

Message from the President—Bruce Phipps CPP



Welcome to our first meeting in 2009. By now you have successfully navigated your way through year end 2008 and are looking forward to the changes that 2009 will bring. Hopefully your desk no longer resembles

the picture above!

The American Recovery and Investment Act was signed into law on 2/17/09 and will surely bring many changes for the payroll professional. While we are just beginning to receive detailed information on how payroll will be impacted by this legislation, there definitely will be significant changes for payroll throughout 2009 and 2010 as this legislation is implemented.

With these tough economic times and dwindling, educational funds available from our employers, the LV Chapter will hold membership dues and chapter meeting fees to the same amounts as in previous years. Our objective is to provide our members with affordable payroll education in our local area and provide a networking environment to share both problems and solutions.

Our format for the February meeting was changed to provide two speakers, allowing the capability to award two RCH's for the same fee. We will be looking for feedback on this change and will consider a permanent change to the format if we receive enough favorable feedback. A meeting committee will be forming to handle all the logistics of the meeting planning, which will include, securing the speaker(s), location, etc. If you would be interested in lending a hand please contact me at phippsb@einstein.edu.



As in previous years we continue to look to grow our membership in the LV Chapter. May will be designated as our membership meeting so bring a new member to the meeting. We are planning an exciting meeting. A speaker from the IRS has already been secured to discuss the recent legislation and the impact for payroll. So mark your calendar for Wednesday May 13th and bring a friend or two to the meeting!

Finally, the new name badges are here! Membership badges are included free of charge as part of your LVC membership fee. Come to a LV Chapter meeting and receive yours! 2009 will be a challenging year for anyone connected to payroll. Hope to see you at a meeting soon!

Bruce E. Phipps

LEHIGH VALLEY CHAPTER OF THE APA

Lehigh Valley Voice

Community Outreach

Our Community project for this meeting is for the Second Harvest Food Bank. The SHFB covers 6 counties and has over 200 member agencies. They provide much needed food to emergency pantries, soup kitchens, after school programs and shelters. They oversee a senior program that gets food packed and distributed to over 1200 low income seniors. In addition, they also provide a back pack program that provides food to at risk children.



The LVC Executive Committee thanks all of our members for their generous donations for our various community projects. Donations are greatly appreciated during these tough economic times. We are always looking for suggestions for future community outreach projects. To make a suggestion or comments for a future project email the LV Chapter Board at lvpa@lvpaapa.org.

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Tax Updates

Economic Stimulus—President Obama Signs Economic Stimulus and Payroll to play a crucial role in the implementation.

The final language of the **American Recovery and Investment Act (H.R. 1)**, signed into law by President Obama on 2/17/09, contains several payroll-related provisions that will be effective for the remainder of 2009 and into 2010. At a cost of \$116.2 billion, the largest chunk of individual tax benefits under the legislation is dedicated to the Making Work Pay tax credit that will provide a tax cut of \$400 to individual filers with an adjusted gross income of no more than \$75,000 and \$800 to joint filers with an AGI of no more than \$150,000. Employees will receive the benefit through a reduction in the amount of federal income tax withheld from pay, and the federal income tax withholding tables will change to account for the tax credit for 2009 and 2010. For the remainder of 2009, the Internal Revenue Service has been instructed to factor in the full annual benefit in the revised withholding tables.

The revised income tax withholding tables would be designed to reduce taxpayers' income tax withheld for the remainder of 2009 in such a manner that the full annual benefit of the provision is reflected in income tax withheld during the remainder of 2009.

Payroll and the COBRA Subsidy Provision—The bill provides a subsidy equal to 65% of the cost of nine months' worth of COBRA health insurance premiums for workers involuntarily separated after 8/31/08 and before 1/1/10. Employers will be required to use employment tax money withheld from existing employees to help those involuntarily separated make the

COBRA payments instead of remitting those amounts to the federal government. IRS has reportedly designed a 2009 form 941, that would take into account the employer's role in redirecting withheld taxes to pay for the subsidy. APA reports that the modified form will amend lines 12 and 13 to account for the subsidy amounts and the difference in withholding tax remittances. Employers will be eligible to receive a federal cash payment if reducing withholding tax remittances does not cover the subsidy. To ensure that the assistance is targeted at workers who are most in need, participants must attest that their same year income will not exceed 125K for individuals and 250K for families.



Tax Free Transit Subsidy Rises EITC Expanded-

- The bill increases to \$23 a month for 2009 the maximum tax-free amount employers can provide employees to subsidize public transportation and van pools. The amount had previously been set at \$120 a month.
- The earned Income Tax Credit will be expanded to account for families with three or more children.
- Federal taxation of unemployment benefits will be suspended temporarily.
- Two new targeted groups of prospective employees are added for the Work Opportunity Tax Credit.
- Cuts to federal funding for state administration of child support programs will be repealed.

Pay Train College & University Program

Your Feedback

Articles and/or suggestions for future editions of the **Lehigh Valley Voice** may be submitted to lvpa@lvpaapa.org

Through the combined effort of the Lehigh Valley Chapter, Penn State Lehigh Valley, the American Payroll Association and Holmes Corporation, our area is the only location in the state of Pennsylvania to offer PayTrain College and University classes.

Spring classes are beginning soon and can be used as preparation for the CPP or FPC exams or to further your payroll knowledge.

PayTrain Fundamentals will be offered Saturday morning for 7 weeks beginning March 28th. Fundamentals is an instructor led course covering the fundamental payroll calculations and applications. The course will provide you with the core knowledge and skills required to maintain payroll compliance and prevent costly penalties.

PayTrain Mastery will be offered on Saturdays for 9 weeks beginning March 21. Mastery is also an instructor led course providing students with a solid understanding of advanced payroll topics.

This course is ideal for experienced payroll professionals seeking compliance training, professional development or CPP certification preparation. Participants in the PayTrain Mastery course are required to complete the PayTrain Fundamentals course or submit proof of proficiency by passing the APA Knowledge Assessment Calculator (KAC).

All classes are held at the Penn State Lehigh Valley Learning Center at 100 Brodhead Road, Bethlehem PA 18017. LV Chapter members Barbara Bunk CPP and Diane Mack CPP are co-facilitators for both classes.

For more information on the program or upcoming classes, please contact Diane Lewis at 610-285-5066.



How to Manage Your Gadgets for Success!

Does any of this sound familiar?

It's a typical Monday morning on the highway. Motorists are driving at breakneck speeds to get to their jobs on time. You are stuck behind a driver who seems to be moving at about 10 mph below the speed limit. You start to pass them and as you do, you take a look over and what do you see? The driver is:

a) talking on a cell phone, b) drinking coffee, c) reading a newspaper or d) sending messages on their PDA.



You are in a VERY important meeting that requires the full attention of all participants. You notice one person with their Blackberry either answering email or surfing the internet.

In this new age of instant communication with cell phones and PDA's, manners have certainly changed. People seem to be focused on gadgets that facilitate communicating at lightning speed at the expense of respecting others. Just as you dress for success, you need to manage your gadgets for success.

Don't let technology inhibit personal interaction.

Technology can often get in the way of personal interaction. When meeting someone for the first time or even someone you know well, it's important to be present for the conversation whenever possible. Developing a strong business relationship depends on establishing rapport and making a connection. This is true for relationships in general. Don't let technology impede communication.

The Good News—Technology and manners are compatible.

The following commandments governing good manners for cell phone etiquette remind us all of our dutiful obligations as gadget toting professionals.

Keep in mind the more available you make yourself, the more available everyone will expect you to be.

People will actually be annoyed if you are not instantly and constantly available.

The Ten Commandments of Gadget Etiquette

- 1) Thou shalt avoid taking calls or checking your blackberry during meetings. This includes interviews, meetings with co-workers and one-on-one discussions that require attentiveness. Check your blackberry or messages at the appropriate time and place.
- 2) Thou shalt attempt to maintain at least a 10 foot zone from others while talking on a mobile device.
- 3) Thou shalt refrain from talking in elevators, restaurants, waiting rooms, places of worship, hospital emergency rooms, buses or other enclosed public spaces.
- 4) Thou shalt limit emotional conversations to private locations (especially in the workplace).
- 5) Thou shalt resist the urge to use loud and annoying ring tones. Always remember to silence the ringer during meetings. Vibrate can be just as distracting as a ringer...silence is key.
- 6) Thou shalt keep all cellular conversations brief and to the point.
- 7) Thou shalt use an earpiece in high traffic or noisy locations.
- 8) Thou shalt inform callers when you're talking on a mobile device, so they can anticipate distractions or disconnections.
- 9) Thou shalt respect "quiet zones" and phone-free areas" at work and in public places.
- 10) Thou shalt inform others that you've just adopted these rules for mobile manners and ask them to do the same.





**from the
LVC Flight Deck**

Altitude -

\$22,756.23 Equity
as of 12/31/2008

Velocity -

\$1,973.32 Profit/(Loss)
QE 12/31/2008

First Class -

127 Members

At the Gate -

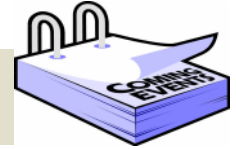
2 New Members
QE 12/31/2008

Crew -

25 CPPs
3 FPCs



Calendar of Events



Date	Location	Topic
Mar 18, 20, 25, 27	Webinar	Calculating Paychecks—4 separate segments
Mar 19– 20	Washington DC	Capital Summit
Mar 28-Apr 25		CPP and FPC Testing Window
Apr 1, 3, 8, 10	Webinar	Garnishments Forum—4 separate segments
Apr 15, 17, 22, 24	Webinar	Wage and Hour Summit—4 separate segments
Apr 23	Phila Area	Payroll Issues for Multi State Employers
May 13	Allentown Comfort Suites	LVC Chapter Meeting IRS Speaker on Economic Stimulus Changes for Payroll
May 19-23	Long Beach CA	27th Annual Congress



Our Diamond Sponsor

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Since 1971, A D Computer has provided Comprehensive payroll and tax filing services to businesses of all types and sizes throughout the united states. We are uniquely structured to provide advanced payroll processing solutions supported by responsive, personalized customer service.

As a testimony to our staff's award winning service and customer support ethic, A D Computer has earned national recognition in the following categories: accuracy, reliability, prompt response and reasonable fees.

We invite you to explore the reasons why A D Computer is distinctly different from other payroll providers and why so many companies choose A D Computer as their payroll and tax filing provider.