Could You Be Next?

Upgrade Your Biz Tech      Excel/LET

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With so many voices in the world, make sure yours is heard.

Along with our members, CalCPA is THE VOICE of the public policy and self-regulatory interests of the CPA in California.
Learn about different ways we’re speaking up on your behalf.

calcpa.org/advocacy
Tech Happens

And it’s also woven through this issue of California CPA. We’ve invited some of our tech expert members to write about how tech has affected their work and offer you guidance about putting these tools to work.

You’ll read about what you can do to reduce the likelihood of becoming a ransomware victim, learn one of the latest features of Excel and, as we emerge into our post-pandemic world, how tech is even more weaving its way into business practices.

This adoption and evolution of tech is something we’re implementing at CalCPA, as well. “Reimagine & Transform Our Organization” is one facet of our strategic plan, which means we’re eyeing tech advancements and new ways of doing things. The reasons for this are what you might imagine and have likely heard—maybe even used to sell new technology to your respective staff: Increased efficiency, differentiate ourselves from others, position us for future growth, etc.

As a marketer and communicator, I like to skip all that formal language and see it more from the member and customer point of view.

Our efforts in this area mean, among other things, developing learning opportunities that you can take when you want, where you want and how you want; better providing you with information and resources to move your career, firm, organization and clients forward; and new ways to meet and greet members statewide.

One piece related to that latter benefit is something we’re excited to introduce.

It’s a place where you can talk with other CalCPA members from the comfort of your home or office. Where members can share ideas, best practices and other relevant info with each other.

In other words, a place where you can connect. Which is what we’re calling our newest member benefit.

Our goal with Connect is to create online interest groups where members can engage with each other, build meaningful community and share information to help each other.

You’ll find relevant articles, events and learning opportunities, CalCPA updates and other need-to-know info to help you make the most of your membership and career.

But wait, there’s more! You are able—and encouraged—to determine what that information looks like by commenting on and posting articles, starting and participating in discussions, and private messaging other Connect members.

All of our Connect communities—currently 14 chapters and three related to state committees (Government Relations, Personal Financial Planning and Management of an Accounting Practice)—are open to any CalCPA member. That means even if your preferred chapter is Los Angeles, but you’re curious about what’s going on with our Inland Empire Chapter, you can join that Connect community.

Or, if you have an interest in personal financial planning, feel free to join our Personal Financial Planning Connect.

And you can join as many Connect communities as you like.

To get started, visit our Connect homepage—community.calcpa.org—and login with the same credentials you’ve been using to log into calcpa.org.

Once you’re in, you’ll find a handy how-to in the Documents section of any Connect community you join.

Happy connecting! 

Aldo Maragoni is CalCPA’s associate director of communications. You can reach him at aldo.maragoni@calcpa.org.
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“As good as it may feel to have taxes behind you, the information that you’ve just gathered is an up-to-date roadmap of your financial life right in front of you. Don’t simply file and forget your tax return. Use it as a tool to help you in developing a plan that will put you on the path to reach your financial goals.”
—Gregory J. Anton, CPA, CGMA, chair, AICPA National CPA Financial Literacy Commission

85%
The number of finance execs who are increasing investments in environmental, social and corporate governance reporting systems.
—Hanover Research

1 in 4
The number of consumers interested in travel credit cards.
—WalletHub

20%
The number of execs at privately held organizations who feel unprepared to comply with FASB’s lease accounting standard.
—Deloitte

8M
The number of individual tax returns and transactions that remained to be processed by the IRS at the end of 2020.
—TIGTA

26%
The number of IT leaders who said a severe data loss came from an employee sharing data via email by mistake.
—Egress

$58,508
The average starting salary for new accounting grads.
—National Association of Colleges and Employers

on the minds of Gen Z

A survey of 18-25-year-olds cited the following when it comes to the workplace and their careers:

- 64% expect to have multiple careers across multiple disciplines in the future.
- 58% cited job security as a chief concern as they begin their careers.
- 57% expect to change roles within two years.
- 48% consider work-life balance to be a key factor in their employment.
- 47% believe a broad range of skills is the key attraction factor for accountancy.

—Association of Chartered Certified Accountants & International Federation of Accountants

It’s Back! CalCPA Leadership Institute

Let’s talk leadership development.
Do you know your leadership style? Can you identify different forms of leadership? What are the best ways to manage people and navigate change?

That’s just a sampling of what you’ll learn as a CalCPA Leadership Institute participant. This five-day program is open to all CalCPA members looking to grow as business and volunteer leaders and enhance their leadership and management skills.

Applications—accepted through Aug. 31—and more details are available at calcpa.org/leadership/be-a-leader-in-calcpa/calcpa-leadership-institute.
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High Marks

Congratulations to Jessica Lam for earning CalCPA’s 2020-21 John F. Forbes Award for achieving the highest score in California on the Uniform CPA Examination in 2020.

Lam earned a bachelor’s degree in accounting and finance from CSU Long Beach and works at Deloitte LLP in Los Angeles.

Lam also is among 11 California winners of the AICPA 2020 Elijah Watt Sells Award. To qualify for the award, CPA candidates must obtain a cumulative average score above 95.50 across all four sections of the Exam, pass all four sections on their first attempt and have completed testing in 2020.

Congratulations to all the award winners: Tien Hsieh, Jocelyn Lee and Dominique Van Howe (all CalCPA members); and Priya Baskaran, Richard Bhatia, Simranpreet Kaur, Ying Lin, Yubo She, Anna Wrebiak and Dalu Zhao.

Questions Regarding AB 80

The FTB understands there are many questions about AB 80, Taxation: Coronavirus Aid, Relief, and Economic Security Act: Federal Consolidated Appropriations Act, 2021 which was approved by the governor and chaptered into law on April 29, 2021. California conforms, with certain modifications, to federal law with respect to the tax treatment of Paycheck Protection Program (PPP) loans and Economic Injury Disaster Loan (EIDL) advance grants under the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the Consolidated Appropriations Act of 2021.

At this time, the FTB does not plan to change any tax forms. It will be updating instructions for 2020 taxable year booklets in light of this new law. If necessary, a taxpayer may file an amended tax or information return using normal procedures. Otherwise, if a taxpayer makes an election under Rev. Proc. 2021-20 for federal purposes, California will follow the federal treatment for California tax purposes.

The FTB also will not be updating instructions for 2019 taxable year booklets because this issue only impacts a very small volume of fiscal year filers. For the 2019 taxable year, please follow similar instructions as the 2020 taxable year, as applicable. Rev. Proc. 2021-20 does not apply to the 2019 taxable year.

Find more details at ftb.ca.gov/about-ftb/newsroom/tax-news/june-2021/questions-regarding-ab-80.html.
And the Award Goes to …

CalCPA member Mickey Segal, CPA is the winner of the 2021 Lifetime Achievement in Accounting for Entertainment Award, which was presented at the CalCPA Entertainment Industry Conference in June.

Segal, founding and managing partner of NKSFB, LLC, has more than 40 years of experience in accounting, tax and business management services and has been recognized as one of the entertainment industry’s top business managers by The Hollywood Reporter, Variety and Billboard.

A graduate of Cal Poly Pomona, Segal was inducted into the school’s Accounting Hall of Fame and received the Distinguished Alumni Award from the university’s business school in 1997.

NKSFB works alongside the world’s top music, film and television artists, as well as athletes, executives and entrepreneurs, and Nigro Karlin Segal and Feldstein, LLP, an affiliate of NKSFB, LLC, is one of LA’s largest accounting firms dedicated to the entertainment industry.
ANNOUNCEMENTS
Baker Tilly US, LLP appointed Thomas Bennett managing partner of its Orange County and San Diego markets … Price Paige & Company promoted of Josh Giosa, CPA to partner, audit principal.

FIRM NEWS
Armanino and Brown Smith Wallace have merged.

MEMBERS IN THE NEWS
The November 2020 Tax Adviser featured a November 1970 article by Stuart R. Josephs titled “TRA Provisions Affecting Restricted and Deferred Compensation” … The Sacramento Business Journal quoted John Schultz in an April 27 article on how California will tax proceeds from PPP loans … YahooFinance interviewed Rob Seltzer May 4 about the implications of how Biden’s potential capital gains tax changes could impact taxpayers … WDRB quoted Scott Hoppe in an article about taxes and small businesses … Articles in Accounting Today (May 10) and Thompson Reuters (May 25) on mental health quoted Amber Setter … CBS Bay Area quoted Francis Custodio in a May 16 feature on Filipino-themed home movie … A May 21 MSN article on teen investing accounts quoted Dan Herron … AccountingWeb published an article May 25 by Geni Whitehouse on what defines an awesome client experience … AccountingToday quoted Larry Pon in a May 28 article on building client pipelines … A June 1 Financial Advisor article on how tax preparers can get referrals quoted Peter DeGregori … TheStreet quoted Mary Kay Foss and Scott Hoppe in a June 1 article on what someone needs to do if they don’t want to be considered a California resident for tax purposes … A June 1 Tax Adviser article on future-proofing a tax practice quoted Johanna Sweaney Salt … The Economic Times quoted Dan Herron in a June 2 article on ways to become financially secure … MarketWatch quoted Rob Seltzer and Janet Krochma in a June 2 article on retirement planning … AccountingToday quoted Chuck Rettig in June 9 article about IRS authority to get cybercurrency data … A June 9 AccountingToday article on tax pros considering retirement quoted Larry Pon … CNBC quoted Dan Herron in a June 10 article on life insurance.

Documenting Advice & Decisions
Follow up all significant client meetings or discussions with documentation and to ensure that both you and the client are proceeding with the same expectations and assumptions. Obtain written consent before taking significant action on behalf of the client, such as making corporate elections, estate tax planning or calculating tax extensions.

All significant client meetings should be documented with a written description of the subjects discussed at the meeting. This will help ensure that both you and the client are proceeding with the same expectations and assumptions.

- “Informed consent” letters should be used in certain situations, such as S corp elections or estate tax planning. The letters help clarify that the CPA advised and informed the client, and the client agreed with the advice. Without this letter, it is easier for claimants to make it appear that the CPA made the decisions on behalf of the client. The letter will help prevent the client from successfully asserting later that your firm is responsible for unexpected events and for less-than-optimal results.

- Tax extension payments: Written confirmation should be obtained for the amounts used for calculations, such as those used with tax extension payments. The client can review the information and change any of it that is incorrect. The client can also send the data via email or fax, which becomes part of the records, support and documentation—always critical in the event of a dispute.

For more, visit camico.com.
As a global population, most of us never expected a worldwide pandemic in our lifetime. We’ve had a number of outbreaks over the years, but nothing that tipped our world like COVID-19. The last big shake-up was the 2008-09 financial recession. COVID-19 presented a health fright and financial challenges. It surely got our attention. With the pandemic and the recession, “can’t happen here!” was the dismissal heard beforehand … but it did happen.

Running our firms and our businesses, we gamble in many ways:

- The bank will hold with us.
- Our managing partner to-be is, of course, going to stay.
- Our best client, who represents 30 percent of our revenue, will never leave us.

These and other challenges happen all the time—some small, some large.

**Planning for Success(ion)**

After years of building and rebuilding all types of businesses, including CPA and other professional services firms, the one underlying process that stands out for success is a respect for and an active program that mitigates risk. It’s true that success comes from a good team, a great product or service, an expansive market and more. Watch businesses as they grow and you realize success comes with navigating around, over or through bumps and craters.

In our eagerness to be more successful, grow rapidly, beat the competition or meet exceptional goals we’ve set, we often let go of some solid ground rules about establishing foundations for success. We all know about insurance, performing operational audits, screening our new talent and building a board of advisers. These are a few solid activities that should not be forgotten.

Diving deeper than that, there are two essential, long-term preoccupations in the CPA firm world today:

- Recruiting, hiring and retaining team members; and
- Succession/exit planning.

An expanded succession planning approach is one of the key processes that will address other important firm activities, such as culture and growth. Without a well-developed, sustainable talent base, you can’t take on new clients or successfully transition senior management and other critical team members.

Let’s define succession planning from a business perspective, not an exit planning promise or necessity: A process of planning for smooth continuation and success of business operations that is important for orderly transition of management, ownership, and other senior or supervisory and managerial stakeholders to manage normal transitions or unforeseen situations such as death or disability of key persons within the organization.

Included is the ability to deal with crises and challenges of all sorts that may materially impact well-being of the business and its members.

As described, it’s a structural interface, a web-like foundation, which can successfully touch all areas of the business. Succession links the past to the present and the needs for a successful future.

Today, succession is generally tied to exit planning mostly from an owner retirement and transition of responsibilities. When we talk about it, the knee-jerk reaction is still mostly how owners are going to transition successfully. With the definition above, succession is not just an owner transition; it’s about all team members coming and going.

Lack of succession planning impacts the proper exiting process of an owner and the operational integrity, cultural development and profitability for the firm for many years before anyone retires and after. Then, challenges present themselves that surprise us, like a pandemic.
No Succession Planning without Risk Management
The need for risk management and succession is everywhere. COVID-19 put everyone and every business on high alert as to the world of continuous change. Though we are happy to be coming back to what could be considered normal—it isn’t. And it won’t be. Much is changed and, in many cases, it can’t be or shouldn’t be resurrected.

We need to understand that change is ever-present; change will be the new normal, as it had been this last year and a half. Our business models will have to become about change and adaptation. We need to be more focused on our business models and how to grow with them and make changes, while managing risk to increase chances of success.

And keep in mind succession planning is not just about finding the right people; you also have to ask the question: “Right for what?” When it comes to finding new leadership, ask the questions: What criteria are we about when selecting our leadership? Are we picking the most likely candidate from the pack or making sure we have the right person for the right job?

Moreover, succession is about change. Not just change of personnel, but change that comes from introducing people to the business or firm with new ideas and new ways to look at the future.

The risk management perspective here is two-fold.
• First, make sure that new ideas and enthusiasm are tapped into.
• Second, be sure the culture that you have been developing is not compromised by influences, though new and interesting, that can skew core values and philosophies.

At the same time, change that advances new ways of thinking of how the business should be evolving should not be marginalized to keep cherished unwritten rules in place because they have always been there. Change is a dynamic balance of old and new plus possibilities.

Consider the below as what we can begin to do now to bolster succession and risk management activities to help us be safer and more successful.

Talent Development & Technological Effectiveness
Two challenges that firms experienced in their conversion to a remote processing mode included:
1. They were not prepared for the technological challenges of remote processing; many were working toward it but, when COVID-19 hit, they had to play catch up, and quickly—many vowing that won’t happen again.
2. Communication in a remote mode is much different than in-person. Leaders and managers found that not being in the presence with team members or with clients could diminish collaboration; plus, productivity was down and rework/frustration was up. In a world where we communicated mostly digitally, instead of face-to-face, new ways were needed to train and manage people while working toward beefing up culture. Firms tried different avenues and actions to determine what would work best. It was a time of catch-up and change-up as new challenges arrived almost daily.

When it comes to talent development, Peter Fontaine, whom I quoted in “Succession’s Speed” (California CPA, July 2020, Page 7), says it perfectly: “It’s clear that what clients expect from their accountants will be elevated. Clients will be asking whether their accountants are equipped to respond to and fully support urgent business needs.”

Here, it’s clearly represented that succession is not just replacement of talent but also enhancement of talent and their capabilities at the same time, thus raising the value proposition of the whole firm.

Tap into the Natural Growth/Improvement Process
Each business goes through various stages of developing and shifting of its business model. For small- or medium-sized firms, the most dramatic change occurs between what is called the “entrepreneurial” (one leader/creator) and the “professionalized operations” (team members running various areas of the business).

As we navigate these and other major shifts, a crisis will occur—a natural occurrence, not something that is wrong, even though it might seem that way. Mistakes and course correction are essential for changing and evolving business. These so-called mistakes are not always indicators that something is wrong, as many of them are key to successful change.

Let’s consider a simple example. When a baby is at the crawling stage and wants to begin to walk, what does it often do? It falls down. The same thing goes for a business as it grows. As owners/managers, we are all going to fall down until we walk, then run.

In most businesses, one of the most common challenges is that a number of people are in positions where they don’t belong—their skill base does not meet the needs of the positions. But, at the time the position was created, that person might have been the most appropriate to help and also move the firm forward. Make sure you’re paying attention to how the firm is evolving and changing and, most of all, resist seeing things as a problem—maybe they are opportunities or are part of the learning process. What first might seem a problem could be the first steps for growth and success.

Creating & Maintaining Your Brand
This is essential for both succession and risk management to help your business/firm grow. If Fontaine is correct, clients will be looking to their accountants for unusual and critical support. For clients to reach out to you, they need you to be top of mind for that kind of service and support. Team members need to be able to react to client inquiries in a way that allows the client to know that, even though the team member is not an expert in what is being requested, there is someone in the firm who is. The team member should be able to articulate how that might happen and when the person(s) with the expertise can show up to help.

Branding interestingly goes both ways:
1. As an outreach to clients and potential clients; and
2. Internally, so that all team members can know what strengths and experience others have and understand their value proposition.

The day of the “rainmaker” (on whose shoulders the firm relied for new business) is long gone. Today, everyone is a contributor to revenue enhancement and firm well-being. It may not be in the traditional sense but, in some way, all contribute to revenue: speeches, articles, blogging, networking and charitable activities with a focus on doing what they enjoy or are impassioned by.

Branding helps in succession by empowering team members to create for themselves a critical value-add; the more successful they are, the better chance they will remain where they are appreciated. Risk management slides in because a strong revenue base, hopefully diverse, is one of the best ways in creating and maintaining sustainability and revenue stability.
Building & Maintaining Firm Culture

I would argue this is one of the most singularly important aspects of a firm’s success. Mike Amerio, managing partner of Lucas Horsfall Murphy & Pindroh LLP, is quoted in “Lessons Learned” (California CPA, August 2020, Page 22) as saying, “It’s going to be a new horizon on how and where we find new talent. I believe our biggest challenge will be training our new people to the standards we’ve become accustomed to, as well as maintaining the culture that has defined us.”

It’s one thing to say that we need to maintain firm culture, but how? Central to a strong culture is a business model that is open to embrace cornerstones to build an atmosphere where conversation and relationships are the integral focus. Cornerstones are like footings that support a building. In “What Are You Doing for Your Future?” (California CPA, September 2019, Page 11) we put forth a potential model of four cornerstones for consideration:

1. **Differentiation**: Helping clients understand different types of service and support that they can tap into.
2. **Human Potential**: Creating an environment where all team members have a better chance because of our attention to what they truly need.
3. **Client Relationships**: Embracing an interactive imperative where their challenges and expectations are central to conversations and interactions.
4. **Community Outreach**: Helping connect the firm and team members to an expanded world.

Even though this particular model may not appeal to you, some model, with a solid set of cornerstones, will go a long way toward helping people be more involved. Involvement in a bigger part of the process (succession) and a better-defined vision and plan for the firm will help mitigate challenges that will come our way (risk mitigation).

**Finding the Source**

Tracking successes and regularly paying attention to the dashboard indicators to track processes are important. Financial guidelines—whether it’s financial statements or tracking new revenue, new clients—are essential. However, where succession and risk management can step in is in the monitoring of where the business comes from.

Rarely do we track the activity or person(s) or networking processes that generated the action that brought the client(s) to our door. We all market, sell, promote, speak, write, do interviews, join charitable organizations and more. We don’t necessarily track these subtleties to maximize our outreach endeavors.

Marketing is a communication and interactive process of introducing products, services and value propositions to potential customers/clients and referral sources. These activities can happen within the firm, with existing clients and the general marketplace. Sales is the act of helping potential customers/clients to say “Yes” to being a customer/client.

Here’s an example of where business really comes from. Sarah is an expert in international tax. After she made a conference presentation, Jack approached her from the audience wanting to know more. Jack becomes a client. Of course, the business comes from the conference and Sarah, right? Not exactly. Jack is a new friend of Allan, the firm’s managing partner; two months ago, he...
met Jack at the local chamber. Now where does this business come from?

In this case, Allan’s conversational skills set the process in motion, marketing support got Jack’s name on the database, Jack saw the event was available then connected with Sarah there—Allan may have suggested that Jack attend. So it can be argued that Jack and the marketing system that supports the firm is where the business came from.

What’s the message? Allan needs to be more proactive in connecting in groups and might be well served to bring another person along to help—to be tracking all of this and learning as well.

If we know how our firm attracts with the initial effort, through new resources and training, we can refine and support to increase new revenue results.

From a succession perspective, knowing where business comes from allows us to expand resources to grow as we help all team members to maximize their time to get new business. From a risk management perspective, it helps secure the future of the firm by focusing marketing efforts on a larger population, helping to assure a healthier revenue base for the future.

During 2020, many firms had really good results, some better than the previous year. All of the PPP work, additional cash flow work and general business advice was needed as client businesses jumped through hoops. Considering where business comes from will need to be replaced by new work and additional consulting that will still be needed and evolving into the question, “Where are we going to get more business?”

In Closing
Relying on a “can’t happen here” rationalization is a lose/lose. Focusing the importance of succession in a broader, deeper approach, while creating an enhanced risk mitigation process will be valuable in navigating change. Good examples of both of these in play is not allowing poor performing clients to pull us down or allowing distracted or distracting team members to create a toxic environment where nobody wins. We need to embrace the fact that “it can happen here” and explore what we’re going to do about it. We could start tomorrow to create a culture that supports a more active succession model and initiate a risk management set of protocols that help us know what is and could be coming down the line.

What’s essential in a new world where change rules? To navigate change, realize the power of both succession and risk management as a way to:

- Help build stronger business foundations;
- Increase team member retention; and
- Enhance a solid future management structure.

We need to professionalize our firms using and expanding resources that already need to be part of the process. Deeper succession planning and expanded risk management will make the difference. Take them for a spin. They are much more powerful and necessary than we have historically been using them. They will support your navigating change more successfully.

Mark H. Fowler, CPA (inactive) is president at Stowe Management Corporation. You can reach him at estowemanagement@aol.com.
By now, most are familiar with the ransomware attack committed against Colonial Pipeline. While the aftershock of this event will last for years, there are immediate lessons we can—and should—learn from this cybersecurity incident. In this article, we will examine what happened, what Colonial did in response and what we can do to reduce the likelihood of becoming another ransomware victim.

Anatomy of the Colonial Attack
As reported by multiple news outlets, Colonial Pipeline fell victim to a ransomware attack on May 7. The hacking group DarkSide claimed responsibility, which forced Colonial to shut down a major pipeline that carries gasoline, diesel fuel and jet fuel throughout the Southeast and Atlantic seaboard portions of the United States. As a result, millions in affected states experienced fuel, food and other shortages of materials.

Colonial has not disclosed how the ransomware infiltrated the network. However, DarkSide purportedly stole 100 gigabytes of data from Colonial the day before the attack and allegedly threatened to leak portions of that data unless Colonial paid the ransom.

Colonial paid $5 million in ransom within several hours of the attack and received the necessary tools from DarkSide to begin recovery operations. However, the tools provided ran too slowly to be effective.

Colonial pivoted to restoring the network using company-made backups. On May 12, Colonial indicated that they had begun restoring pipeline operations, and all pipeline operations were running normally as of May 15.

What Is Ransomware?
Ransomware is a form of malware that infects a computer or a network, encrypting the data and rendering it unusable. Generally, the attack’s perpetrators offer to provide a “key” to the victim so they can unencrypt the data and return it to a usable state. However, to receive the key, the victim must pay a ransom. The perpetrators typically require the victim to pay the ransom with cryptocurrency. This requirement exists because of the presumed untraceable nature of cryptocurrency. If the victim pays the ransom and the hackers provide the key in return, the victim can recover their data. Unfortunately, in some cases, the hackers receive the ransom, but do not provide the recovery key, leaving the victim without their data and out of money.

Lesson Learned from the Colonial Incident
We can learn many lessons from this ransomware event, and these lessons extend to individuals and businesses alike.

First, and perhaps most important, we should understand that no individual, company, computer or network is immune from the threat of ransomware. In fact, ransomware attacks increased 62 percent from 2019 to 2020, with 304 million attacks reported in 2020, according to Statista. In business environments, ransomware knows no boundaries, impacting businesses of all sizes in virtually all industries. Therefore, if your company has not yet developed a response plan, now is time to do so.

Ransomware Attacks Often Result from Phishing Emails
One of the most common means used by cybercriminals in ransomware attacks is phishing emails. With this attack vector, the criminals send emails containing malicious links or attachments, and if recipients click those links or attachments, they become yet another ransomware victim.

Therefore, do not click links or attachments in emails received from persons you do not know or if you were not expecting links or attachments in the message. Better still, enable spam filtering to block inbound emails containing links or attachments.

Ransomware Often Evades Anti-malware Tools
The nature of ransomware is such that it often evades anti-malware tools. Ever-evolving strains of ransomware frequently morph so that new versions of the malicious software continually appear. Because these versions are fresh and the anti-malware tools have not yet seen them, they do not classify them as dangerous and do not block them. Therefore, recently introduced strains of ransomware often go undetected by anti-malware software. To help address this issue, consider enabling “white-listing” software, which only allows pre-authorized...
applications to run on your computer. In this scenario, unless the ransomware is on a device’s white-list, it cannot execute on that device.

AppLocker and Controlled Folder Access are two forms of white-listing tools, and Microsoft includes both these tools in business-oriented versions of Windows 10. AppLocker is usually administered by IT staff and allows you to specify the approved applications authorized to run on a given device. If ransomware gets installed onto the device—by clicking a malicious link, for example—AppLocker should block it from running because the ransomware will not be on the approved software list. Similarly, Controlled Folder Access blocks unapproved applications from making changes to data files in folders designated explicitly by a user.

No method of preventing ransomware is fool-proof, but using one or both of these tools may reduce your chances of becoming a ransomware victim.

Prepare for the Eventuality You May Become a Victim

Despite our best efforts, it’s possible that you or your organization may become a victim of ransomware. If you do, the malware will encrypt your data and hold it hostage until you pay the ransom. The best way to recover is by restoring your data from a recent backup. This is the strategy Colonial reportedly used to recover their data, even though the company paid the ransom.

Of course, restoring from a backup is only an option if you have a backup strategy that is appropriate and all-encompassing. To that end, ensure that your backups capture all necessary data files. Further, your backups should have an “air gap”—a backup configuration that ensures companies store their backups offline, disconnected from the network. This is necessary to ensure that the same ransomware that affects the data does not encrypt the backup. Without an appropriate air gap, ransomware can compromise a company’s data and its backups.

Conclusion

Ransomware, unfortunately, remains a real and persistent threat to businesses and individuals alike. If you fall victim to ransomware, you have three options:
1. Recover your data from a backup;
2. Pay the ransom; or
3. Lose your data forever.

To effectively mitigate ransomware risk, ensure that you do not click on links or attachments in suspicious emails. Further, do not get lulled into a sense of false security that your anti-malware tools will prevent such an attack. Additionally, take advantage of tools such as AppLocker and Controlled Folder Access, both of which can mitigate the risk associated with ransomware.

Finally, despite your best efforts, assume you will become a victim of ransomware and, given this assumption, ensure that your backup strategy will allow you to recover your data files. It’s your data, and it’s your decision. Choose wisely because the future of your business may hinge on your decision.

Thomas G. Stephens is one of the shareholders of K2 Enterprises and a CalCPA Education Foundation instructor. You may reach him at tommy@k2e.com and learn more about K2 Enterprises at k2e.com.

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Post-pandemic Productivity

We've all had to adjust how we work during the pandemic, and it's finally beginning to look like there's light at the end of that tunnel. But a new normal may be emerging—one where we take what necessity has taught during the last year and possibly work from home a bit more, or generally create a more agile and adaptive workspace.

Indeed, with offices opening up some workforce concerns are emerging. According to Robert Half, 34 percent of professionals who are working at home due to the pandemic would look for a new job if required to be back in the office full time. That number increased to 40 percent in another survey by Morning Consult and Bloomberg News—that's a big number.

Similarly, Apple CEO Tim Cook’s recent announcement that employees would have to return to the office three days a week caused some pushback among employees and lead some to quit.

With all this in mind, it can seem daunting to decide what is best for your firm. However, it's worth considering what got you through this pandemic in the first place.

“Technology was essential in getting us on the platform to do our work, but it was the course correction and lessons learned about interacting with each other that brought this all home,” points out Mark Fowler, CPA (Inactive) and president at Stowe Management Corporation. “Remote is so different than in person and it took us all the time and effort to grasp and hold on to new ways to communicate and effectuate the most productive processes we could.”

Against this backdrop, I talked to a few CalCPA members about technology that helped their business through the pandemic—and how it may be here to stay.

Reinventing Remote Work

An apparent aspect of the post-pandemic workplace is that telecommuting is here to stay in one form or another. Various surveys show employees may be more productive working remotely and are not eager to head back to their offices and cubicles:

- A Citrix study found 90 percent of millennials and Gen Z—those born after 1981—don’t want to return to the office full time.
- According to networking site Blind, 64 percent of working professionals would pass on a $30,000 pay raise if it meant they could keep their work-from-home setup.
- Mercer, an HR and workplace benefits consulting firm, reported that 94 percent of survey respondents said productivity was the same as or higher than it was before the pandemic.
- Still, telecommuting does bring its own set of concerns.

“Moving to a semi-remote environment the issue I’m dealing with is twofold: The hard cost of buying multiple equipment setups for my employees,” says Adam Blitz, CPA and founder of Streamline CPAs. “I find it completely inefficient for my staff to continuously relocate and make themselves comfortable. Hence we are identifying ‘at-home solutions’ to compliment our office settings.”

And there’s plenty to consider when developing your firm’s at-home solutions.

“In a post-pandemic environment with many team members working remotely, three critical technologies can help define success: communication, collaboration and security,” outlines Tommy Stephens, CPA and CalCPA Education Foundation faculty member.

“Regarding communication, remote team members must not become isolated, so effective technologies are mandatory. Tools such as Zoom, Microsoft Teams, Zoho Meeting and GoToMeeting by LogMeIn provide compelling voice and video communication platforms. Similarly, you have many excellent options to assist with multi-user collaboration on spreadsheet, word processing and presentation documents. Among the leaders in this market segment are Google Drive, Teams and ZohoWorkDrive.”

Why Blu Principal Scott Hoppe, CPA is a veteran when it comes to remote workplaces, as his company was built that way. What he has learned can be summed up in two words: “Google Workplace,” he says.

“Seven years ago, I built our firm on Google to meet our clients where they were instead of sending them to an upload portal. That won with them. The byproduct of using Google was it came with Google Scripts where you can code and automate anything. We’ve
since linked Slack, Google, emails and a bunch of other cloud tools together to create custom workflows. I love the endless possibilities.”

Hoppe’s mention of “cloud tools” is key, and something that Excel University President Jeff Lenning, CPA, echoes: “To facilitate a work from anywhere scenario, I heavily rely on web-based services as opposed to traditional, locally installed applications.

“I use the standard services everyone knows about, including QuickBooks online and an office suite for file storage, email, calendar, to-do lists and so on. But, there are many others I rely on such as Airtable for an online database, Active Campaign for sending email, Zoom for meetings and phone, Teams for meetings, Vimeo for video hosting, Mailparser for email processing, Recurly for billing, Simple Cert for certifies of completion, Gusto for payroll, Proof for social proof, and more.

“The immediate benefit of using cloud-based services is that my documents and applications are available from my laptop. But, I also discovered two unexpected benefits. First, many of these services offer mobile apps, which enabled me to conveniently do some basic tasks from my phone. The next benefit was that it is fairly easy these days to have these cloud-based systems communicate with each other. I use Zapier for this, but there are others. Zapier enables me to set up rules for how and when the systems communicate with each other. For example, if a new order is placed, it tells QuickBooks to create a related invoice and tells Active Campaign to create a new customer record. These tools enable me to work from just about anywhere and help me work more efficiently because I’m able to have Zapier perform many updates so that I don’t have to do these tasks manually.”

The tools, it seems, are out there, and those mentioned above represent just the surface of what’s available. But it’s a good starting place to consider; however, as your workplace evolves, keep in mind new concerns that may arise.

**Staying Secure**

Security breaches are constantly in the news and with each attack we all are learning what could have been done to prevent such things (See “Lessons Learned,” Page 14).

“A bigger issue that I haven’t seen in person, but expect it to be an issue moving forward is the issue of hackers” says Blitz. “In a remote environment where employees have additional freedoms, the likelihood of ransomware, viruses and other malware are significantly higher. I am incredibly concerned about this issue moving forward.”

Perhaps the best defense is making sure your security if up to snuff before anything can even happen, which takes some forethought and, you guessed it, more technology tools.

“Ensure that remote team members’ devices are configured appropriately and meet minimum security requirements, as established by your IT staff,” says Stephens. “Key considerations include an appropriate firewall, a VPN, anti-malware software, and routine and on-going backups. Additionally, give due consideration to enforcing multi-factor authentication for all team members when logging in to their devices and all cloud-based applications.”

**Face-to-face?**

Another byproduct of the pandemic is redefining what the average meeting looks like, and what “face-to-face” actually means these days. We’re all familiar with Zoom and have probably partaken in a few … hundred such meetings since this craziness started. But Zoom is not the only thing out there helping with remote contact between colleagues.

“One of the obvious downsides of remote work is less face time,” says Blake Oliver, CPA, marketing director at Jirav. “So I’ve been paying particular attention to apps that allow us to have more face time with our colleagues—without more Zoom or Teams virtual meetings. I think I may have stumbled across something game-changing: Threadit (threadit.area120.com).

“This is a project being built inside of Google’s internal startup incubator, ‘Area 120.’ It allows you to make short video recordings, share your screen and then—this is where the app shines—it enables your team or clients to respond with their own video recordings. Think of it like an email thread but with video instead, or an asynchronous Zoom meeting. It could be a great way to reduce email or chat overload while adding the human element that is sometimes missing from working remotely.”

But what about meetings with clients or vendors who aren’t operating in the same office environment as you?

“With a remote workforce, which includes external consultants and vendors, we faced difficulty coordinating virtual meetings, especially since not all of us shared the same scheduling software,” says ACERA Chief Audit Executive Harsh Jadhav, CPA, CITPA, CISA. “We implemented Doodle, an online application that allows the meeting organizer to poll all attendees for their availability and select the best meeting date and time. We found it user-friendly and easy to learn and recommend it to all-size organizations.”

**Tech for Thought**

While this is just a sliver of the array of technology out there, it provides some food for thought as to what sort of tech solutions you might consider for your own firm.

Damien B.M. English is CalCPA’s managing editor. You can reach him at damienenglish@calcpa.org, where you also can email your own tech tidbits; we’d love to hear from you and share the information with the membership at large.

**Want more?**

Speaking of security, check out the following courses:

- Advanced Cybersecurity in Accounting
  [calcpa.org/accountingcybersecurity](http://calcpa.org/accountingcybersecurity)

- Password Management Tools
  [calcpa.org/passwordmanagement](http://calcpa.org/passwordmanagement)

- Security for Digital Information
  [calcpa.org/digitalsecurity](http://calcpa.org/digitalsecurity)

- CalCPA Technology Showcase
  [calcpa.org/techshowcase](http://calcpa.org/techshowcase)
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California Leavin’

Taxation of Nonresidents: Common Type of Income

California taxes its residents on a worldwide basis, much like the IRC imposes tax on U.S. residents from a federal tax perspective. Thus, whether a California resident earns income from working in an office in Los Angeles or generates revenue by selling popsicles on a beach in Miami, California will subject the income to the state’s income tax regime.

But what about those who are not California residents? Perhaps someone was a California resident and moved out of state. What about a resident of another state who owns a business that operates within California? While the California income tax treatment of nonresidents is not as straightforward as it is for residents, we can shed some light on the subject.

It’s important to understand California’s definition of a resident is not straightforward. In contrast to federal tax residency rules, California examines 19 factors—such as where the taxpayer lives, earns their income and is registered to vote, among others—to determine what state you’re most closely connected to. We’ll focus on the income taxation of nonresidents, so non-residency, for the purposes of this article, will be assumed.

Unsurprisingly, California nonresidents are not subject to California income tax if they do not derive any income from California sources. For those nonresidents who do engage in activities connected to California, the amount of income subject to California income tax is dependent on the type of income and the amount derived. For instance, nonresidents who earn income from wages or other payments for services performed within California are subject to California income tax, regardless of the location of the employer. Likewise, to the extent that a nonresident is married to an individual who is a California resident, the California resident spouse’s community property income includes half of the nonresident spouses’ income effectively making half of the nonresident spouse’s income and 100 percent of the resident spouses income subject to California income tax.

California Taxation of Partnership and S Corp Business Income

Business income is more complicated when compared to payments for services physically rendered in California. Nonresidents are subject to California income tax to the extent that they receive income from an S corp, trust or partnership, if such income is derived from California sources. For instance, if a partnership with California nonresident partners sells a building located in California, the distributive shares of the sale proceeds that constitute income are subject to California income tax.

Nonresidents who are partners in a partnership or members of an S corp engaged in a business partly within and partly without California must first determine whether the entity’s operations inside and outside the state are distinctly separate and unconnected with the other. To the extent that the partnership or S corp derives profits from a business, trade or profession within and without California and the activity is sufficiently separate and unconnected, only the partner’s distributive share of the income related to the business activities in California is subject to California income tax.

If the partnership or S corp carries on a business, trade or profession inside and outside of California and such activities are not distinctly separate and unconnected, the business’s income is apportioned at the partnership or S corp level, as the case may be, in accordance with the apportionment rules of the Uniform Division of Income for Tax Purposes Act (UDITPA).

Each nonresident partner’s distributive share of the income apportioned to California under UDITPA rules are subject to California income tax. As mentioned above, to the extent that a partnership or S corp earns income that was not connected to a business, trade or profession, nonresident partners or members are only subject to California income tax to the extent that their distributive share of such items of income are California source income under California RTC secs. 17951 through 17955.

Income Generated from the Sale of an Interest in a California Business

Finally, income earned when a nonresident disposes of an interest in a partnership or S corp, as well as other property, such as stock and bonds, are treated as the sale of intangible property.

Generally, under California law, the source of income resulting from the sale of intangible property is based on the residency of the seller. An exception exists when the intangible property acquires a business situs within California. Still, an interest in a partnership or S corp does not acquire business situs within California simply by being an interest in a California business [Appeal of Ames, California Administrative Decision 87-SBOE-042 {June 17, 1987}]. Thus, a California nonresident can generally dispose of an interest in a California partnership or S corp without triggering California income tax.

These are only a handful of income types that could give rise to income tax in California. As mentioned, there are multiple factors to consider, ranging from residency, general sourcing rules and apportionment. Taxpayers both inside and outside of California should consider the above rules when determining their tax compliance obligations, as well as a part of financial planning.

David Klasing, Esq., CPA is the owner of the Tax Law Office of David W. Klasing PC. You can reach him at dave@taxesqcpa.net.
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Often, our Excel formulas are simple and short. As such, they are easy to read, understand and maintain over time. An example of such a formula is:

=SUM(A1)

But, as the complexity of our workbooks increases, so can the complexity of our formulas. Sometimes, we end up with unwieldy formulas that are long and difficult to understand and maintain. An example of such a formula is:

=IF(VLOOKUP(B8,Table1,2,0)>100, VLOOKUP(B8,Table1,2,0), VLOOKUP(B8,Table1,2,0)*C8)

One cause for such lengthy formulas is duplication. That is, duplication within the formula. In this case, you can see that “VLOOKUP(B8, Table1, 2, 0)” is included three times.

As a rule of thumb, eliminating duplication within formulas makes them easier to read and perhaps more important, maintain over time. For example, if we needed to update the VLOOKUP function to return the value in the third column instead of the second, we would need to replace the “2” with a “3” not just once, but three times. Although this may not take too long, the risk is that we will miss updating all instances and thus, risk unexpected or incorrect results.

Although there are many ways Excel users have tried to minimize formula duplication over the years, we have a great new option in the LET function. So, let’s walk through it.

Let’s Excel!

Remove Formula Duplication with a New Function

LET

The LET function essentially enables us to define a name and its corresponding value (or expression) and then reference the name as needed within the remainder of the formula. This name is defined and recognized within the LET function only, so, this is different than defining a name with the Name Manager. Names defined with the Name Manager are recognized throughout the workbook or worksheet. But, names defined with the LET function are available only within the function.

LET allows us to define more than 100 names in a single function if desired, but assuming we want to name just one, it would look like this:

=LET(name, name_value, calculation)

Where:

• “Name” is the name we define;
• “Name_value” is the corresponding value or expression; and
• “Calculation” is the expression that computes the value to return.

To demonstrate how the LET function works, we will start with a simple example before tackling the VLOOKUP formula above.

Assume we have a column of values as seen in Figure 1.

We want to write a formula that will place positive balances into the debit column. One option is to write a formula like this into D7:

=IF(C7>0, C7, 0)

We could fill the formula down and it would place positive values into the debit column, like Figure 2 shows.

Let’s use a similar approach for the credit column:

=IF(C7<0, -C7, 0)

We could fill the formula down and it would place positive values into the debit column, like Figure 2 shows.

<table>
<thead>
<tr>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Account</td>
<td>Balance</td>
<td>Debit</td>
</tr>
<tr>
<td>7</td>
<td>Furniture</td>
<td>25,000</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Furniture: Accum Depn</td>
<td>-10,000</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Machinery</td>
<td>100,000</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Machinery: Accum Depn</td>
<td>-15,000</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Vehicles</td>
<td>50,000</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Vehicles: Accum Depn</td>
<td>-5,000</td>
<td></td>
</tr>
</tbody>
</table>

Let’s Excel!

We could use a similar approach for the credit column:

=IF(C7<0, -C7, 0)

Fill it down, and bam: Figure 3.
As the complexity of our workbooks increases, so can the complexity of our formulas.

Let’s review the formula we used for the debit column:

\[ =\text{IF}(C7>0, C7, 0) \]

The C7 reference is duplicated. If we wanted to change the C7 reference, we would need to do it twice. We could eliminate this duplication by using the LET function as follows:

\[ =\text{LET}(\text{bal}, C7, \text{IF}(\text{bal}>0, \text{bal}, 0)) \]

If we wanted to change the C7 reference in this formula, we would only need to do it once. This makes our formula easier to update and maintain over time.

Now that we see the basic function syntax, we will apply the LET function to remove the VLOOKUP duplication from our first formula.

### Illustration

Let’s take another look at our original VLOOKUP formula:

\[ =\text{IF}(\text{VLOOKUP}(B8, \text{Table1}, 2, 0)>100, \text{VLOOKUP}(B8, \text{Table1}, 2, 0), \text{VLOOKUP}(B8, \text{Table1}, 2, 0)*C8) \]

The purpose of the formula is to compute payroll for the week. Some employees are hourly while some are on salary. The pay rates table, “Table1,” is shown in Figure 4.

You can see that the two hourly employees, DMK and CRT have their hourly pay rate displayed in the table, while the salaried employees have their weekly pay rate displayed.

Each week we collect their timesheets, which are used to track time spent on behalf of various clients for billing purposes. A summary of the total time per employee is shown in Figure 5.

It’s our job to write a formula that computes the Pay column values.

To determine the pay, our formula needs to display the value in the Rate column from Table1 for salaried employees, while it needs to apply the hourly pay rate to the number of hours for hourly employees.

One option is to assume that when the value in the Rate column is greater than 100, the employee is salaried. So, if the Rate in Table1 is greater than 100, we will simply retrieve it and display it in the Pay column. If not, our formula will assume the employee is hourly, and then retrieve the rate and multiply it by the number of hours to determine the pay.

If we wanted to start to convert this logic into a formula structure, we could think of it like this:

\[ \text{IF Rate}>100, \text{return Rate}, \text{otherwise return Rate}*\text{Hours} \]

In fact, this is the logic used in our original formula, where VLOOKUP is used to retrieve the Rate from Table1:

\[ =\text{IF}(\text{VLOOKUP}(B8, \text{Table1}, 2, 0)>100, \text{VLOOKUP}(B8, \text{Table1}, 2, 0), \text{VLOOKUP}(B8, \text{Table1}, 2, 0)*C8) \]

If we break this formula down, we can see the IF function has three arguments which reflect our logic:

- \text{VLOOKUP}(B8, \text{Table1}, 2, 0)>100
- \text{Is the rate greater than 100?}
- \text{VLOOKUP}(B8, \text{Table1}, 2, 0)
- \text{If so, return the rate}
- \text{VLOOKUP}(B8, \text{Table1}, 2, 0)*C8
- \text{Otherwise, multiply the rate by hours}

When we look at the formula like this, the duplication jumps right out. \text{VLOOKUP}(B8, \text{Table1}, 2, 0) appears three times. This means that if we wanted to change how we determine Rate, we would need to update the formula in three places.

We can eliminate this duplication with LET, like this:

\[ =\text{LET}(\text{Rate}, \text{VLOOKUP}(B8, \text{Table1}, 2, 0), \text{IF}(\text{Rate}>100, \text{Rate}, \text{Rate}*\text{C8})) \]

The LET function has the following arguments:

- \text{Rate}
- the name we are defining
- \text{VLOOKUP}(B8, \text{Table1}, 2, 0)
- the value to be assigned to our name
- \text{IF}(\text{Rate}>100, \text{Rate}, \text{Rate}*\text{C8})
- the expression that computes the result

We write the formula in D8 and fill it down, and we get what you see in Figure 6. In our updated formula, VLOOKUP appears only once. This means that if we want to change how we determine Rate, our formula only needs one update. This helps to simplify the maintenance of the formula over time and helps to reduce potential errors.

I hope that the LET function allows you to simplify your formulas and minimize duplication. And remember, Excel rules!

Jeff Lenning, CPA is president at Excel University. You can reach him at jeff@excelu.com.
Budget Talk

California on Track to Implement SALT Cap Workaround

As part of the state budget package, legislators are including language to establish an elective pass-through entity (PTE) tax as part of a framework for California taxpayers to structure their state income tax compliance in a manner that provides some relief from the current federal limits on individual state and local tax (SALT) deductions. This would apply for taxable years beginning Jan. 1, 2021, and before Jan. 1, 2026.

California had originally sought to implement this new tax policy through the normal legislative process in Senate Bill 104. However, due to broad support, including from CalCPA, the policy was picked up in the budget package as way to fast-track passage and subsequent implementation.

When the Tax Cuts & Jobs Act of 2017 took effect, it limited the amount of SALT deductions an individual could take on their federal income tax return to $10,000. This excessive limitation disproportionately affected taxpayers in high cost-of-living states like California, where taxpayers are far more likely to exceed the current SALT cap.

For many small-business owners, this effectively increased their overall tax liability and exacerbated an already challenging economic climate made more dire with the COVID pandemic.

California, along with a number of other states, is taking action to address this issue by allowing individual owners of a pass-through entity, such as a partnership or S corporation, to shift some of their tax liability to the entity level, making it deductible for federal tax purposes.

To do this, the elective PTE tax framework would allow the PTE to elect to pay an entity level tax to California and, in turn, provide the individual owners of the PTE a tax credit equal to the owner’s proportional share of the elective tax.

The PTE, which is not subject to the federal SALT limits, would then be able to deduct the elective PTE state tax from their federal tax liability.

In effect, this allows individuals, who are partners, members and shareholders of small businesses to deduct SALT beyond the current federal cap.

Importantly, the elective PTE tax is structured in a way to be revenue neutral to California. Because it allows eligible taxpayers to reduce their federal tax liability without affecting their state tax liability, California will maintain the same level of state tax collections. This provides a unique opportunity for California to provide important tax relief to small businesses while having no demonstrable fiscal impact to state revenue.

In November 2020, the IRS issued Notice 2020-75, which generally confirmed the federal deductibility of state PTE taxes—opening the door for this approach. To date nearly a dozen states, including New York, New Jersey and Illinois have set up a similar PTE framework, and several other states are actively pursuing legislation in 2021. By following suit, this will also help simplify multi-state tax compliance for many California businesses that have activities in states with a PTE framework.

Additionally, since most CPA firms are structured as a PTE, many CPA firms and their owners are likely to be able to take advantage of this tax strategy.

While the legislation will set up the initial framework for this new tax strategy, FTB will still need to work through a variety of implementation challenges, clarify processes, and issue guidance and regulations. We expect much of this to take place through the summer and fall. Throughout this process, CalCPA will also work with the FTB, Legislature and other stakeholders on these important details.

As details and specifics come, CalCPA will provide members with updates, learning opportunities and other resources on how to best apply this strategy for themselves or their clients. Keep an eye out for future CalCPA communications on this topic as more details emerge.

The timely advancement of this favorable tax policy is the product of CalCPA’s robust advocacy program and the strong relationship with key policy leaders across the state. CalCPA has worked over the last year to support policies that positively impact the California business climate and allow for the CPA profession to better assist their clients.

Small-business tax compliance, including how to mitigate the negative impact the federal SALT cap, is challenging and expensive for many California businesses. The elective PTE tax framework supports provides a meaningful solution that taxpayers can consider as they rebuild in a post-COVID economy.

Importantly, the elective PTE tax is structured in a way to be revenue neutral to California.
CalCPA offers virtual courses, discussions, networking sessions and more, all around the state. Take advantage of events in your own chapter, or consider attending an event in a neighboring chapter. Where will you be seen?

**FEATURED EVENTS**

**July 13** (5–6:30 p.m.)
East Bay Chapter

**EB Emerging Professionals: Virtual Game Night**
Attention all Young Emerging Professionals! Spice up your Tuesday night and join us, where we will gather and play quiz games such as "Guess the Movie", "Guess the Song" and Virtual Bingo!

So be sure to bring your favorite snacks and drinks to join in on the fun, you won't want to miss this event! Each game winner will receive a prize, so bring your "A" game!

**July 22** (Noon–1 p.m.)
Fresno Chapter

**FR Just For Fun Lunchtime Bingo**
Join us for this fun, light-hearted break in your regular week. There will be prizes, fun, and a bit of camaraderie.

Keep checking calcpa.org/chapterevents for all of our virtual chapter events.
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