

# MAIN STREET **PRACTITIONER**

The Magazine for Tax and Accounting Professionals

**Changes to Professional Standards**



**How to Deal with a Negative Review Online**

**It's Time to Clean House - The Client Break-up**

**PRESIDENT'S MESSAGE**



**HOW BAD PROCESSES CAN SINK YOU TAX SEASON SHIP (OR DID ALREADY)**



**HOW TO DEAL WITH A NEGATIVE REVIEW ONLINE**



# Main Street Practitioner

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**CHANGES TO PROFESSIONAL STANDARDS**

# PRESIDENT'S MESSAGE

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Christine Z. Freeland,  
CPA, ABA, ARA  
NSA President, 2018-2019

President's Message: August 2019

Summer is here and people are vacationing in earnest.

I'm getting ready for something else, NSA's Annual Meeting in Charlotte. This meeting has been in development for almost a year, and I believe it will be a super great event.

There is so much planned for this year's event, and many parts of it are new. Like NSA-GO! Who ever thought tax and accounting could become Bingo I ordered my cards.

There will be Tax Talk roundtables at lunch on Friday. They will be great opportunities to network and exchange thoughts about current taxation topics. I strongly suggest that everyone attend them because they bring one of our most powerful member benefits to life.

Some parts of the Annual Meeting will be familiar. No NSA Annual Meeting is complete without a Scholarship Walk. Education, too, but more CPE hours than in years past.

We have just added Terry Lemons, the IRS Chief of Communications and Liaison, as the keynote speaker for Thursday's lunch. With his experience as Congressional liaison and Chair of the Security Summit Communications team, I am sure he will give us an informative and engaging speech.

The Taxpayer Advocate Service will also have a representative at the meeting on Friday afternoon and Saturday morning. This will come in handy for anyone who needs to discuss an existing issue or to get information directly from an IRS representative.

One of the best parts of an Annual Meeting, even with all the new things on the schedule, is YOU.

YOU are NSA, and at the meeting, I will get to meet you. You will get to meet other members, and some people who haven't joined us yet, and build the strength of our Society by networking.

Register for the Annual Meeting. Come and enjoy new things in Charlotte, take advantage of the CPE sessions, have fun, and make NSA even stronger.

As we head off to the Annual meeting it is a bittersweet moment for me. My year as the NSA President is ending. I have appreciated every minute of my term. Throughout the year I have had the opportunity to meet many members and hear your stories and experiences. A great part of my year has been the opportunity to work with our amazing staff. You could not ask for a better staff to work with and I thank each of them, our Executive John Rice, Ephraim Vega, Jennifer Harrison, James Crawford, Devlin Bennett, Sarah Murray, Ron Hanks and Erica Ryder. They have given me, as well as our members, their utmost efforts to make us successful.

As we move forward, I am handing off our strategic plan to incoming President Joel Grandon and the incoming board of directors. It will be in good hands. NSA has great members and a great future, and I hope you will continue to be a part of it.

See you soon,

Chris

Christine Z. Freeland  
NSA President

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# How Bad Processes Can Sink Your Tax Season Ship (Or Did Already)

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Frank Stitely

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Your second-year associate, Tim, prepared 150 personal tax returns in his first tax season, but only 90 this past year. To borrow a phrase from sports, that's quite a sophomore slump. After the first year, you were certain Tim was partner material. Now you don't know if you can keep him. Why?

From a sample size of exactly one tax season, Tim concluded that he had tax season all figured out. Rather than hang on and pray, as he did during his first tax season, he knew how to improve your preparation process the second time around.

Tim was wrong.

Management gurus and professors love to criticize Frederick Taylor, known as the father of scientific management. You may remember his name from management class as the meanie, who took the meaning out of work. Taylor, at least according to our professors, espoused the "one best way" to accomplish any task. According to our professors, he took the fun out of loading iron ingots onto railroad cars.

Despite what the gurus and professors teach, Taylor knew there wasn't just one best way to accomplish a task. He knew that, while there may be more than one good way to accomplish a task, there are many more bad ways, and people gravitate towards the bad ways in the absence of good guidance.

Tim discovered a bad way. You care about this, because during pre-tax season planning, you were counting on Tim to prepare 150 returns, but he fell short by 60. Those returns had to be prepared by somebody. Goodbye to all of that great capacity planning. Hello to more 14-hour days for you.

Standardizing and enforcing good workflow practices prevents your tax season Titanic from hitting the iceberg with Tim as the self-appointed captain. There's a word that explains why Ray Kroc, founder of McDonalds, died rich and your professors didn't. Standardization.

First, standardize the flow of documents and information between stages of tax return preparation. Consider all of the ways

Continued on the following page

clients deliver documents, and standardize how your front office processes and finally turns over the tax return information to preparers.

Standardize when and how preparers approach clients with questions and requests for missing information. For example, ask clients for stock basis using wording that has proven effective, and require that all preparers use it. Publish templates with your choices and refuse to approve questions lists that deviate.

Standardize the review process. Define when a return is ready for review. We prohibit “done but” returns. If there are open items, a return is not ready for review. Standardize whether you return reviewed returns to preparers for fixes, or if the reviewers fix the returns.

Standardize the tax return delivery process. Eliminate paper delivery of returns, and you’ll save your front office staff hundreds of hours.

The process is important, but having a process is even more important.

Finally, standardize, in writing, your best practices for tax return preparation. Should preparers start with a review of the prior year before beginning data entry? Should preparer’s begin entering W-2 information first? When should the tax return checklist be prepared? Do you want to use analytical review as a part of self-review?

You decide for your entire firm – not Tim. That doesn’t mean you ignore input from others, but you make the final decisions on workflow.

You may not find the one best way to prepare tax returns, but your standard process will be better than the myriad bad processes your staff use now. Take over the bridge, Captain, and steer clear of next year’s tax season iceberg. Strategic relationships, you’ll uncover new ways to help your clients solve their biggest challenges. You’ll also differentiate yourself and keep your competitors out. Watch for my next article on how to cultivate multiple relationships within the client.

#### About the Author:



Frank Stitely is a CPA and managing partner at Stitely & Karstetter, CPAs. He is also CEO of Clarity Practice Management, a publisher of cloud-based practice management software. Frank has owned his practice for over 29 years and developed Clarity Practice Management over the previous 10 years to serve the needs of both his practice and his clients. His recently published book, *The Relentless CPA*, can be found at [CPATrendlines.com](http://CPATrendlines.com).

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# It is Time to Clean House – The Client Break-Up

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**Nancy Reimer**

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After tax season is an opportune time for accounting firms to review their client roster to ensure existing clients are a good fit with the firm's mission and culture. Accountants and other tax preparers are taught to exercise due diligence when accepting new clients. For example, a firm will assess whether it has the required knowledge and skill to perform the work, whether the client's expectations are reasonable, does its management team exhibit integrity and trustworthiness, had the client changed accountants often, is it negotiating down the fee, hesitant to pay a retainer, is the client delinquent in filing or does the client keep its records in poor condition? If satisfied with the answers, a firm will accept the client.

Once clients are in the door, however, should they stay? Is it difficult to get information timely from the client, does the client haggle over fees, fail to pay, act abusive towards staff, fake or inflate numbers to avoid tax payments or penalties, lack proper internal control or consistently fail to follow advice?

What about changes in the firm that may make servicing the client difficult? New technologies may make it difficult for certain clients to keep up, some clients may not be comfortable with online organizers and electronic engagement letters. Perhaps there is staff-turnover that results in the loss of technical expertise to perform certain services; or the cost of offering a service may outweigh the revenue generated by the service.

Every firm should meet on an annual basis to review the direction of the practice and the client roster. It should determine how many clients it can comfortably serve, what services it performs best or at the highest rate of profit and the profile of its ideal clients. Problem or "toxic" clients should be terminated.

Once a firm has determined which clients it needs to terminate, it should devise a strategic plan for doing so. It is always a good practice to notify the firm's insurer and liability carrier of its intent to terminate clients. Liability insurers may want to be informed of potential claims if a disgruntled client is terminated. Insurer's loss prevention teams are experienced in terminating clients and may offer advice as to how to disengage a "problem" or "toxic" client.

Best practices dictate a disengagement letter sent by certified mail, return receipt requested is the best way to terminate a client. If, however, the client has formed a close personal relationship with a member of the firm then a face to face meeting may be warranted. Afterwards, a follow up letter documenting the meeting should be sent.

Prior to notification, the firm should ensure all required documents are copied or scanned, all documents and authorizations are signed, all fees are paid (if possible) and all client documents are packaged and available for pick-up.

Continued on the following page

Also, prepare the transfer authorization letter ahead of time for the client's signature so the file can immediately be transferred to the successor accounting firm.

The disengagement letter need not identify any specific reason for the termination. Ideally there are no impending deadlines or tax filings. If there are, the firm should list those deadlines and what needs to be done to comply with the deadlines. It is also a good idea to list all of the services the firm had performed for the client. If any projects are in progress, identify the stage of the project and what is necessary for completion. The disengagement letter should identify the client's responsibilities moving forward and issues to be addressed with the successor firm. Finally, the firm should state it will assist in transferring the files to the successor in accordance with the firm's professional obligations. The solution is simple, you need to identify the segments of your accounting practice that you want to grow and then develop a website to focused against that industry or type of service.

#### About the Author:



Nancy Reimer is a Partner in Freeman Mathis & Gary's Boston office. She is Vice Chair of the Firm's Professional Liability/Errors & Omissions, and Chair of Accountants and Liability National Practice Team.

Ms. Reimer has represented national, regional and small accounting firms in connection with a variety of claims brought by clients and client successors, including trustees and liquidators in connection with claims involving employee defalcations, going concern disclosures, revenue recognition issues, valuations, accounting for tax liabilities, internal controls issues, balance sheet presentation issues, and wills and trust issues. She is often quoted in leading publications including, the National Law Journal, Accounting Today and The Journal of Accountancy.

This article was provided for you by Forrest T. Jones, NSA's insurance administrator.

An advertisement banner with a dark background. On the left, the text "CALL TODAY..." is in large white letters, with "Sell By Year End!" below it in green. In the center, there is a black analog clock and a white smartphone. On the right, the APS logo features a green globe with "APS" in white and "NET" in green below it. To the right of the logo, the text "ACCOUNTING PRACTICE SALES" is in white, with "THE GLOBAL LEADER IN PRACTICE SALES" in smaller white letters below it.



# Changes to Professional Standards

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**Pat Patterson**

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It should be noted that since 2009, every professional standard that an accountant might use has changed.

Going back thousands of years to the Mesopotamian civilization, one can find evidence of the language of accounting. Probably bookkeepers/scribes appeared during this period. Before 2000 BCE civilizations were in a barter or trade system.

In the 15th century, an Italian monk/mathematician, Luca Pacioli, restructured the bookkeeping of that time; and this was the beginning for modern accounting. Pacioli published a textbook, “Summa de Arithmetica, Geometria, Proportioni et Proportionalita” in 1494.

In America, bookkeeping arrived with the European settlers. With trading companies and railroads, the need for sound information changed bookkeeping into accounting. The need for qualified accountants was further highlighted by the creation of the “income tax” in the United States.

In 1890 the adding machine came along and increased the accountant’s efficiency. In 1952 IBM developed the first computer which gave accountants even greater efficiencies.

Benchmarks for accounting organizations:

- 1854 Accountants Association of Edinburg and Glasgow organized by Royal charter
- 1867 Accountants Association of Eberdin got a Royal charter
- 1880 Several registered associations of Liverpool, London, and Manchester formed The Institute of Chartered Accountants of England and Wales
- 1887 American Association of Public Accountants formed
- 1916 Institute of Public Accountants (membership 1,150)
- 1917 Name change to American Institute of Accountants
- 1919 The Institute of Cost and Works Accountants (ICWA) is founded and will become CIMA
- 1921 American Society of Certified Public Accountants (federation of state societies)
- 1936 Merged into Institute
- 1945 National Society of Public Accountants (NSPA) – Currently known as the National Society of Accountants
- 1957 Name changes to American Institute of Certified Public Accountants
- 1972 ICWA changes name to Institute of Cost and Management Accountants (ICMA)

Continued on the following page

- 1986 ICMA name changes to Chartered Institute of Management Accountants (CIMA)
- 1995 House of Delegates of the National Society of Public Accountants (NSPA) voted name change to National Society of Accountants (NSA)
- 2017 AICPA & CIMA form The Association of International Certified Professional Accountants

The 1929 stock market crash prompted the U. S. government to grant authority to the SEC to set accounting standards. The SEC delegated this responsibility to the private sector auditing community.

In 1959, the AICPA created the Accounting Principles Board (APB). In 1973, the APB was replaced by the Financial Accounting Standards Board (FASB). The results of the deliberations of the FASB and the APB made up the generally accepted accounting principles. In July of 2009, the FASB released the Accounting Standards Codification (ASC) which was the result of over five plus years of work by the FASB to pull all GAAP together in one authoritative work for the U. S. GAAP is not law, however.

As GAAP has developed and risen in importance, so has generally accepted audited standards (GAAS). A White Paper from the AICPA entitled, “Evolution of Auditing: From the Traditional to the Future Audit” sets out some key developments in the history of auditing in the United States.

In the U. S., the Industrial Revolution and expanding businesses impacted the need for auditing methods and practices. The Securities and Exchange Act of 1934 started the Securities and Exchange Commission. The SEC was responsible for enforcing the use of accounting standards and auditor compliance for public companies. An example of this was the requirement for auditors to inspect inventories and confirm account receivables per the AICPA’s Statement on Auditing Procedures (SAP) no. 1 in 1939, which was a result of the McKesson & Robbins case in 1939.

In 2002, the Sarbanes-Oxley Act (SOX) brought many changes to the face of audits. It was after SOX that the auditing standards were separated into issuing entities (public companies) and non-issuing entities (private companies). After SOX, the Public Companies Accounting Oversight Board (PCAOB) was established and put out the auditing standards for the public companies. The ASB of the AICPA handled the standards for the nonpublic entities.

In 2004, the AICPA started its Clarity Project to help with understanding of the Generally Accepted Auditing Standards (GAAS). The idea was to make the standards easier to read, understand, and apply. With the release of Statements on Auditing Standards (SAS) 122 – 124 the Clarity Project was essentially complete. After that any SAS issued had undergone the improvements that the Clarity Project had intended. The project was declared completed with the release of Statements on Attestation Engagements No. 18 in 2017.

Until 1971, the accounting world had two indicators of work performed, audited and unaudited. In 1971, the judgement in 1136 Tenants’ Corp v. Max Rothenberg & Co. made it clear that the unaudited side of accounting needed some assistance. This assistance came in the form of the Statements on Standards for Accounting and Review Services (SSARS).

SSARS 1, Compilation and Review of Financial Statements was issued in December 1978. Many revisions to SSARS 1 followed, but it was not until SSARS 21 was issued in 2015 that questions on accounting and review services were answered. Yet even today many have questions on the services performed by accountants.

GAAP, GAAS, SSARS, and tax laws and rules are a major part of the accountant’s world. However, one of the more important set of standards is our ethics. The AICPA’s ethics have been rewritten and recodified in a revised Code of Professional Conduct. Most states have adopted all or part of this Code of Professional Conduct into the state laws and rules as requirements for accountants. The accounting profession has seen new standards and changes in Attestation, Quality Control, Peer Review, and most important to many accountants, the changes in tax laws, rules, and ethics.

To paraphrase a very smart person a few years ago,

“The way we offer our services will change in the future. However, the need for our services will not change.”

#### About the Author:



Pat Patterson is an award winning, nationally recognized author, speaker and discussion leader for continuing education courses and numerous state societies. He has experience at the local and national CPA firm level and as an adjunct university professor.

Patterson holds an MBA from the University of North Florida and is a CPA with Patterson CPA Group, Inc.

His firm provides accounting, consulting, and tax preparation services. The AICPA has recognized the firm for work in the “virtual office” field.



# Direct Mail Tips for Marketing Taxpayer Representation Services

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Jassen Bowman

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It's amazing how many people "try" direct mail, and then proclaim that it doesn't work.

Unfortunately, most people's idea of "trying" direct mail is to send a few hundred letters using peel-and-stick printed labels with an indicia mark (the pre-paid post mail permit mark used in place of stamps).

When following this approach, you come into the first and biggest barrier of direct mail. When most people sort their mail, they do so by sorting it into "A" pile mail and "B" pile mail.

- "A" pile mail is stuff that looks interesting, is of a personal nature, or is important, like bills and paychecks.
- "B" pile mail goes straight into the trash can.

When you send direct mail that looks like junk mail, guess which pile it's going into?

Over the past decade, I've been heavily involved in the use of direct mail for several different types of projects. It has always fascinated me that different groups of people respond differently to different types of mail, and even respond differently based on how it is sent and what it looks like.

For most of those years, postcards were my workhorse. The theory behind postcards is that they are cheap (about half the cost of sending a letter), and you don't have to do anything in order to get them to open your marketing piece – it's already open!

Getting a good response from postcards requires sending more than one. It has not been uncommon for me to send sequences of 8, 12, or even more postcards to the same cold mailing list.

For tax preparation, it is cost effective to send weekly postcards to a target neighborhood surrounding your tax practice for the entire duration of tax season. From early January through the filing deadline in April, sending 16 offers once per week via postcard to 1,000 homes immediately surrounding your office will cost about \$6,200, but only needs to bring in 25 to 40 tax return clients (depending on your fees) in order to recoup that cost.

A 4% response rate might sound like an impossible number to hit, but a 16-week mailing program with a strong offer to your prospects (such as discounts, refer-a-friend bonuses, etc.) should bring in closer to a double-digit response rate. You're making

Continued on the following page

an offer for a valuable service that most people are going to use anyway, during the time of year that they are looking for it. It's about as no-lose of a proposition as you can get.

Tax resolution direct mail marketing is a very different beast, unfortunately. Finding an effective direct mail marketing mechanism for tax resolution is a much more difficult task. When you have the budget to spend five figures each month on direct mail, it's much easier to send a large quantity of test pieces and eventually dial in on the strongest sequence of mailers to use.

Keep in mind that when sending direct mail to tax liens, you are competing with a number of other firms that are doing the same thing. Many of these firms are sending extremely generic letters on letterhead to just introduce their firm, and don't really do an effective job of selling. Many other firms send what is meant to look like some sort of official notice from the IRS, including a "case number" and laid out in a format that looks like an official notice.

These types of letters are actually quite effective when sent in large quantities, but using them may subject you to unwanted scrutiny from the FTC if somebody complains, as sending this type of advertising is usually viewed as a deceptive advertising practice by the FTC, and has been the source of massive fines and even prison time.

How then, do you distinguish yourself from the competition and actually obtain decent response rates to your tax resolution direct mail?

One tactic is to use a sequence of postcards or letters, as indicated for tax preparation marketing. These sequences need to be at least 4 weeks in length, preferably 8 or 12. By being consistent with these mailing sequences, you will make your money back and then some in the long haul. By long haul I mean the course of 6 to 12 months.

Most people do not have the patience for such a prolonged time period of spending money on marketing and seeing zero response.

Remember this: In all of my direct mail testing, it costs between \$350 and \$1200 to generate a single tax resolution client from direct mail nationwide. Local and regional response rates may be significantly lower, increasing costs.

The Phoenix, AZ area, one of the 10 largest metropolitan cities in America, has the dubious distinction of being what I consider the most competitive tax resolution market in the country. Due to this particular location's online public records system, obtaining lists of raw tax liens filings here is incredibly simple – and free.

Because of this, cracking this particular market requires an incredibly compelling marketing piece, with an irresistible offer that is simply better than everything else out there. The ease of obtaining tax lien lists here means that tax debtors here are likely to receive mail pieces from somewhere around 30 tax firms when the lien is filed, and receive telemarketing calls from another 70+ firms.

The solution to this over-competition problem, if you are interested in knowing, is simply to wait to mail these people until about 4 to 8 weeks after the lien is filed. By then, the tidal wave has died down, and they're probably receiving a Letter 1058 in the mail, which is a trigger event for hiring representation. So, wait until 8 weeks after the lien filing date, then start your sequence, and you will see higher response.

As part of doing market research for offering a "Done For You" direct mail program, I recently spoke with two other companies that offer this service. Both companies only offer a one-time mailing option, and require a minimum mailing of 5,000 tax liens. When I asked why their minimum was so high, they both gave me the same answer: In order to see sufficient results, you have to mail that many.

What they were really saying is that they want you to mail enough so that you'll almost be guaranteed to get a client and make your money back, so that they don't look bad. (Doing a 5,000 piece mailing one time will cost you about \$3,500.)

What if you are on a small marketing budget, and simply can't afford to spend \$3,500 to generate a few inbound phone calls?

Continued on the following page

Here's what you do. It requires a lot of manual labor, but it is the most effective direct mail approach being used by my coaching clients today. Instead of mass producing your mail pieces, each one of them is essentially a one-off. Using Word or a similar program, you mail merge your marketing piece to personalize it, which engages readers. Then, you mail it in a hand-addressed envelope, with a real stamp, and a goofy return address label (I like to use SpongeBob Squarepants address labels).

A hand-addressed envelope with a real stamp and interesting return address label doesn't look like junk mail. Instead, it looks like a personal letter. Even more so if you mail it using a greeting-card sized envelope, rather than a #10 business envelope. This type of letter automatically goes into the "A" mail pile, and is nearly guaranteed to get read. By getting opened, it crosses the single biggest hurdle to direct mail success.

Why might this technique be more successful than postcards?

My working theory right now is that once somebody opens this type of letter, they feel almost compelled to read it, since they bothered to take the time to rip it open and pull it out of the envelope. I could be way wrong on this theory, but this type of letter tends to work pretty well.

This has been a long article, with a lot of information. So, to recap, here are the methods for doubling or tripling your direct mail response rates:

Mail out lengthy sequences of postcards or letters to the same list.

In highly competitive markets, adjust the timing of your mailings from the lien filing date to avoid the tsunami of competition.

Start using alternative types of mailers, such as self-addressed envelopes with real stamps or jumbo, full-color postcards.

As mentioned earlier, direct mail is a constantly changing and fickle beast. However, direct mail is still highly effective – has been for a hundred years, and probably will be for 100 more. The cost of customer acquisition is on par with telemarketing when you include commissions paid to salespeople, and can be ramped up or down on your whim.

Even if you do small volumes of direct mail, it's still better than doing none. Just be sure to mail each person on your list more than once. In addition to that, make sure you have a prospect follow up system in place to maintain contact with people that call you, but don't buy. If you don't follow up, then you're basically pissing away your marketing money.

#### About the Author:



**Jassen Bowman, EA, CTR** practices exclusively in IRS Collections representation as an Enrolled Agent, and spent three years operating a completely remote, cloud-based practice while traveling the world full time. He has presented over 300 live seminars and webinars to CPAs, EAs, and attorneys on the subjects of IRS Collections representation, practice management, and growing a tax firm. He is the author of several books, including "Tax Resolution Secrets" for consumers and "Tax Resolution Systems", a checklist manual for practitioners. He is the founder of TaxMarketingHQ.com, a training and consulting firm specializing in helping solo practitioners and small firms to build better tax practices.



# Grow Your Firm Exponentially with Relationship Ecosystems

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Amy Franko

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The connected economy is a phrase attributed to marketing expert Seth Godin. Economic value has shifted over the decades from a single focus on transactions or the production of things, to today, where relationships and connections are more crucial than ever in creating value.

In this series, I'm covering the topic of cross selling to clients. In the first article, we explored how to uncover cross-selling opportunities by leveraging existing client meetings. This article will look at how to cultivate the right relationships, so you can be well positioned for cross-selling opportunities within your existing clients.

## Decision by Committee: Why Siloed Relationship Building No Longer Works

In the accounting profession, part of our work is identifying and creating relationships with the right decision makers and influencers. One of the trends that has given rise to the need for both better intelligence and deeper relationships is decision by committee.

In any given client, there are more decision makers and influencers than ever before. Research from the Corporate Executive Board shows that there's an average of 6.8 stakeholders involved in major buying decisions. That's up from 5.4 stakeholders just a few years ago.

While the reasons for that can be unique to your client, there are some common reasons why this is happening more and more.

- The first is that business segments are intersecting more often. A decision in one area of the business has more impact on other areas.
- Second, organizations are more matrixed than ever before, with dotted-line reporting. This creates more collaboration, and more input into the decision-making process.
- Lastly, there's also reputational risk involved in complex decisions. An executive decision maker will often seek buy-in via internal or industry peers.

## Relationship Ecosystems: Your Strategy for Cross-Selling Success

In the past, we could focus our business development efforts to the area of those buying our services. The risk with that approach is that we may be missing a relationship that's key to earning a client's business. Today, we need to go beyond that

siload set of decision makers to work across the organization, and sometimes even outside of it.

If you picture a current client, the relationship ecosystem is the set of relationships you need to create, sustain, and leverage to reach the goal of earning initial business or growing existing business.

That ecosystem will have a few major characteristics. There will be internal and external relationships. There will be a variety of levels of influence. There will be strategic and functional relationships. And often multiple decision makers, depending on the opportunity and size of the organization.

An action step to take is building out your Relationship Ecosystem for a key client. I'll walk through some of the internal groups you'll want to identify within their organization.

1. **Decision Makers.** Knowing who ultimately owns decisions is a key part of your ecosystem. Those decision makers may change depending on the business segment. It's important to know the decision-making process as well. It will help you identify those who may not be an obvious decision maker on the surface but contribute to the overall process.
2. **Centers of Influence.** A center of influence is an individual or organization that can connect you in a more meaningful way to the client. If it's an individual, this is someone who's a strategic thinker, perhaps a leader, and they're someone you can learn from. Organizations are also centers of influence – for both the people that lead those organizations and are members, and for the overall environment they create.
3. **An advocate** is slightly different than a center of influence. An advocate is often a center of influence, but a center of influence isn't always an advocate. An advocate is someone who will actively provide you with insights you really can't get elsewhere. They might open a door for you, they might use their own social capital for a strategic introduction or the opportunity to bid on a new piece of business. For every client, it's ideal to have at least two advocates.

Of course, there are other connections that play a role in a Relationship Ecosystem. You'll want to also consider strategic partners and alliances, as well as connections within your own firm.

I like to think of my relationship ecosystem maps as works in progress – they're always evolving. Those groups will get you started, and you'll likely identify additional ones as you build yours out.

Once you have a map started, here are some additional steps you can take.

1. For each group you identify, list out as many people as you can that belong to those groups. And the same person may belong to more than one group.
2. For each person, note if the relationship is internal, within the client, or completely external.
3. Third, note which people are most likely to be part of the decision-making process in some way. And then star all of your advocates.

This exercise will show you where your strengths are, and where you have gaps. Gaps are your greatest relationship risks. A next step would be to fill those gaps in one or two key groups.

In my final article in this series for NSA in October, I will share how to open new doors and build engagement with prospective clients.

#### About the Author:

**Amy Franko** is a strategic sales expert working with professional services, insurance, and technology organizations to accelerate sales results. She's a keynote speaker, sales strategist, and author specializing in B2B sales and sales leadership development. With over 20 years of client-facing sales experience, Amy began her career with global companies IBM and Lenovo before pivoting into entrepreneurship. Her book of business includes some of the world's most recognizable brands. Amy's book, *The Modern Seller*, is an Amazon best seller and was also named a 2018 top sales book by Top Sales World. Learn more and download a free chapter at [www.amyfranko.com](http://www.amyfranko.com).





# How to Deal with a Negative Online Review

Kallie Branciforte

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Nowadays online reviews aren't just helpful, they are expected. We see them everywhere from Amazon when buying a toothbrush to Yelp when we're browsing for a new restaurant to try. The truth is, online reviews are extremely critical to the growth of pretty much any business or company trying to get business online or offline.

In 2019, it's estimated that more than 91 percent of consumers turn to online reviews before purchasing a product or calling a professional service like an accounting firm. If you don't have reviews of your accounting practice visible online, you're missing out on possible leads.

However, many accountants hesitate when it comes to asking for online reviews. They worry that clients will find it annoying if they are asked to leave reviews or they fear what might happen if someone leaves a negative review. Generally, we find that most clients are really easy to deal with and don't have any problems leaving a nice review for the work you've completed for them. However, eventually, you might have an unhappy client who decides to leave a one-star review. If this happens, what should you do?

Understand the cause of the issue

Start by understanding the specific issue this client has, assuming there is one. The client may be upset about price, an employee, the value of the services, etc.

If there is a solution to the problem they have, you should work to fix it – or take steps to make sure it doesn't happen again. This is important to help prevent another bad review but also just for your overall reputation.

If you're going to respond, take the conversation offline

Typically reviews are left on a platform like Google or Facebook where you, as the business owner, can respond. But, there's usually not a need air things out publicly. You don't always know about the personality of the person who has left the review. Sometimes responding publicly can just lead to more backlash.

If you decide you want to respond, try reaching out to the client directly and in a non-public way. Acknowledge the client's problem (even if you don't agree with their point of view) and offer a solution (if one is available.) Let them know that you take them seriously. If the client feels wronged, offer an apology.

Let the bad review get buried by positivity

The best thing to do with a bad review is bury it with positive ones. Consumers are used to reading online reviews. I'm sure you yourself browse reviews before adding something to your cart. We are used to seeing products and services with a range of star ratings. And, we've gotten quite good at determining which reviews are valid and which aren't. Some studies actually

support that idea that consumers trust businesses with 4 star ratings more than a perfect 5-star rating because they perceive it as more honest.

If you're buying something on Amazon that has 100 reviews and there are six one-star reviews, it probably won't stop you from buying the product if the other 94 people left 4 and 5 stars. If you're browsing hotels and see some negative reviews, you might read them first to determine if these people's complaints are something you'd worry about yourself.

Prospective clients will do the same with your firm. If they see one bad review and 12 good reviews, they will likely be able to make the conclusion that this was probably an isolated case or a hard-to-please client.

#### About the Author:



**Kallie Branciforte** is the Content & Digital Marketing Manager at Build Your Firm ([www.buildyourfirm.com](http://www.buildyourfirm.com)), an internet marketing and website development company exclusively for the accounting industry. Kallie's professional experience is in SEO strategy, content creation, and digital and social media marketing. At Build Your Firm, her role is to assist the team and clients with their digital and content marketing strategy to improve lead generation and website conversion.

# • ALL AROUND NSA

**DON'T MISS THE ANNUAL MEETING**



The NSA's 74th Annual Meeting is only weeks away! Be among the brightest and best tax and accounting professionals in the heart of the Queen City for top education, peer-to-peer networking, fun, and relaxation!

In Charlotte, you can get up to 18 hours of CPE – the most NSA has ever offered – covering a variety of accounting, tax, and practice management topics from top-rated instructors. Along with the education, we have included opportunities to engage in thoughtful, topic-focused conversations with your peers as you enjoy Charlotte's charm.

All Full Registrations include all social events, a ticket to the ball game, and a seat at the Awards and Installation Luncheon. Your guests get to enjoy all the social events as well, including a ticket to the ball game and a seat at the Awards and Installation Luncheon.

Just announced on Monday: Terry Lemons, the IRS Chief of Communications & Liaison, will be the keynote speaker for NSA's 74th Annual Meeting. Download the press release for more information. 8/19 – EA Live Review

**[REGISTER NOW](#)**

[Full agenda available here.](#)

- 8/20 – EA Live Review
- 8/21 – EA Live Review/Annual Meeting Welcome Reception
- 8/22 – NSA Scholarship Foundation's Walk for Scholars, Opening General Session, CPE Sessions, Networking Lunch, NSA-GO Night to benefit the NSA Scholarship Foundation
- 8/23 – CPE Sessions, NSA Knight at the Ballpark – Norfolk Tides vs. Charlotte Knights
- 8/24 – General Session, NSA Awards & Installation Luncheon, CPE Sessions, NSA Governors' Gala

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## MEMBER BENEFIT SPOTLIGHT: CCH PUBLICATIONS AND CPE

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NSA membership gives you value, resources and a thriving online community. NSA partners with CCH to give you the necessary tools to expand your professional development, enhance your knowledge and increase your expertise on tax, accounting, financial and estate planning, audit topics and more.

CCH produces some of the top reference materials in the tax and accounting industry, and your membership gets you up to 40% off these titles, and many more (see the website for more details). The more knowledge you have at your fingertips, the better you can serve your clients.

CCH also gives members access to online CPE webinars, both live and on demand. Discounts on these webinars make it easy and cost-effective to manage your annual CPE requirements.

Did you know they offer substantial discounts on annual CPE subscriptions for members, too? They are worth considering if you want to get all your education in one place from a top-of-the-line CPE provider.

Remember: NSA's value for membership is only limited by the benefits you take advantage of. Keep an eye on the website, because more products and services are being evaluated every day.

The image is a screenshot of the Wolters Kluwer website. At the top, there is a navigation bar with the Wolters Kluwer logo and the NSA logo. Below the navigation bar is a large blue banner with the text "EARLY BIRD SPECIAL for Association Members 40% OFF". To the right of the banner, there is a "Order Now and Save Big" button and images of several CCH publications. Below the banner, there is a section titled "CCH Publications" and a grid of 12 publication covers, including titles like "GAAP GUIDE", "GAAS GUIDE", and "GAO GUIDE".

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## NSA ONLINE VOTING

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NSA members will have an opportunity to vote for NSA's Bylaws and Officers through August 5, 2019, 5 PM Eastern Time.

All eligible members have received an email from NSA's online voting system that includes a direct voting link and log in credentials for casting their ballot. NSA encourages all members to take a hands-on part in moving the Society forward.

Members, please take this opportunity to review these new proposed Bylaws (available [here](#)) and remember to make your vote count beginning on July 15, 2019. You will also be able to vote for NSA's Board of Governors and State Directors on the same ballot as the Bylaws. To review this year's candidates, visit this [page](#). You must be logged in to the website in order to view these pages.

Please direct your comments or problems to [members@nsacct.org](mailto:members@nsacct.org) and they will assist you.

## NSA ANNOUNCES 2019 SCHOLARSHIP AWARDEES



The NSA Scholarship Foundation works to build career paths into and within the accounting profession. The scholarship awards assist dedicated students who are committed to a career in accounting by providing financial assistance to support their education.

Formed in 1969, the Foundation is a 501(c)3, tax-exempt organization and relies on voluntary, tax-deductible, contributions to support its programs. A Board of Trustees holds full fiduciary responsibility for management of the Foundation and its programs. Each year, thousands of students contact NSA seeking help to meet the ever-increasing costs of higher education. In response, the NSA Scholarship Foundation provides financial encouragement to promising accounting students across the country. The Foundation awards scholarships to undergraduates enrolled in a degree program at an accredited two- or four-year college or university. Applicants for awards are judged on the basis of scholastic achievement, demonstrated leadership ability, and financial need. In 2019, the Scholarship Foundation awarded scholarships to 45 students to help them continue their college education. Combined, NSA scholarships for 2019 totaled \$95,650.00.

### NSA and the NSA Scholarship Foundation would like to congratulate the winners of the 2019 Scholarship Awards.

**Andrew Antonik**  
Providence College  
Herbert H. Landy Award -  
\$2,000.00

**Sierra Armstrong**  
Augsburg College  
Minnesota Association of  
Public Accountants - \$2,000.00

**Daniel Bosworth**  
Miami University-Oxford  
William Ferrance Award -  
\$2,000.00

**Matt Brown**  
The University of Tennessee  
John Hicks Award - \$2,000.00  
W. R. Lampley Jr. Award -  
\$5,000.00

**Courtney Burchett**  
George Mason University  
Louis & Fannie Sager Award -  
\$2,000.00

**Kathryn Cardenas**  
University of Virginia-Main  
Campus  
Louis & Fannie Sager Award -  
\$2,000.00

**Esther Chai**  
St. John's University-New York  
Harry Roman Award -  
\$2,000.00

**Vivian Chen**  
Arizona State University  
Arizona Society of Practicing  
Accountants - \$500.00

**Adam Cochran**  
University of Missouri-  
Columbia  
Missouri Society of  
Accountants - \$1,000.00

**Travis Cone**  
Western Carolina University  
North Carolina Society of  
Accountants - \$1,700.00

**Kevin Culles**  
University of Wisconsin-Eau  
Claire  
Wisconsin Association of  
Accountants - \$1,000.00

**Thomas Doody**  
Aurora University  
Independent Accountants  
Association of Illinois -  
\$1,000.00  
Samuel Stern Award -  
\$2,000.00

**Amanda Easley**  
Southern Arkansas University  
Ronny Woods In Memory -  
\$1,000.00

**Ryan Elliott**  
Union University  
Stanley H. Stearman Award -  
\$2,000.00  
Knowledge Tree Campaign -  
\$1,000.00

**Katelyn Engen**  
Louisiana Tech University  
Louisiana Society of Independent  
Accountants - \$2,000.00

**Desiree Ferrell**  
Jackson State University  
Alabama Association of  
Accountants and Tax Preparers -  
\$1,000.00

**Megan Fraser**  
Gonzaga University  
Washington Association of  
Accountants - \$617.00

**Grace Gallagher**  
University of Scranton  
Harry Roman Award -  
\$2,000.00

**Shea Gieselmann**  
University of Arkansas Main  
Campus  
Forrest T. Jones Award -  
\$2,000.00

**Benjamin Glick**  
Colorado State University  
Stanley H. Stearman Award -  
\$2,000.00  
Arizona Society of Practicing  
Accountants - \$2,000.00

**Mitchell Goettl**  
Drake University  
Accountants Association of  
Iowa - \$1,000.00

**Talina Gulati**  
Embry Riddle Aeronautical  
University-Daytona Beach  
Samuel Stern Award -  
\$2,000.00

**Kingston Handley**  
University of North Carolina at  
Charlotte  
Samuel Stern Award -  
\$2,000.00

**Travis Hedrick**  
Mesa State College  
Chester Borelli Award -  
\$2,000.00

**Brooklyn Hinkle**  
Northeast State Community  
College  
John Hicks Award - \$2,000.00  
W. R. Lampley Jr. Award -  
\$3,000.00

**Alexis Jones**  
University of Mississippi Main  
Campus  
Stephen E. Lamp Award -  
\$2,000.00

**Kalyson Jones**  
Le Moyne-Owen College  
W. R. Lampley Jr. Award -  
\$5,000.00

**Anton Khokhryakov**  
University of Oregon  
Oregon Association of  
Independent Accountants -  
\$5,000.00

**Evelyn Kim**  
George Mason University  
Louis & Fannie Sager Award -  
\$2,000.00

**Robert Knight**  
Wake Forest University  
William Ferrance Award -  
\$2,000.00

**Helena Lauchli**  
Loyola University New Orleans  
Louisiana Society of  
Independent Accountants -  
\$2,000.00

**Angelina Leandres**  
Bryant University  
Herbert H. Landy Award -  
\$2,000.00

**Jordan Malikowski**  
Saint Mary's University of  
Minnesota  
Minnesota Association of  
Public Accountants - \$1,700.00  
Minnesota Association of  
Public Accountants Roseville -  
\$2,000.00

**Morgan Meinel**  
University of Wisconsin-  
Milwaukee  
Wisconsin Association of  
Accountants Southeast Chapter  
- \$500.00

**Linsey Milender**  
Montana State University-  
Billings  
Montana Society of Public  
Accountants - \$1,000.00

**Drew Minard**  
University of Nebraska-Lincoln  
Nebraska Society of  
Independent Accountants -  
\$1,000.00

**Alec Okino**  
University of California-Los  
Angeles  
California Society of Tax  
Consultants - \$2,133.00

**Rebecca Ortiz**  
The University of Texas at  
Austin

Stephen E. Lamp Award -  
\$2,000.00

**Theodore Proctor**  
Plymouth State University  
New Hampshire Society of  
Accountants - \$1,500.00

**Katherine Schultz**  
Ohio State University-Main  
Campus  
Milton Brown Award -  
\$2,000.00

**Patrick Shubat**  
Colorado State University  
Chester Borelli Award -  
\$2,000.00

**Tanner Stenquist**  
Brigham Young University-Idaho  
Idaho Association of Public  
Accountants - \$1,000.00

**Eliza Todorova**  
Georgia State University  
Forrest T. Jones Award -  
\$2,000.00

**Ashleigh Velasquez**  
Colorado State University-Pueblo  
Chester Borelli Award -  
\$2,000.00

**Matthew Watters**  
Brigham Young University  
Arizona Society of Practicing  
Accountants - \$1,000.00

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## DASHLAND AND NSA PARTNER

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NSA has partnered with [Dashlane](#) to offer members 25% off their Premium service that costs the general public \$4.99 a month.

Dashlane is a simple-to-use password management system that protects you and your passwords when you're browsing the web. Their product is state-of-the-art digital protection that syncs across all your devices so that every password you use is available to you everywhere. It can auto-fill your passwords on sites you frequent, and generate complex passwords that you won't even need to remember (because Dashlane does it for you).

The Premium package includes tools like two factor authentication, secure file storage, virtual private network (VPN) to encrypt your online activity, password management and unlimited password storage.

Another tool that comes with the Premium version is: Dark Web Monitoring. Dashlane will scan the dark web to see if any of your personal data or passwords have been leaked. You can set alerts that will inform you if your information has been compromised, and then you can take immediate action to secure your information.

NSA membership is about YOU, and NSA is pleased to be working with one of the best services in the business to help keep YOU safe.

Go to this [page](#) to learn more

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## ACAT EXAMS AT NSA'S ANNUAL MEETING

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Is it time to take the ACAT credential exams?.

ACAT exams will be held during NSA's Annual Meeting in Charlotte, North Carolina this year. For credential candidates attending the Annual Meeting, this is a convenient addition to the event that will allow you to take advantage of all the CPE programs, and go home with a new accounting designation.

Proctored exams will be available for all ACAT credentials: Accredited Business Accountant/Advisor (ABA); Accredited Tax Advisor (ATA); Accredited Tax Preparer (ATP); and Accredited Retirement Advisor (ARA). These opportunities will be offered on Thursday, August 22, 2019 from 9:00 am – 12:00 pm and from 1:00 pm – 4:00 pm.

To register for the Annual Meeting, or to add ACAT exams to your existing registration, visit this [page](#).

For more information on the ABA, ATA, ATP and ARA credentials, visit [www.acatcredentials.org](http://www.acatcredentials.org).



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## ABOUT ACAT

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The Accreditation Council for Accountancy and Taxation® (ACAT) was established in 1973 as a non-profit independent testing, accrediting and monitoring organization. The Council seeks to identify professionals in independent practice who specialize in providing financial, accounting and taxation services to individuals and small to mid-size businesses. Professionals receive accreditation through examination and maintain their accreditation through commitment to a significant program of continuing professional education and adherence to the Council's Code of Ethics and Rules of Professional Conduct.

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## EA DESIGNATION CREATES POSSIBILITIES

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The Enrolled Agent designation creates new possibilities for tax and accounting professionals. Not only does it allow you to represent clients before the IRS, it also provides a powerful talking point when networking and cultivating prospective clients.

This is the year to lay the groundwork for expanding your professional qualifications by taking the EA exam. To help you succeed, NSA is presenting the Live Enrolled Agent Exam Review Course August 19-21, 2019 prior to the Annual Meeting in Charlotte, North Carolina. This course offers a fast-paced, comprehensive review to get you through the EA Exam the first time.

The heart of this course is a set of comprehensive PowerPoint slides, organized by topic with hundreds of review questions covered in class. John and Bill will walk you through the maze of law, answer your questions, and provide valuable test-taking tips. Take a look at this partial excerpt from Module 10 of Part 2 on the QBID and see if this is the approach for you.

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### Included with Registration for this course:

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- Breakfast and Lunch;
- The NSA EA Exam Review Course Books in PDF form at no extra charge;
- Study Guides; and
- Access the NSA's EA Exam Review Course Community where you can ask questions and communicate with other course registrants.

For more information and to register for the course, visit this [page](#).

# TECH TOPICS

## Stop Using Login With Facebook Immediately

Late last year, [Facebook was hacked](#), and it sent everyone scrambling to understand why it happened, who was responsible, and most importantly, what it meant for the potentially 90 million affected users. What's become clear is that Facebook's unprecedented access to user data across at least [8 million websites](#)—via the ever-present Login With Facebook option—puts each of Facebook's 2 billion-plus users at risk.

To understand why the Login With Facebook option is a bad idea, we're sharing three facts you might not know about the problems associated with using a login connected to your social profile as a way to manage logins for many accounts.

**Fact #1:** Facebook collects a surprisingly large amount of data on people to power its advertising engine.

Facebook is often referred to as a “social media company” or a “social media app.” But that's not a business model. It would be far more accurate to think of Facebook as the second largest data-collection and advertising agency in the history of mankind, [behind Google](#)—we'll get to them soon.

In 2017, [98%](#) of Facebook's global revenue was generated through its advertising business. It's no wonder Facebook does everything in its power to collect every ounce of data about everyone they can, whether they have a Facebook account [or not](#). That phone number you gave Facebook to help secure your account? The company used it to serve [you and your friends](#) ads. The list of data points they collect is [practically endless](#).

Armed with this data, you could say that [Facebook knows more about you than even you know about you](#). And one of the primary ways Facebook collects this data was just revealed to be vulnerable.

**Fact #2:** The Facebook hack exposed Login With Facebook, which connects users with third-party services like Airbnb, Spotify, and Uber.

It's hard to find a service nowadays that isn't connected to Facebook in some way. For many of those services, users don't even need to create an account—they simply use Login With Facebook to gain access. In theory, using Facebook as a way to manage logins for other accounts is beneficial to all parties: Users get an easy, one-click login, services get new, verified users without the responsibility of securing login data, and Facebook gets access to the user data associated with those services.

**However, the Facebook hack exposed the dangers of using Facebook as a way to manage your logins for many accounts.**

It's unclear what data, if any, was stolen in the hack. However, a [paper](#) published by computer scientist Jason Polakis in August 2018 analyzed the different ways hackers could exploit Login With Facebook, as well as other types of social logins (e.g. signing in with Google) to infiltrate third-party accounts.

In controlled experiments, authors of the paper were able to:

Get into a target's Uber account, track the target's trips in real time, and even tip the driver after a completed trip.

Send and receive messages on a target's Tinder account, even though those messages appeared unread on the target's device.

Access a target's Expedia account and view their passport number, TSA information, and payment details.

Log in to some accounts where users didn't even use Login With Facebook, as long as those accounts used the same email address associated with their Facebook account. Pro tip: Use a different email for Facebook than you do for any other services to eliminate this risk.

It's easy to imagine a real-life scenario where hackers take advantage of compromised social accounts connected to third-

# TECH TOPICS

party services and exploit them.

[You can see which third-party apps are connected to your Facebook profile here.](#)

**Fact #3: You can start to take back control of your private data by using a password manager instead of Facebook to log in.**

[Password managers](#) remember all your different passwords, personal details, and payment info and intelligently fill in that information on your desktop, laptop, tablet, or mobile device. They have all the convenience of using Login With Facebook, but they're more secure. And while they don't protect you from 100% of the risks associated with using Facebook, they are the best alternative to allowing Facebook to manage access to all your accounts.

You're probably wondering, How's a password manager more secure than using Login With Facebook? It sounds like I'm still putting all my eggs in one basket.

There is one crucial difference: Facebook was and remains a single point of failure for all 2 billion-plus users—a Facebook vulnerability could mean access to millions of users and their associated third-party accounts. In contrast, a password manager prevents this same “one-to-many” hack, because it requires a unique key—your master password, which is never stored online and is known only by you—to unlock your personal data. A password manager is designed to keep each of your accounts separate, so if one account becomes compromised, your other accounts remain secure.

So, while you're keeping all your eggs in one basket, imagine that basket is locked inside a safe which is locked inside a larger vault. Even if someone manages to open the vault, your safe is protected by your unique master password.

All the problems associated with using a centralized service like Facebook exist with any type of social login, including Google, LinkedIn, Twitter, or Yahoo. In fact, [LinkedIn](#), [Twitter](#), and [Yahoo](#) have already been hacked, and [Google recently revealed a breach for hundreds of thousands of users](#). The common thread? Each of these businesses generates revenue primarily through ad sales.

And the truth is, these data privacy issues shouldn't have to be solved by users. Facebook could take a big step in the right direction by allowing users to opt-in or out of allowing Facebook to connect their accounts with third-party services. That way, users are in control of where and how their data is shared, not Facebook.

But until that becomes a reality, stop entrusting your data to companies whose primary goal is to sell you ads. A security-focused password manager puts you in control of your private data and provides the same convenience of instant logins across all your accounts.

## About the Author:



Eitan Katz writes for NSA's partner Dashlane on cybersecurity topics like Phishing, the dark web, and password management. Dashlane shared this article with us to help educate and inform NSA members.

The background of the top half of the page is a photograph of the U.S. Capitol building in Washington, D.C., under a blue sky with scattered white clouds. The building is a large, white, neoclassical structure with a prominent central dome. A dark red diagonal banner cuts across the bottom of the image, containing the text 'Legislative Link' in white serif font.

# Legislative Link

## Recent Draft Forms from the IRS

The IRS has released draft forms that may help NSA members prepare for updates and final forms that will be available in the future.

[Form 1099](#) -NEC-Nonemployee Compensation

[Form 2106](#)-Employee Business Expenses

[Form 1040](#) (Schedule B)-Interest and Ordinary Dividends

[Form 940](#) (PR) (Schedule A)-Multi-State Employer and Credit Reduction Information (Puerto Rican Version)

[Form 1040](#) (Schedule H)-Household Employment Taxes

[Form 1040](#) (PR) (Anexo H-PR)-Contribuciones Sobre El Empleo De Empleados Domesticos

[Form 8843](#)-Statement for Exempt Individuals and Individuals with a Medical Condition

[Form 8752](#)-Required Payment or Refund Under Section 7519

[Form 1099-G](#)-Certain Government Payments (Info Copy Only)

[Form 3520](#)-Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts

[Form 1120-H](#)-U.S. Income Tax Return for Homeowners Associations

[Form 8804](#)-Annual Return for Partnership Withholding Tax (Section 1446)

[Inst 3903](#)-Instructions for Form 3903, Moving Expenses

[Form 990 \(Schedule H\)](#)-Hospitals

[Form 8453-EO](#)-Exempt Organization Declaration and Signature for Electronic Filing

[Form 2555](#)-Foreign Earned Income

[Inst 8824](#)-Instructions for Form 8824, Like-Kind Exchanges

[Form 4972](#)-Tax on Lump-Sum Distributions

[Form 8610](#)-Annual Low-Income Housing Credit Agencies Report

[Form 1040](#) (Schedule A)-Itemized Deductions

[Form 940](#) (Schedule A)-Multi-State Employer and Credit Reduction Information

[Form 1099-LTC](#)-Long Term Care and Accelerated Death Benefits-1019

Accountants and other tax practitioners are invited to make comments on draft forms, and may do so through this [page](#) on the IRS website.



# Legislative Link

## House Passed the SECURE Act

NSA's Federal Tax Committee reported that the House of Representatives has passed the Setting Every Community Up for Retirement Enhancement Act of 2019. This act is designed to amend the IRC of 1986 to encourage individuals to save for retirement. If passed, it will impact an individual's ability to save money for retirement, and potentially influence how those funds are used over time.

The Act includes modifications for regulations of employer-provided retirements plans, IRAs, and other tax-favorable savings options. For example, the employer-provided retirement plans would be modified in these areas:

- multiple employer plans;
- automatic enrollment and nonelective contributions;
- tax credits for small employers that establish certain plans;
- loans;
- lifetime income options;
- the treatment of custodial accounts upon termination of section 403(b) plans;
- retirement income accounts for church-controlled organizations;
- the eligibility rules for certain long-term, part-time employees;
- required minimum distributions;
- nondiscrimination rules;
- minimum funding standards for community newspaper plans; and
- Pension Benefit Guaranty Corporation premiums for CSEC plans (multiple employer plans maintained by certain charities or cooperatives).

Other provisions of the bill include repealing the maximum age for traditional IRA contributions; allow penalty-free withdrawals from retirement plans if a child is born or adopted; and increase penalties for failing to file tax returns.

The full text of the bill is available [here](#).