a comprehensive rundown of what to expect.

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Lost amidst the cacophony of seemingly never-ending plights 2020 has brought is keeping an eye on our—and others’—mental health and well-being, which is the focus of this month’s In My Opinion column from CalCPA president and CEO.

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Take Advantage of Our Resources During Tax Season

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AccountantHQ:
Manage client payroll and HR data from a single dashboard, plus access PPP reports to help with loan forgiveness applications.

Accountant Knowledge Center:
Find up-to-date resources and tax information, the online 2021 U.S. Master Tax Guide®, and financial calculators.

Listen. Learn. Share:
Gain insights from our podcast on the business impact of the 2020 elections to enhance client consultations.

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While 2020 brought COVID-19’s threat to people’s physical health and livelihoods, there is cause to be hopeful and optimistic about 2021 as the focus turns to vaccinations and recovery efforts. But there remains a significant effect of the pandemic: The toll on our mental health and well-being.

A recent global study found that most employees feel socially isolated, stressed, anxious and exhausted. While people can adapt to change, many don’t do well with uncertainty—something of which 2020 had plenty. Uncertainty affects what we do at home and in the physical or virtual office. As 2021 unfolds, I am hopeful our profession comes together for support as we each cope with the stresses of life’s new normal.

Now, perhaps more than ever, it’s vital we strive for that balance between our personal and professional selves. This is something I practice, as I find a few moments throughout the day to focus and center myself. Different things work for each of us; find what works best for you. We’re all in this together, and the accounting profession has resources (see sidebar) to help you manage the mental pressures of COVID-19.

Sometimes, during periods of high stress such as this, mental health issues also drive higher substance use rates. The Kaiser Family Foundation’s August 2020 Report, “The Implications of COVID-19 for Mental Health and Substance Use,” indicates that nearly half of U.S. adults report the pandemic has had a significant impact on their mental health and well-being. Specifically, the report highlights:

- A strong correlation between social isolation and poor mental and physical health;
- Households with children, adolescents or seniors are particularly susceptible to well-being concerns; and
- Job loss is associated with increased depression, anxiety, distress and low self-esteem, leading to higher rates of substance use.

These findings resonate with trends we see closer to home. A recent CalCPA member survey found 49 percent said maintaining a work-life balance is one of the most pressing concerns they face.

The Centers for Disease Control and Prevention found that three times as many people with professional/graduate degrees are admitting to having adverse mental health conditions in 2020 compared to 2019 due to the impact of COVID-19.

High-pressure environments, such as those found in CPA firms or corporate accounting/audit functions, can impact an employee’s mental health and well-being. This is particularly problematic as the profession moves into tax season. CPAs face additional challenges, such as advising clients or employers on staying financially afloat during this time, while simultaneously balancing work with home life.

When tax season comes to an end, many CPAs typically take a break to unwind. However, this year—like 2020—vacations or mental health getaways will not be as feasible as families continue to isolate for the time being. Fortunately, there are a number of ways CPAs can cope with the mental health challenges of COVID-19 and the looming busy season. Using guidance from the CDC:

- Know what to do if you are sick or concerned about COVID-19. Contact a health professional before you start any self-treatment for COVID-19.
- Know where and how to get support services and resources.
- Take care of your emotional health and take time to unwind, which will help you to think clearly to react to the urgent needs to protect yourself and your family.
- Take breaks from watching, reading or listening to news stories, including social media. Hearing about the pandemic continuously can easily cause anxiety.
- Stretch or meditate; eat healthy meals; exercise regularly; get plenty of sleep; and avoid excessive alcohol and drug use.
- Connect with others in your community or faith-based organizations, whether online, by phone or mail.
- Seek assistance from your organization or outside health provider.

Mental health is a critical part of our well-being. Reach out to CPAs you know and ask them how they’re coping. Engage them in a real, heartfelt conversation and share some of your challenges. These conversations are essential and build trust—the foundation of all good relationships. Throughout 2020 and looking ahead to 2021, I have experienced kindness and empathy among our members. Join me in contributing to a culture of care within our profession. How we choose to lead in moments like these define who and what we are.

Anthony Pugliese, CPA, CGMA, CITP, is Executive Editor of California CPA magazine.
The coronavirus and the increase in teleworking creates new ways for sophisticated cybercriminals to scam people out of their money or their sensitive tax and financial information.”

—Chuck Rettig, IRS commissioner & CalCPA member

FOR BETTER OR WORSE?

When CPAs firms were asked how they think the coming tax season will go, they responded:

46% Better than 2020
34% About the Same
19% Worse than 2020

CDTFA Offers Immediate Tax Relief to Small Business Owners

California business owners needing financial assistance can receive immediate tax relief from the California Department of Tax and Fee Administration (CDTFA) in the form of automatic filing extensions, interest-free payment plans or a hiring tax credit of up to $100,000 to offset income or sales and use taxes.

Taxpayers filing CDTFA returns for less than $1 million tax will automatically be granted a three-month extension on payments and returns originally due between Dec. 1–April 30, 2021. For example, fourth quarter 2020 returns and payments will now be due in April 2021. Eligible taxpayers are not required to make a request to take advantage of this extension. Find more info at cdtfa.ca.gov/news/20-15.htm.
It's important to report claims and potential claims as soon as they become known. More common situations for CPA firms generally involve tax-related claims, partly because such claims represent about 60 percent of all CPA professional liability claims, according to CAMICO statistics compiled over 34 years (1986 through 2019). Another reason for the high frequency of tax-related claims is the nature of tax seasons. CPAs sometimes are so busy they don’t properly acknowledge a potential claim as it develops. The potential claim is not reported until it becomes a claim made against the CPA, and if the policy and grace periods have expired, the damages may be denied due to the policy requirements for timely reporting not being met.

The sooner claims and potential claims are reported, the more effective an insurer can be in achieving an early resolution. Early reporting also will help assure coverage for the potential claim. CAMICO encourages the early reporting of potential claims in a variety of ways. For example:

- Reducing the deductible by 50 percent (up to $50,000) for early reporting of a potential claim during the policy period in which it becomes known;
- Absorbing legal expenses if it’s determined that it’s appropriate to retain legal counsel to assist with a potential claim situation or subpoena; and
- Helping policyholders achieve a resolution with the client.

The key is to pay attention to potential issues and to report them to your insurance carrier or agent as soon as there might be a problem.

For more, visit camico.com.
CalCPA Committees

**SHARE YOUR TALENTS, EXPERTISE**

Whatever your interests and expertise, we have a matching state or conference planning committee—and the application period to serve in 2021-22 is open through Jan. 29. Visit calcpa.org/sc-app to login and complete your application. If you don’t have an account, you will be prompted to create one.

Committee appointments will be finalized in March/April and the committee term is May 1–April 30, 2022.

**Please note:** At-large state committee membership currently carries a one-year term, so re-application is necessary for existing state committee members if you’d like to be considered for reappointment.

Also, if you will be a chapter committee chair in 2021-22, then you have an automatic seat on that committee. If you would like to continue or correspond state committee and do not need to apply for that committee. If you would like to continue or apply to other state or conference planning committees, however, please follow the steps of the application.

If you have any questions, feel free to contact calcpa@calcpa.org.

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**Announcements**

gish SEIDEN LLP promoted Jessica Sprague, CPA, MBT from senior tax manager to tax director.

**Members in the News**

The Nov. 24 *New York Times* quoted Blake Christian in an article about opportunity zones …

Lorraine Aho, CPA, CFE wrote an article for the Nov. 25 *Sonoma Index-Tribune* about frauds and scams …

A Dec. 1 *AccountingToday* article on the year ahead for the CPA profession quoted CalCPA CEO Anthony Pugliese …

The Dec. 2 *AccountingToday* quoted Mary Kay Foss about the pros and cons of preparing easy and more complex tax returns …

*AccountingToday’s* top people in accounting listing for 2020 included David Cieslak, Blake Oliver, Anthony Pugliese, Charles Retting and Geni Whitehouse …

A Dec. 4 *AccountingToday* article quoted Anthony Pugliese and Geni Whitehouse on building a legacy …

Brian Stoner discussed tax season preparations in the Dec. 8 *AccountingToday.*

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Employer Beware

New California Employment Laws for 2021

By Mark E. Terman
Among the lasting 2020 impacts of fires, politics and COVID-19, is increased regulation of California employers. More than 563 bills introduced in the last California legislative session mention “employer,” compared to about 300 bills in 2019. While most bills stalled in the Legislature, many were signed into law by Gov. Gavin Newsom, bringing more rules and risks for employers in our state, dealing with workplace safety; sick leave; workers’ compensation; diversity and discrimination; worker classification and wages; privacy; employee leaves; and settlements.

The following are elements of key state Assembly Bills (AB) and Senate Bills (SB) that became law Jan. 1 (unless otherwise noted) and affect private employers.

**COVID-19, Workplace Safety & Sick Leave**

**Employers Must Notice COVID-19 Exposures**  
**AB 685** requires employers who receive “notice of potential exposure” to COVID-19 to provide notice within one business day:

- In writing to all employees, and the employers of subcontracted employees, who were on the premises at the same worksite (i.e., specific portion of the workplace) as the “qualifying individual” within the “infectious period” that they may have been exposed to COVID-19, and to the exclusive representative (i.e., union), if any, of the employees;
- To all employees who may have been exposed and their exclusive representative, if any, with information regarding COVID-19-related benefits to which they may be entitled, including but not limited to worker’s compensation, COVID-19-related leave and paid sick leave, as well as the employer’s anti-discrimination and anti-retaliation policies; and
- To all employees, the employers of subcontracted employees and the exclusive representative, if any, of the disinfection and safety plan that the employer plans to implement and complete, per federal CDC guidelines.
The written notice will be given in the same manner the employer normally communicates employment-related information. That may include, among other means, personal service, email or text message if it can reasonably be anticipated that the employee will receive it within one business day of sending. The notice must be in both English and the language understood by the majority of the employees.

**“Notice of potential exposure”** means notification to the employer from or through:
- A public health official or licensed medical provider that an employee was exposed to a “qualifying individual” at the worksite;
- An employee, or their emergency contact, that the employee is a qualifying individual;
- The testing protocol of the employer that the employee is a qualifying individual; or
- A subcontracted employer that a qualifying individual was on the worksite of the employer receiving notification.

**“Qualifying individual”** means a person who has:
- A laboratory-confirmed case of COVID-19;
- A positive COVID-19 diagnosis from a licensed health care provider;
- Been ordered, due to COVID-19, to isolate provided by a public health official; or
- Died due to COVID-19.

**“Infectious period”** means the time a COVID-19-positive individual is infectious, as defined by the state Department of Public Health.

AB 685 also mandates that, within 48 hours of learning of a COVID-19 “outbreak” (as defined by the state Dept. of Public Health), employers notify the local public health agency of the names, number, occupation and worksite of qualifying individuals, as well as the employer’s business address and NAICS code of the worksite where the qualifying individuals worked. The employer must then continue to give notice to the local health department of any subsequent laboratory-confirmed cases of COVID-19 at the worksite.

Finally, AB 685 authorizes Cal/OSHA to shut down operations at a worksite upon its determination that a worksite or operation “exposes workers to the risk of infection” of COVID-19 constituting an “imminent hazard.”

**Supplemental Paid Sick Leave**

**AB 1867**

Effective Sept. 9, 2020, AB 1867 requires employers of 500 or more employees nationwide, and certain employers of health care providers and emergency responders, to provide COVID-19 Supplemental Paid Sick Leave (SPSL) for California employees who leave their place of residence to perform work. To be eligible, the employee must be unable to work because: the employee is subject to a federal, state or local quarantine or isolation order related to COVID-19; the employer is advised by a health care provider to self-quarantine or self-isolate due to concerns related to COVID-19; or the employee is prohibited from working by the employer due to health concerns related to the potential transmission of COVID-19.

The California Labor Commissioner issued FAQs to assist employers in SPSL administration. Topics include how much leave is available and clarity that the state’s “general stay-at-home order” is not a qualifying quarantine or isolation order. See dir.ca.gov/dlse/FAQ-for-PSL.html.

Employers also must comply with the notice and paystub requirement of the California Healthy Workplaces, Healthy Families Act of 2014 to state the amount of paid sick leave available for use on either the employee’s itemized wage statement, or in a separate writing provided along with the employee’s payment of wages.

COVID-19 SPSL must be provided until Dec. 31, 2020, the same date that the federal Families First Coronavirus Response Act (FFCRA) is set to expire. The FFCRA applies to employers with fewer than 500 employees. If the FFCRA is extended, odds are good that COVID-19 SPSL will be extended to match that of the FFCRA. Employees on SPSL while the law expires must be allowed to finish taking the amount of leave.

Separate from COVID-19, AB 1867 requires the California Department of Fair Employment and Housing (DFEH) to create a family leave mediation pilot program for employers with between five and 19 employees. The DFEH is the state agency with power to investigate, mediate and prosecute complaints by employees or former employees under the state Fair Employment and Housing Act (FEHA). If such small employer or its employee requests mediation through the DFEH dispute resolution division, no lawsuit can be filed until the mediation is complete, and the statute of limitations would be tolled for the employee to bring a civil claim. This program expires Jan. 1, 2024.

This bill amends sections 6325 and 6432 of, and adds section 6409.6 to, the Labor Code.
Workers’ Compensation & COVID-19

Effective Sept. 17, 2020, SB 1159 frames presumptions governing workers’ compensation eligibility for illness related to COVID-19 from and after March 19, 2020, the date originally established by Gov. Newsom’s Executive Order N-62-20. These presumptions can be disputed with evidence that, for example, such illness did not arise at work. There are three key elements of the bill.

First, the bill codifies (and supersedes) that Executive Order, which created presumptions that an employee’s illness related to COVID-19 is an occupational injury and therefore eligible for workers’ compensation benefits if specified criteria are met, covering all California employees who worked at a jobsite outside their home at the direction of their employer between March 19 and July 5, 2020.

Second, for cases arising on or after July 6, 2020, SB 1159 creates a presumption that any COVID-19 related illness of an employee arose out of and in the course of employment for purposes of awarding workers’ compensation benefits if criteria are met for two types of employees: certain first responder and health care employees listed in the new law; and all other employees, but only if COVID-19 exposure occurred during an “outbreak” at the specific place of employment.

A “specific place of employment” (SPOE) means, “the building, store, facility or agricultural field where an employee performs work at the employer’s direction.” SPOE “does not include the employee’s home or residence,” unless the employee provides home health care services to another individual at the employee’s home or residence.

An “outbreak” under SB 1159 is defined as any of the following occurring at a SPOE within 14 calendar days:

- If the employer has 100 employees or fewer, four employees test positive for COVID-19;
- If the employer has more than 100 employees, 4 percent of the number of employees who reported to the SPOE test positive for COVID-19; or
- The SPOE is ordered closed by public authorities due to a risk of infection with COVID-19.

This definition is different from the one that applies for AB 685 reporting purposes.

Third, employers with five or more employees, who know or reasonably should know that an employee has tested positive for COVID-19, must report to their workers’ compensation carrier in writing via electronic mail or facsimile within three business days all of the following:

- “An employee has tested positive.” That employee’s personally identifiable information must not be provided unless the employee asserts the infection is work-related or has filed a workers’ compensation claim form disclosing the infection;
- The date that the employee tests positive, which is the date the specimen was collected for testing;
- The addresses of each of the employee’s SPOE during the 14-day period preceding the date of the employee’s positive test; and
- The highest number of employees who reported to work at the employee’s SPOE in the 45-day period preceding the last day the employee worked at each SPOE.

The reporting mandate applies regardless of whether the employer believes the employee contracted COVID-19 at work.

The bill also places a retroactive reporting requirement on employers. By Oct. 17, 2020, employers were to have provided a similar written report to their workers’ compensation carrier for any positive test that occurred between July 6, 2020, and Sept. 16, 2020.

The report requirements are the same, except that the highest number of employees per relevant SPOE is for the period between July 6 and Sept. 17, 2020.

An employer—or other person acting on its behalf—who intentionally submits false or misleading information or fails to submit information when reporting can be fined up to $10,000 by the Labor Commissioner.

This bill adds Sec. 77.8 to, and repeals secs. 3212.86, 3212.87, and 3212.88 of, the Labor Code.

Diversity & Discrimination

Added Corporate Board Diversity

Passed in 2018, SB 826 was the nation’s first law mandating female membership on boards of directors. By Dec. 31, 2019, it required publicly held corporations (listed on a major U.S. stock exchange) whose executive offices are located in California (according to the corporation’s SEC 10-K form) to have at least one female director. No later than Dec. 31, 2021, the minimum number of required female directors increases to two if the corporation has five directors or to three if the corporation has six or more directors. “Female” under this bill means, “an individual who self-identifies her gender as a woman, without regard to the individual’s designated sex at birth.”

Effective Sept. 30, 2020, AB 979 expands board diversity requirements of publicly held corporations whose principal executive office is located in California. By Dec. 31, such boards must have at least one director from an under-represented community. No later than Dec. 31, 2022, the minimum number of required
directors from under-represented communities increases to two if the corporation has more than four, but fewer than nine directors, and to three directors for such boards with nine or more directors. “Director from an under-represented community” means, “an individual who self-identifies as Black, African American, Hispanic, Latino, Asian, Pacific Islander, Native American, Native Hawaiian, or Alaska Native, or who self-identifies as gay, lesbian, bisexual or transgender.”

AB 979 expands the California Secretary of State’s (SOS) obligation to publish each March 1 a corporate compliance report regarding female directors, to include directors from an underrepresented community starting March 1, 2022.

Finally, SB 979 further authorizes the SOS to impose fines for violations as follows: $100,000 for failure to timely file board member information with the Secretary of State, $100,000 for a first violation and $300,000 for a second or subsequent violation.

The bill amends Sec. 301.3 of, and adds secs. 301.4 and 2115.6 to, the Corporations Code.

Pay Data & Reporting

SB 973 requires employers with 100 or more employees to submit a pay data report to the Department of Fair Employment and Housing (DFEH) by March 31, 2021, and annually thereafter. Modeled after the federal EEO-1 Component 2 collection form, the state pay data report requires employers to collect aggregate W-2 earnings and report the number of employees in each of the 12 pay bands (spanning from $19,239 and under to $208,000 and over) for 10 broad job categories (executive or senior-level officials and managers, first or mid-level officials and managers, professionals, technicians, sales workers, administrative support workers, craft workers, operatives, laborers and helpers, and service workers) classified by race, sex and ethnicity.

Employers also must report total hours worked by each employee within a given pay band during the reporting year. Employers with multiple establishments must submit a report for each establishment as well as a consolidated report that includes all employees.

AB 979 requires publicly held corporations to have directors from an under-represented community in numbers based on board size.
The bill authorizes the DFEH to oversee the collection of pay data and to share information of alleged pay discrimination with the agency responsible for enforcing the California Equal Pay Act, the Division of Labor Standards Enforcement, to coordinate enforcement.

The bill also requires the Employment Development Department to provide the DFEH, upon its request, as specified, with the names and addresses of all businesses with 100 or more employees and authorizes the DFEH to seek an order requiring non-reporting employers to comply with SB 973.

Worker Classification & Wages
Independent Contractor Classification Labyrinth

Now infamous AB 5 (effective Jan. 1, 2020) codified and expanded applicability of the “ABC test,” established in 2018 by the California Supreme Court in the Dynamex case.

The ABC test presumptively considers all workers to be employees and forces a hiring business to bear the burden of proving each of the following criteria for proper independent contractor classification:

AB 5 also established seven groupings, covering about 50 industry-specific professions, trades and relationships, exempt from the ABC test that instead would be subject to factors articulated in 1989 by the California Supreme Court.
• The worker is free from the control and direction of the hiring entity in connection with the performance of the work, both under contract for the performance of the work and in fact.
• The worker performs work outside the usual course of the hiring entity’s business.
• The worker is customarily engaged in an independently established trade, occupation or business of the same nature as the work performed.

AB 5 also established seven groupings, covering about 50 industry-specific professions, trades and relationships, exempt from the ABC test that instead would be subject to factors articulated in 1989 by the California Supreme Court in the Borello case and in classification criteria in the statute.

Effective Sept. 4, 2020, AB 2257 retains the ABC test and modifies and adds exemptions to the ABC test. Some elements are summarized here; but, more than most bills, the devil is in the details.

AB 2257 expands the scope of exempted professionals and industries such as recording artists, songwriters, lyricists, performance artists, licensed landscape architects, real estate appraisers, home inspectors, persons who provide underwriting inspections and other services for the insurance industry, still photographers, photojournalists, videographers, photo editors, fine artists, freelance writers, translators, editors, content contributors, advisors, narrators, cartographers, producers, copy editors, illustrators and newspaper cartoonists.

“Bona fide business to business” exemption changes, include that:
• A “contracting business” can be a public agency or quasi-public corporation;
• Services can be provided directly to customers of the “business services provider” if the services are provided solely in the name of the business services provider;
• The written contract must include payment amount, any applicable rate of pay, and due date of payment;
• The business service provider’s business location may include the business service provider’s residence; and

• The business service provider can contract with other businesses to provide the same or similar services and maintains a clientele without restrictions from the hiring entity.

AB 2257 clarifies that a service provider that provides services through a referral agency may be properly classified as an independent contractor if the service provider satisfies 11 criteria which include:
• The service provider is free from the control and direction of the referral agency both as a matter of contract and in fact;
• If the work for the client is performed in a jurisdiction that requires the service provider to have a business license or business tax registration—or a professional license, permit, certification registration—the service provider must certify to the referral agency that they have the required documents;
• The service provider provides its own tools and supplies to perform the services and the service provider sets their own hours and terms of work or negotiates their hours and terms of work directly with the client;
• Without deduction by the referral agency, the service provider sets their own rates, negotiates their rates with the client through the referral agency, negotiates rates directly with the client or is free to accept or reject rates set by the client;
• The service provider is customarily engaged, or was previously engaged, in an independently established business or trade of the same nature as, or related to, the work performed for the client and the service provider is free to accept or reject clients and contracts; and
• The referral agency does not restrict the service provider from maintaining a clientele and the service provider is free to seek work elsewhere, including through a competing referral agency.

The bill adds Sec. 2775 and repeals Sec. 2750.3 of the Labor Code, and amends secs. 17020.12 and 23045.6 of—and adds secs. 18406, 21003.5 and 61001 to—the Revenue and Taxation Code (RTC).
Successor Liability for Unpaid Wages

**AB 3075** seeks to aid enforcement of liability for wage and hour law violations where multiple, changing and successor business entities may make enforcement more difficult.

It mandates that required statements of information filings with the California Secretary of State include whether any officer or director of the corporation, or member or manager of the limited liability company, “has an outstanding final judgment issued by the Division of Labor Standards Enforcement or a court of law, for which no appeal therefrom is pending, for the violation or provision of the Labor Code.”

The bill also makes a successor employer liable for any wages, damages and penalties owed to any of the predecessor employer’s former workforce pursuant to a final judgment, after the time to appeal has expired or appeal affirms the judgment. Successorship can be established by any of the following:

- Substantially the same facilities or substantially the same workforce to offer substantially the same services as the predecessor employer. This factor does not apply to employers who maintain the same workforce pursuant to the Displaces Janitor Opportunity Act (Labor Code Sec. 1060 et. seq.);
- Substantially the same owners or managers that control the labor relations as the predecessor employer;
- Employs as a managing agent any person who directly controlled the wages, hours or working conditions of the affected workforce of the predecessor employer; or

**AB 3075** seeks to aid enforcement of liability for wage and hour law violations where multiple, changing and successor business entities may make enforcement more difficult.
New California Employment Laws for 2021

AB 736

- Operates a business in the same industry and the business has an owner, partner, officer or director who is an immediate family member of any owner, partner, officer or director of the predecessor employer.

This bill amends Sec. 1205 of, and adds Sec. 200.3 to, the Labor Code and amends secs. 1502, 2217 and 17702.09 of the Corporations Code.

Learned or Artistic Professional Exemption and Adjunct Professors

Classification as “exempt” (from overtime and certain other wage and hour law rigors) most always requires satisfaction of both the duties test and the salary basis test. Professors typically satisfy the former. Payment of a salary equal to twice the state minimum wage for a full-time worker ($58,240 annually in 2021 for employers with more than 25 employees) is the common way to meet the salary basis test.

Effective Sept. 9, 2020, AB 736 confirmed an alternate salary basis test for part-time, or “adjunct,” faculty at private, nonprofit colleges and universities in California who are employed by the course or laboratory. To satisfy this test, the faculty member must be paid at least the following per classroom hour: $117 in 2021, $126 in 2021, $135 in 2022 and a percentage increase in 2023 and each year thereafter that is equal to the percentage increase to the state minimum wage. This per classroom hour calculation “encompass[es] payment for all classroom or laboratory time, preparation, grading, office hours, and other course or laboratory-related work for that course or laboratory and no separate payment shall be required. ‘Classroom hour’ means the time spent in the primary forum of the course or laboratory, regardless of whether the forum is in-person or virtual.’ ”

Employees must be compensated separately for non-course related work on behalf of the employer, which will not affect the employee’s classification as an exempt employee. Finally, when employed under a collective bargaining agreement, the faculty member must be paid pursuant to the CBA if the classification of employment in a professional capacity is expressly included in the CBA in clear and unambiguous terms.

Minimum Wage Going Up

As part of legislation signed by Gov. Brown in 2015, the state minimum wage increased on Jan. 1 to $14 per hour for employers with 26 or more employees and to
$13 per hour for employers of 25 or fewer employees. It will continue to increase annually until $15 per hour is reached by Jan. 1, 2022, for larger (26-plus employees) employers, and by Jan. 1, 2023, for smaller employers.

State minimum wage changes impact classification of most exempt workers. In addition to “duties tests” for administrative, executive and professional exemptions, a salary of at least twice the state minimum wage must be paid to meet the “salary basis test” (assuming another salary basis test does not apply). By Jan. 1, the annualized salary rate that employers with 26 or more employees must pay to meet the exempt salary requirement will advance to $58,240. Employers with smaller workforces must pay at least $54,080 as salary to meet the test.

State minimum wage increases also impact retailers who rely on the inside-sales exemption, which requires that employees be paid at least 1.5 times the state minimum wage, and at least half of their other earnings be from commissions.

Municipalities continue to create and increase their own minimum wage for companies with employees working in their jurisdiction. Employers must pay the higher of the state or local minimum wage. These local rates typically change Jan. 1 or July 1. Some are already in excess of $16 per hour. Employers should monitor the requirements to assure compliance in each municipality in which they have employees working. A good starting place is the UC Berkeley Labor Center Inventory of U.S. City and County Minimum Wage Ordinances: https://laborcenter.berkeley.edu/minimum-wage-living-wage-resources/inventory-of-us-city-and-county-minimum-wage-ordinances/.

Overtime Exemption for Some Computer Professionals
Labor Code Sec. 515.5 contains an overtime pay exemption for highly skilled computer professionals who spend more than half of their working time in top-level intellectual or creative work that requires the exercise of discretion and independent judgment, such as software engineers and programmers, and systems designers and analysts. To qualify for exemption, the employee also must be paid at least a minimum amount per hour or, alternatively, a salary equal to that hourly rate.

To qualify for Labor Code Sec. 515.5 exemption, the employee also must be paid at least a minimum amount per hour or, alternatively, a salary equal to that hourly rate. Each year, the California Department of Industrial Relations sets that pay rate based on the California CPI increase. For 2021, the minimum hourly rate of pay exemption is $47.48, the minimum monthly salary exemption is $8,242.32 and the minimum annual salary exemption is $98,907.70.
Employee Privacy

Human Resources Data Under California Consumer Privacy Act

AB 1281  Passage of both AB 1281 and Nov. 3, 2020, ballot Proposition 24 extended until Jan. 1, 2023, the exemption from employer obligations under the California Consumer Privacy Act regarding human resources personal information.  

This bill amends Civil Code Sec. 1798.145.

Leaves of Absence

California Family Rights Act Now Applies to Small Employers

SB 1383  Under SB 1383, the rewritten California Family Rights Act (CFRA) now applies to employers of five or more employees and affords eligible employees up to 12 workweeks of unpaid protected leave during any 12-month period. CFRA leave purposes are:

• To bond with a new child of the employee;
• For themselves or a child, parent, grandparent, grandchild, sibling, spouse or domestic partner; or
• To attend to a qualifying exigency related to the covered active duty or call to covered active duty of an employee’s spouse, domestic partner, child or parent in the Armed Forces of the United States.

To be eligible for leave, an employee must have at least 1,250 hours of service with the employer during the previous 12-month period and satisfy certain notice and certification requirements. SB 1283 eliminates the prior eligibility requirement that the employer employ any number of employees within a 75-mile radius of the employee’s worksite.

This bill repeals Government Code secs. 12954.6 and 12945.2, and implements a new CFRA under Sec. 12945.2.

Employee Designation of Kin Care Use

Existing “kin care” law permits an employee to use up to half of their accrued paid sick leave to attend to the illness of a family member. AB 2017 provides that when an employee uses sick leave to attend to the illness of a family member, the employee has sole discretion to designate sick leave as being for themselves or for family care.

This bill amends Labor Code Sec. 233.

Paid Family Leave Benefits in Support of Military

AB 2399 expands Paid Family Leave to include benefits paid for time off for participation in a qualifying exigency related to the active duty or call to active duty of an individual’s spouse, domestic partner, child or parent in the Armed Forces of the United States.

This bill amends secs. 3302 and 3307 of the Unemployment Insurance Code.
More Leave for Crime Victims

**AB 2992**  
California Labor Code Secs. 230 and 230.1 prohibit employers of 25 or more employees from discharging, discriminating or retaliating against an employee who is a victim of domestic violence, sexual assault or stalking, for taking time off from work to obtain or attempt to obtain relief to ensure the health, safety or welfare of the victim or victim’s child. “Relief” includes legal proceedings, medical attention and psychological counseling, domestic violence shelter and safety planning.

AB 2992 expands the scope to apply to all violent crimes and when the employee is an immediate family member of a homicide victim, even if there has been no arrest for, or prosecution or conviction of, the crime.

In addition to existing certification requirements, the bill prohibits employers from taking action against employees when an unscheduled absence occurs if employees provide certification that they were receiving services for certain injuries, or if the documentation is from a victim advocate (as defined).

This bill amends Labor Code secs. 230 and 230.1.

Settlements  
**No Rehire** Prohibited in Settlement Agreements

**AB 2143**  
Existing law prohibits provisions in settlement agreements resolving employment disputes that block the employee-claimant from obtaining future employment with the accused employer, except for two situations: a settlement agreement with an employee whom the employer determined in good faith has engaged in sexual harassment or sexual assault, and in severance or separation agreements unrelated to employment disputes. AB 2143 expands the exception to include good faith determination that the settling, former employee engaged in criminal conduct. The bill also requires that the good-faith determination must have been made and documented by the employer before the employee has filed a claim.

This bill amends Code of Civil Procedure Sec. 1002.5.

What’s Next?

Employers should consider how these new laws impact their business and workplace, and then review and update their personnel and document retention policies and practices with experienced attorneys or human resource professionals.

Mark E. Terman is a partner with Faegre Drinker Biddle & Reath LLP in the firm’s Labor and Employment Group. You can reach him at faegredrinker.com.
Chrislynn Freed, CPA

ACCOUNTANT, EDUCATOR, PRESIDENT

EDUCATION FOUNDATION PRESIDENT CONSTANTLY ADAPTING

Chrislynn Freed, CPA, a professor of clinical accounting at the USC Leventhal School of Accounting, recently took the reins as president of the CalCPA Education Foundation. Freed’s career and experience encompasses both the professional and academic facets of accounting. Prior to joining USC, she was a senior manager at an international CPA firm specializing in the hospitality and financial services industries. She’s a member of USC’s Committee on Academic Policies and Procedures, the advisory board of University of Florida’s Fisher School of Accounting and the University of Florida’s Foundation National Board.

Freed also received numerous awards during her career, including the CalCPA Outstanding Accounting Educator Award in 2013; Golden Apple Teaching Awards in 2010, 2012 and 2014; USC Mellon Award for mentoring undergraduate and graduate students in 2008 and 2009; and the USC Parents Association Teaching and Mentoring Award in 2008.

We asked Freed some questions to see what’s on tap for the Education Foundation during her time at the helm, as well as how it has—and will be—pivoting to adapt to these unprecedented times.

Q: How is work as a professor of clinical accounting at the Leventhal School of Accounting going these days?

A: Teaching online has been my greatest career change. I’m a professor that enjoys getting to know students, which is harder to do in this environment. I read everything publicly available on how to make the educational experience better for the students and ways to engage them. Placing them to different break-out rooms with assignments seems to work well. It gives them...
a chance to know their classmates and build study groups. This semester I’m going to give students the opportunity on Fridays to schedule a meeting with me so we can get to know each other. Teaching online is a work in progress and I’m always looking for ways to improve.

Q: Why did you get involved in CalCPA Education Foundation leadership?

A: It seemed like a natural next step for me. Accounting education has been my life for more than 30 years. I’ve been a member of the CalCPA Accounting Education Committee since 1998, where I served as co-chair for five years. I felt it was time to get involved with the Education Foundation. In 2015 I applied to be a trustee and over the years applied for leadership positions. I believe I can provide additional perspective to the Foundation from an educator’s point of view.

Q: What has changed at the CalCPA Education Foundation?

A: A lot has changed since 2015 when I joined the Education Foundation as a trustee. We did not have as much competition as we do today; moreover, many of our competitors are providing free CPE. We’ve gone through a change in the leadership of the organization with the retirement of past CEO Loretta Doon and Anthony Pugliese becoming CEO in May 2019. His vision for what we needed to do to re-energize our offerings and the experience he brings added new life to the Foundation. The addition of Chief Learning Officer Brad Monterio in September 2019, the changes he has made, the staff he has hired and his development of a strategy for the future has made it an exciting time to serve in a leadership position on the board.

Since March, our country has contended with a pandemic, civil unrest, natural disasters, businesses closing and rising unemployment. Yet it’s not the time to despair; it’s the time to recognize new opportunities and build the future we want. Right now, we see opportunities in how education pivoted to a distance learning model, and how restaurants pivoted to take-out or outdoor dining, and how online conference and file-sharing applications have skyrocketed in adoption and use. This is making lemonade out of lemons and is quintessential to the American, can-do spirit. The Foundation has had to rethink how it offers its conferences and programs. We’re living in a virtual world; lucky for the Foundation, it knew how to deliver virtual content.

Q: What are your goals during your term?

A: I’m focused on building a community with our faculty and establishing relationships with potential new faculty to ensure we’re committed to our goals of diversity, equity and inclusion. Our faculty are the engine that drives our success. They’re the heart and core of our offerings.

It’s also important to me to continue to enhance the member/customer experience. I want to connect more with our members in the virtual environment and be more proactive in providing new offerings that can help them not only survive, but also succeed during these trying times.

Q: What are some of the trends in the professional education world and how is CalCPA responding?

A: Virtual learning continues to dominate, and CalCPA will

My combination of practicing in public accounting for more than eight years, which included a rotation in the national office to develop firm-wide education, together with my more than 30 years as an accounting educator gives me a unique perspective of how life-long learning plays a vital role in an accounting professional’s career. It’s critical to create education that focuses on competency—not just filling the required education to maintain one’s license—and I wanted to provide that perspective. I’m a collaborative professional who works well in a leadership team environment.

Q: What is your philosophy of education?

A: It’s also important to me to continue to enhance the member/customer experience. I want to connect more with our members in the virtual environment and be more proactive in providing new offerings that can help them not only survive, but also succeed during these trying times.

Q: What are some of the trends in the professional education world and how is CalCPA responding?

A: Virtual learning continues to dominate, and CalCPA will
continue to build on its strengths in this area and continue to innovate where we can, such as in engagement capabilities and in the use of newer technologies. Other trends include:

- Self-study, shorter subject programs also will grow, and CalCPA will be offering more of its new BitLearning nano education, as well as an expanded portfolio of non-instructor-led programs as part of its e-learning collection.
- As audio interfaces increase in popularity, CalCPA looks to expand its audio and mobile audio courses.
- With a shift toward competency assessments rather than a focus on CPE credit compliance, we’ll begin the process to build out competency frameworks for our members as well as assessment tools.

Q: Any new topics being offered people can expect?

A: We’re offering a new Personal Financial Planning (PFP) conference called ADVISOR Jan. 22; it’s been several years since CalCPA offered a PFP conference. Other things to expect:

- We plan to increase PFP offerings across the board, including webcasts, seminars, on-site and self-study.
- CalCPA will offer a Fraud/Forensics Conference in spring 2021, and will be collaborating with our Forensic Services Section on additional forensic and valuation services education programs in the coming year.
- Our product development team is studying the sustainable business and reporting space and planning to offer education in this and related emerging areas like integrated reporting and environmental, social and corporate governance reporting.
- Look for more data analytics, cybersecurity and tech topics.

Q: How has nano-learning been evolving?

A: Progress was made this year with the California Board of Accountancy with respect to nano-learning—so much so that we will be focusing on a formal launch of BitLearning-branded nano-education products sometime in 2021. BitLearning will be used strategically with our other products in bundles and collections to help with drip learning and extending the learning experiences for our members/customers.

Q: What do you believe sets the Education Foundation apart?

A: Two primary things: uniqueness and quality. We have a strong in-house product development team and a stellar, nationally recognized faculty that together create unique programs that CPAs can’t buy off the shelf from the more mass-market providers. We also focus very heavily on the quality of our products to ensure that members/customers are receiving the latest, accurate information they need to perform their jobs well.

Our fast-track development platform also allows us to be timely as new topics arise, particularly related to new legislation or rules. This allows us to get to market quickly with information our members are demanding, all the while focusing on quality.

Q: How will diversity, equity and inclusion (DE&I) fit into the Education Foundation’s agenda?

A: They fit in on many levels, from ensuring we have a diverse, inclusive staff and faculty (through things like recruiting, training etc.), to ensuring the content meets DE&I best practices as best we can, to ensuring our conference planning committees are as inclusive and diverse as possible (through things like rotation, chair rotation etc.). Several staff at the Foundation are involved with the CalCPA DE&I Commission itself, so they walk the walk, not just talk the talk.

Q: What is the Education Foundation doing to innovate/compete in a crowded CPE market?

A: Staying focused on our strengths, such as uniqueness, quality, top faculty, timely content and innovation in our formats and delivery methods. We won’t compete directly with all the free CPE providers. Our education demonstrates quality and relevance which ultimately has higher value than simply the price, and our members and customers recognize our value.

Q: What are the new education needs of CalCPA members, and what is the Foundation doing to meet those needs?

A: They need greater variety in terms of length of program and format—both of which we’re expanding through offering shorter one-, two- and four-hour programs, as well as on-demand programs in our self-study portfolio.

We added mobile audio education this year, and we plan to expand on the audio category this coming year as well.

At the end of the day, members and customers want education that’s relevant to their jobs, is reliable and accurate, and gives them value; we’ve always focused on this and will continue to do so in the future. These lynchpins are like our North Star. We will not cut corners on quality, which is what sets us apart from the competition.

Q: What new learning opportunities are you offering?

A: BitLearning:
- Learning opportunities: https://learning.calcpa.org
- Mobile learning: calcpa.org/prodio
- On-site learning: calcpa.org/education/onsite-learning
- Self-study: calcpa.org/education/self-study
- Education series: calcpa.org/education/series
- CalCPA conferences: calcpa.org/conferences
- Learning opportunities: https://learning.calcpa.org

We have lots more info on the topics discussed in this Q&A. Here are a few webpages to check out:

Want more?

For reprints please contact the Publisher.
FTB Q&A
Committee on Taxation Liaison Meeting Recap

While COVID-19 has affected FTB operations, the FTB has endeavored to maintain a high level of customer service and taxpayer representative responsiveness.

Q: How is the FTB going to respond to residency and nexus issues as they relate to COVID-19? With shelter-in-place and stay-at-home orders commonplace, and with more people working remotely than ever before, will there be special relief or rules provided by the FTB to address these issues?

A: At this time the FTB has not provided any specific guidance or relief related to how COVID-19 would impact the analysis of residency under California Revenue and Taxation Code (CRTC) secs. 17014 and 17016, if at all; however, both CRTC Sec. 17014 and 17016 are written to allow circumstances such as COVID-19 to factor in the overall determination of residency.

Under CRTC Sec. 17014(a), a California “resident” includes: every individual who is in this state for other than a temporary or transitory purpose and domiciled in this state who is outside the state for a temporary or transitory purpose. On the other hand, CRTC Sec. 17016 establishes a statutory presumption if an individual spends in the aggregate more than nine months of the taxable year within California. But this presumption may be overcome if an individual is able to show that his presence in California is for a temporary or transitory purpose.

As such, whether or not an individual is a resident of California balances on whether the individual is inside [or outside California under CRTC Sec. 17014(a)(2)] for a temporary or transitory purpose. For the most part, determining what is (and what is not) temporary or transitory involves analyzing the connections an individual maintains within and without California.

The FTB and, through precedent, the courts, the Board of Equalization and now the Office of Tax Appeal, have identified (and will continue to identify) factors—including physical presence, family abode and ownership of real property—which are relevant in determining whether an individual maintained close connections with California and thus is enjoying the benefits and protections of California’s laws and government. Consistent with this approach, an individual’s COVID-19 experience will be an additional factor to consider.

And as the facts and circumstances relating to an individual’s COVID-19 experience will likely differ from the COVID-19 experience of others, the weight given to this factor in the overall residency analysis may vary from individual to individual. This being said, the following may be relevant: When the individual entered California, whether the individual remained in California after the COVID-19 period (and if so, how long), whether the individual provided COVID-19-related services in California and whether the individual cared for an at-risk family member or friend.

Corporations that had no previous connection to California will not be treated as being actively engaged in a transaction for the purposes of financial or pecuniary gain or profit in California if their only connection to California is the presence of an employee who is currently teleworking in California due to Executive Order N-33-20. Furthermore, such an employee will not be counted when calculating the minimum payroll threshold at RTC 23101(b)(4).

As many of you know, the FTB also has published COVID-19-related nexus issues in a FAQ on our website that may be a good additional tool. For more details, view the FTB’s COVID-19 FAQ in the Teleworking and the “stay-at-home” order section of the FTB website.

Q: The COVID-19 emergency has required FTB and taxpayers to change their procedures in many ways. For example, many things are moving to being done electronically as opposed to in-person or on paper. How has the COVID-19 emergency changed the longer-term plans on moving more to electronic methods by FTB? Did the COVID-19 emergency change the longer-term plans on moving more to electronic methods by FTB? During the COVID-19 emergency, the FTB allowed more documents to be signed electronically instead of signed by pen on paper copy of the document. How has this worked for the FTB? Is the FTB looking to allow continued electronic signing of documents and, if so, what documents?

A: As a result of the COVID-19 pandemic,
the FTB originally advised taxpayers and their representatives that we would not require original signatures on returns and other documents filed with the FTB through July 15. For paper returns, the FTB provided two electronic signature options and several other electronic signature options for other documents filed with FTB, including uploading a document with a signature into MyFTB. These options do not apply to powers of attorney, which still require an original signature. The FTB also provided several electronic signature options for filing statute of limitation waivers.

All of these electronic signature options for returns and other documents filed with FTB, including the statute of limitations waivers, were available through Dec. 31. To date, we have not had any discussions about extending these options beyond Dec. 31. We will continue to monitor the situation and communicate any changes, as necessary.

The FTB also is holding virtual audits and protest hearings and participating in virtual oral arguments before the Office of Tax Appeals. We do not have an estimate of when the FTB will conduct in-person audits or protest hearings, or an estimate of when the OTA will commence in-person hearings.

Q: With COVID-19, there will be a significant increase in the number of taxpayers requesting assistance from the Taxpayer Rights Advocate. What are the staffing levels, and what are the projected staffing levels?

A: The Taxpayers’ Rights Advocate’s Office (TRAO) and the FTB’s Executive Services Section (ESS) both assist taxpayers and tax professionals when they are unable to resolve a problem through normal channels. TRAO has three case resolution specialists and two technical assistants for this purpose, while ESS has 14 senior compliance representatives performing similar functions. There are no anticipated changes to these staffing levels at this time.

Additionally, when appropriate, both TRAO and ESS also may refer taxpayers and tax professionals to our contact centers or other FTB business areas as part of the problem resolution process.

While COVID-19 has affected FTB operations, the FTB has endeavored to maintain a high level of customer service and taxpayer representative responsiveness. Many FTB employees are working from home but staff needed for processing mail has remained onsite, working with PPE and adhering to social distancing guidelines. The FTB has asked the practitioner community to remain patient as we all adjust to our new work environments.

Gina L. DeRosa, CPA, CFP is the owner/operator of her own firm and chair of the CalCPA Committee on Taxation State Subcommittee. You can reach her at gina@derosa-cpa.com.
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[calcpa.org/advocacy]
Traditionally, the January/February issue of California CPA outlines the year of advocacy ahead. However, if 2020 taught us anything, it's to expect the unexpected. Even the most attentive experts could not have foreseen the disruption the global pandemic caused. Nevertheless, we attempt to assess what we do know and provide our best insights of what policy issues we see for the year ahead. Moreover, when the inevitable unexpected happens, we will have the advocacy and grassroots infrastructure in place to quickly adjust and respond on behalf of the CPA profession.

Here are some of the major issues we expect to be working on for 2021.

Mitigation of COVID-19 & Budget Crunch
The California Legislature convened Dec. 7 to start the 2021-22 legislative session and the continuing impacts of the COVID crisis were front and center. The Assembly convened down the street in a large basketball arena and the Senate had a handful of senators participating virtually from their homes. Despite the logistical challenges of legislatively around health and safety protocols, starting Jan. 4 the Legislature will begin its legislative duties in earnest.

They will be introducing legislative proposals through Feb. 19 and legislative policy committees will begin vetting and acting on legislation shortly after. COVID-19-related legislation is expected to be priority. Support for health systems, economic relief, adjustments to labor laws and strengthened social services are all expected to be top issues considered.

In addition to legislative proposals, the Legislature also will get a look at Gov. Newsom's 2021-22 budget proposal, which is the first major marker of the governor's policy priorities for the coming year. An important context for budget discussions is the state’s financial position. In November, the Legislative Analyst's Office (LAO) projected that the state could see $26 billion in one-time surplus funds. While it's difficult to pinpoint what exactly lead to the surplus, the LAO outlined several factors that may have contributed, namely tax revenues being stronger than projected and utilization of social services being less than projected.

However, the surplus is projected to be quickly replaced by a structural operating deficit of $17 billion by 2024. Much of the spending is entrenched into the state budget and is unlikely to be rolled back by the current legislative leadership and administration. Further, with a growing need for COVID mitigation efforts and economic relief, it’s likely there will be growing pressure to increase spending programs and new sources of tax revenue. Expect to see a serious discussion of new taxes, including reintroductions of wealth tax proposals, higher income taxes and even the possibility of an expansion of the sales tax to services.

Adjusting to Changing National Policies
With a new president and Congress being sworn in and the likelihood of additional broad-based stimulus packages, we expect to see a number of federal policy changes that may require subsequent state actions.

For example, if a Biden administration is able to work with Congress on a new tax plan, it’s likely to require some conformity considerations for California taxes. Additionally, changes to the Paycheck Protection Plan or a similar economic stimulus effort may further require considerations of California policies.

Here’s to a great year of advocacy.

Licensing
Getting individuals into the workforce will be a key priority for a post-COVID recovery. Often, well-intentioned policy proposals designed to get individuals licensed and working quickly actually erode long-established licensing models that balance consumer protection with a defined pathway to a profession. A seemingly minor change in a requirement for licensure can have significant ripple effects that can put consumers at risk.

As you well know, the services provided by CPAs to consumers, businesses and governmental entities are critical to the state’s economic well-being and integral to creating trust in our financial systems. One misstep can open consumers to significant harm.

The proficiency CPAs achieve through education, testing, experience, ethics and, ultimately, licensure through a responsibly developed licensing model is central to why the public can rely on CPAs and their services.

We expect to continue to educate policy leaders and the public about the importance of a responsible licensing framework and, if appropriate, pursue policies that work within the framework rather than erode it.

Whatever’s in store for us in 2021, the strength of CalCPA’s relationships, technical expertise and perseverance will position us well to tackle the most daunting challenges.

Here’s to a great year of advocacy. 🎉

Jason Fox is CalCPA’s vice president of government relations. You can reach him at jason.fox@calcpa.org.
We may have missed the best deals during Black Friday, but there’s still time before tax season to pick up the required technology you will need to make this a smoother tax season. With 2020 in the past, it’s time to focus on how to brighten up the days in a socially distant world with the best efficiency tools out there.

The last nine months have been rough working with limited social interaction. So here are the tech needs that you need to make your tax season rock!

**AirPods:** Working from home, I have become highly dependent on my iPhone. In the past, I would put myself on speaker phone if I didn’t want to have my phone next to my ear. I was reluctant to buy the AirPods as I’m not a fan of headphones to begin with and I always felt that my ears were never made for the buds. I was wrong! The airpods are a game changer. While working from home with my kids in the background I can clearly hear the person I am speaking with and the person I’m speaking with doesn’t even notice the background (aka kids’) noise. Amazing!

**Balance Ball Chair:** This one is not very techy, but definitely home-office related. When I moved my office back to my house I had a really uncomfortable kitchen chair as my 10-hour a day seating arrangement. I quickly moved to an office chair, but then I saw how much fun my kids were having in their balance ball chair. I like to call it the bouncing ball chair. They bounced and moved all around. I’ve never been one for sitting still, so I purchased one for my home office and won’t look back! It’s comfortable, conforming and flexible.

**Alexa:** OK, so it just may be a glorified timer in our house and office, but that was enough to sell me on how useful Alexa is. It comes in handy when I just want to listen to some music, broadcast to others in the house that I’m almost done with work or ask that it change the temperature in the house—these are all small tasks that in the past would bog me down. Now, they are completed with a nice, “Alexa, will you …?” Oh, I forgot: Alexa also reminds you to take a break every so often. We forget about our mental health sometimes, and Alexa comes in, right in the nick of time!

**Wireless charger:** If you notice a trend in this article it’s that I don’t like being tied down to anything. That includes my phone. Why should I have to plug my phone in (ever) to be charged, when I can just set it down on a pad to charge? In the past I would constantly lose a charge because of this. And then I’m on the phone and … dead battery! The solution? A wireless charger. You will wonder how you ever lived without one (bonus points if it charges your AirPods).

**Phone stand:** Again, maybe not super techy, but definitely something to consider for the home office. Sometimes our three screens in front of us aren’t enough and we need a fourth screen to step in: your phone. But then it’s lying flat on your desk and it just doesn’t work right. Insert a phone stand. For those days you need that fourth screen, you’ll be happy it’s there. Check out the GoDonut stand; it works great and builds up a daily appetite!

**Personal UV light:** OK, so I don’t go into the office, but if you do, how do you live without this? Whether or not people are coming close to your desk, your colleagues are breathing the same air and touching common surfaces. I’m sure you are sanitizing and mask wearing, but you should also add the UV light to kill all remaining bacteria. Because, really, who has time to get sick this tax season?

**New Year, New Office**

A Smattering of Tech to Consider for 2021

Best of luck this tax season!

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Adam Blitz, CPA is the founder of Streamline CPAs. You can reach him at adam@streamlinecpas.com.
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**FEATURED EVENTS**

**Jan. 21** (7:30–8:30 a.m.)
Sacramento Chapter
**Who Will Inherit Your IRA? Kids, IRS, Someone Else?**
[calcpa.org/SACIRA](http://calcpa.org/SACIRA)

Edward W. Cotney will share how to bring back the Inherited IRA Stretch Option as a powerful tax and wealth transfer planning strategy to benefit the IRA owner and their heirs. You will learn how to identify strategic planning options using Chapter 17 of his book, "Tax Secrets Made Simple". Chapter 17 will be provided in PDF, along with a case study and supporting accounting conclusions.

**Feb. 18** (1–1:45 p.m.)
**Conversation and Coffee with CalCPA**
[calcpa.org/Coffee](http://calcpa.org/Coffee)

Conversation and Coffee with CalCPA is a Zoom call with members in a small forum. You will discuss worries, share best practices and engage with local industry experts. There will be subsequent meetings with various experts to help answer questions that are at the front of the minds of our members. Join us for an informal discussion with CalCPA staff and your fellow members. There is a limit of 25 members per session. And, best of all, registration is complimentary for CalCPA members.

Keep checking [CalCPA.org/VirtualPersonalDev](http://calCPA.org/VirtualPersonalDev) to see our latest personal development programs and [calcpa.org/chapterevents](http://calcpa.org/chapterevents) for all of our virtual chapter events.
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- **Virtual Event Sponsorships:** Support a CalCPA conference, webcast or chapter event to position your brand and engage with highly qualified registrants — or create your own event with us with your targeted content.
- **CalCPA Knowledge Hub:** CalCPA’s new Knowledge Hub syndicates content to a highly-engaged audience who become the source of high-quality, intent-based, 100% exclusive leads.
- **CalCPA Custom Media Solutions:** From video vignettes to virtual roundtables and executive interviews, we’ll help you build a custom media platform to generate quality leads, increase revenue, and bring visibility to your brand story.
- **CPA Job Board:** The ultimate resource to find your next hire.
Exercise Your Leadership Muscles

SERVE ON A COMMITTEE

SPEAK AT A CONFERENCE

TEACH A COURSE

ADVOCATE FOR THE PROFESSION IN SACRAMENTO

We are driven to make our members better at what they do. We can help you flex your leadership skills regularly.

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