



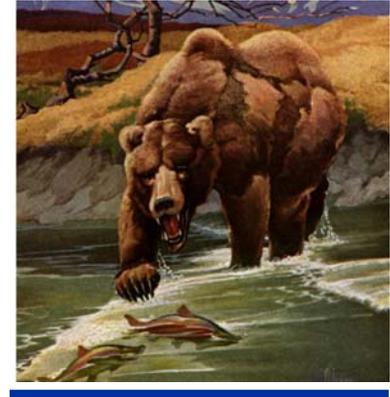
Focus on Form 1042

The office of Indian Tribal Governments (ITG) has embarked on an initiative to improve compliance with the withholding requirements relating to funds paid to non-resident aliens. In general, all such payments require the payer to withhold 30% and to provide the recipient with Form 1042-S that they will use to report the income and claim the withholding. For Tribal governments, withholding and the preparation of Form 1042-S is generally required when a governmental entity remits funds to a foreign vendor, foreign patron, and/or foreign entertainer.

Form 1042 is the income tax return for reporting the liability for non-resident alien withholding tax, the amounts withheld, the reportable amounts paid to foreign persons and any credit claimed for amounts withheld by other withholding agents. Form 1042 is due on March 15th of the year following the year of the payment. All Forms 1042 are required to be filed on a calendar year basis, and consolidation of separate legal entities for Form 1042 filing purposes is NOT permitted.

Questions often arise concerning how a tribe may recognize that someone is a non-resident alien. In general, this should be addressed at the time the tribe secures a Form W-9 from a vendor or entertainer, or secures identification from a patron. While we recognize that some payments, such as slot jackpots at a casino, may not create a need for identification, it is important that the tribal entity exercise due diligence and ensure that its cage or player tracking systems have processes that can identify these patrons and impose the correct withholding and reporting.

Over the next several months, ITG will be specifically addressing this area in outreach seminars, compliance checks, and examinations. If you have questions or concerns about requirements to withhold on payments to nonresident aliens, or on filing Forms 1042/1042-S, you should contact your designated ITG Specialist as soon as possible. A [current list of ITG Specialists](#) is maintained on the ITG web site, and includes their telephone numbers and business hours.



Special Rules Apply to Withholding and Reporting on Payments to Non-Resident Aliens

IN THIS ISSUE

Focus on Form 1042	1
New Withholding Tables	2
COBRA Credit on F941	3
Correcting Employment Tax Errors	4
Joint Federal/Tribal Investigation Leads to Indictments & Guilty Plea	5/6
American Recovery and Reinvestment Act of 2009	7
Tax Tip for 2008 F1040	8
Name Change with SSA	8/9
Successful Training	10
April 2009 Training in Anchorage	11
Message from the Director	12
Tax Calendar 2nd Quarter	13/14
ITG Specialists for Alaska	15

Upcoming Events

Consultation Listening Meeting	July 15th—Tulsa, Oklahoma
Consultation Listening Meeting	August 12th—Albuquerque, New Mexico



New Withholding Tables for Employers

The Internal Revenue Service released updated withholding tables that will result in more take-home pay this spring for millions of American workers.

The tables incorporate the new Making Work Pay credit, one of the key tax provisions included in the American Recovery and Reinvestment Act of 2009 that became law in February.

“For most taxpayers, the additional credit will automatically start showing up in their paychecks this spring,” said IRS Commissioner Doug Shulman. “Since employers and payroll companies will handle this change, people typically won’t need to take any additional action. The IRS will continue working to implement this and other provisions of the new law as quickly as possible.”



The revised withholding tables, along with other instructions related to the recent tax law, will be incorporated in [Publication 15-T, New Wage Withholding and Advanced Earned Income Credit Payment Tables](#). This publication is posted on the IRS web site and was mailed to more than nine million employers in mid-March. The IRS asks that employers start using these new tables as soon as possible but not later than April 1. Most workers will see a boost in their take-home pay soon thereafter.

Eligible workers will get the benefit of this change without any action on their part. This means that workers don’t need to change their W-4 withholding form to get the Making Work Pay credit reflected in their take-home pay. A Form W-4 does not need to be submitted for the automatic withholding change. Individuals and couples with multiple jobs may want to submit revised [Form W-4](#) forms to ensure enough withholding is held to cover the tax for the combined income. Publication 919 provides additional guidance for tax withholding.

Available for tax years 2009 and 2010, the Making Work Pay credit is 6.2 percent of a taxpayer’s earned income with a maximum credit of \$800 for married couple filing a joint return and \$400 for other taxpayers, but it is phased out for higher income taxpayers. Most workers will qualify for the maximum credit. Because the credit is refundable (people can get it even if they owe no tax), most low-income workers will also qualify for the full credit.

Though all eligible taxpayers will need to claim the credit when they file their 2009 income tax return next year, the benefit will generally be spread out over the paychecks they receive beginning this spring and continue until the end of the year.

Many higher-income taxpayers will see little or no change in their take-home pay because the Making Work Pay credit is phased out for a married couple filing a joint return whose modified adjusted gross income (AGI) is between \$150,000 and \$190,000 and other taxpayers whose modified AGI is between \$75,000 and \$95,000.

Unlike last year’s economic stimulus payment, taxpayers will not get a separate, special check mailed to them from the IRS



IRS Releases Information to Help Employers Claim COBRA Medical Coverage Credit on Payroll Tax Form

The Internal Revenue Service has released new detailed information that will help employers claim credit for the COBRA medical premiums they pay for their former employees.

The IRS has unveiled [new information](#) on their web site, www.irs.gov, that includes an extensive set of [questions and answers](#) for employers. In addition, the Web site contains a revised version of the quarterly payroll tax return that employers will use to claim credit for the COBRA medical premiums they pay for their former employees.

[Form 941](#) Employer's Quarterly Federal Tax Return was sent to employers in mid-March. The form is used to claim the new COBRA premium assistance payments credit beginning with the first quarter of 2009.

The American Recovery and Reinvestment Act of 2009 includes changes to the health benefit provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985, commonly referred to as COBRA. The new law will affect former employees and their families, employers, and others involved in providing COBRA coverage.

Under the new law, eligible former employees, enrolled in their employer's health plan at the time they lost their jobs, are required to pay only 35 percent of the cost of COBRA coverage. Employers must treat the 35 percent payment by eligible former employees as full payment, but the employers are entitled to a credit for the other 65 percent of the COBRA cost on their payroll tax return.

Employers must maintain supporting documentation for the credit claimed. This includes:

- Documentation of receipt of the employee's 35 percent share of the premium.
- In the case of insured plans: A copy of invoice or other supporting statement from the insurance carrier and proof of timely payment of the full premium to the insurance carrier.
- Declaration of the former employee's involuntary termination.

COBRA provides certain former employees, retirees, spouses, former spouses and dependent children the right to temporary continuation of health coverage at group rates. COBRA generally covers health plans maintained by private-sector employers with 20 or more full and part-time employees. It also covers employee organizations or federal, state or local governments. It does not apply to churches and certain religious organizations. The new COBRA subsidy provisions also apply to insurers required to offer continuation coverage under state law similar to the federal COBRA.

More information about COBRA payments and the new law is available on www.dol.gov.



Correcting Employment Tax Errors

The Internal Revenue Service has revised the process for correcting Employment Tax errors, except for adjustments relating to unreported tip income from prior tax periods. Adjustments relating to unreported tip income will continue to be reported on the Form 941 Line 7c for the current calendar quarter (the quarter for which the entity received a Notice and Demand).

As soon as all other employment tax errors are discovered, use the new corresponding "X" forms listed below to correct the errors. For example, the new Form 941-X, Adjusted Employer's Quarterly Federal Tax Return or Claim for Refund, is used to correct errors on a previously filed Form 941.

For overpayments - Employers correcting an overpayment can choose to make an adjustment or claim a refund on the corresponding "X" form.

For underpayments - Employers correcting an underpayment must use the corresponding "X" form. Amounts owed must be paid by the receipt of the return. Payments can be made by using [EFTPS](#), sending a check, or using a [credit card](#).

94X Series Adjusted Tax Forms	
Return previously filed	Corresponding 94X series form
Form 941, Employer's Quarterly Federal Tax Return (PDF)	Form 941-X, Adjusted Employer's Quarterly Federal Tax Return or Claim for Refund , Instructions
Form 943, Employer's Annual Federal Tax Return for Agricultural Employees (PDF)	Form 943-X, Adjusted Employer's Annual Federal Tax Return for Agricultural Employees or Claim for Refund , Instructions
Form 944, Employer's Annual Federal Tax Return (PDF)	Form 944-X, Adjusted Employer's Annual Federal Tax Return or Claim for Refund , Instructions
Form 945, Annual Return of Withheld Federal Income Tax (PDF)	Form 945-X, Adjusted Annual Return of Withheld Federal Income Tax or Claim for Refund , Instructions

Note: [Form 940, Employer's Annual Federal Unemployment \(FUTA\) Tax Return](#) (PDF) is used to file amended Form 940 returns .

If you have any questions or encounter any difficulties in regard to the new correction process, please contact your [designated ITG Specialist](#).

Employee Tip Income Program Questions

ITG has a full-time Tip Coordinator to assist you with any questions about tip reporting agreements. If you are interested in securing a Tip Agreement, have questions concerning your existing agreement, or have received a notice about tip reporting responsibilities that is unclear, please contact Suzanne Perry at (602) 207-8254.



Co-Founder of Casino-Cheating Criminal Enterprise Pleads Guilty to Racketeering Conspiracy Targeting Indian Casinos

Tai Khiem Tran, 47, pleaded guilty on February 13th to conspiring to participate in a racketeering enterprise, the "Tran Organization," in a scheme to cheat casinos across the United States and Canada. Tran admitted that he and his co-conspirators unlawfully obtained up to \$1 million during card cheats.

A three-count indictment was returned May 22, 2007 and unsealed in the Southern District of California on May 24, 2007, charging Tran and 13 others each with one count of conspiracy to participate in the affairs of a racketeering enterprise; one count of conspiracy to commit several offenses against the United States, including conspiracy to steal money and other property from Indian tribal casinos; and one count of conspiracy to commit money laundering. The indictment also charged five separate individuals each with one count of conspiracy to commit several offenses against the United States, including conspiracy to steal money and other property from Indian tribal casinos; and one count of conspiracy to commit money laundering.

In his plea agreement, Tran admitted that on numerous occasions between approximately August 2002 and June 2005, he participated in gambling cheats together with other alleged members of the Tran Organization at casinos in California and Canada. Tran admitted to targeting at least seven casinos in the racketeering conspiracy, including:

- Agua Caliente Casino, in Palm Springs, Calif.;
- Barona Valley Ranch Resort and Casino, in Lakeside, Calif.;
- Cache Creek Casino Resort, in Brooks, Calif.;
- Casino Rama, in Orillia, Ontario, Canada;
- Pechanga Resort and Casino, in Temecula, Calif.;
- Spa Resort Casino, in Palm Springs, Calif.; and
- Sycuan Casino, in El Cajon, Calif.

According to the indictment, the defendants and others executed a "false shuffle" cheating scheme at casinos in the United States and Canada during blackjack and mini-baccarat games. The indictment alleges that members of the criminal organization bribed casino card dealers and supervisors to perform false shuffles during card games, thereby creating "slugs" or groups, of un-shuffled cards. The indictment also alleges that after tracking the order of cards dealt in a card game, a member of the organization would signal to the card dealer to perform a "false shuffle," and members of the group would then bet on the known order of cards when the slug appeared on the table. By doing so, members of the conspiracy repeatedly won thousands of dollars during card games, including winning up to \$868,000 on one occasion.

The indictment also alleges that the members of the organization used sophisticated mechanisms for tracking the order of cards during games, including hidden transmitter devices and specially created software that would predict the order in which cards would reappear during mini-baccarat and blackjack games.

An indictment is merely an allegation and is not evidence of guilt. A defendant is entitled to a fair trial in which it will be the government's burden to prove guilt beyond a reasonable doubt.

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Tran's sentencing is scheduled for July 13, 2009, in San Diego before U.S. District Judge John A. Houston. At sentencing, Tran faces a maximum sentence of 20 years in prison on the racketeering conspiracy charge. Tran agreed to a personal money judgment in the amount of \$823,612, which will be entered by way of a preliminary order of forfeiture. He also acknowledged that the restitution that he may be ordered to pay by the court at sentencing is not limited by the forfeiture amount. Tran agreed to the forfeiture of his interests in various assets, including a house in the San Diego area, a 2006 Mercedes Benz, and various pieces of jewelry. Tran was also charged in Orillia, Ontario, Canada, for his admitted cheating activities at Casino Rama.

A second indictment has alleged that 11 additional defendants conspired to commit offenses on behalf of the Tran Organization. A one-count indictment, unsealed in the Southern District of California on September 11, 2008, charged Bryan Arce; Don Man Duong; Hogan Ho; Thang Viet Huynh; Outtama Keovongsa; Leap Kong, a/k/a Lanida Kong; Qua Le; Khunsela Prom, a/k/a Danny Prom; James Root; Darrell Saicocie; and Dan Thich each with one count of conspiracy to commit several offenses against the United States, including conspiracy to steal money and other property from Indian tribal casinos, and conspiracy to travel in interstate and foreign commerce in aid of racketeering.

To date, 26 defendants, including Tran, have pleaded guilty to charges relating to the casino-cheating conspiracy: Phuong Quoc Truong; Anh Phuong Tran; Phat Ngoc Tran; Martin Lee Aronson; Liem Thanh Lam; George Michael Lee; Tien Duc Vu; Son Hong Johnson; Barry Wellford; Willy Tran; Tuan Mong Le; Duc Cong Nguyen; Han Truong Nguyen; Roderick Vang Thor; Sisouvanh Mounlasy; Navin Nith; Renee Cuc Quang; Ui Suk Weller; Phally Ly; Khunsela Prom; Hop Nguyen; Hogan Ho; Darrell Saicocie; Bryan Arce; and Qua Le. These defendants admitted to targeting, with the aid of coconspirators, a combined total of approximately 24 casinos during the course of the conspiracy.

The case is being investigated by the FBI's San Diego Field Office; the Internal Revenue Service's Criminal Investigation Division; the San Diego Sheriff's Department; and the California Department of Justice's Bureau of Gambling Control. The investigation has received assistance from federal, state, tribal and foreign authorities, including: the Ontario Provincial Police; the National Indian Gaming Commission; the U.S. Attorney's Office for the Western District of Washington; FBI Resident Agencies in Gulfport, Miss., Tacoma, Wash., and Toledo, Ohio; the Indiana State Police; the Rumsey Rancheria Tribal Gaming Agency; the Sycuan Gaming Commission; the Barona Gaming Commission; the Mississippi Gaming Commission; and the Washington State Gambling Commission.

Reporting Abuses/Schemes

We continue to work with tribes and tribal officials to address financial abuses and schemes being promoted in Indian country. Working together can help ensure the integrity of tribal finances and eliminate the threats posed by individuals with schemes that appear "too good to be true" and often are. If you are aware of financial impropriety, or of a promoter advocating a scheme that appears highly suspect, you can contact the ITG Abuse Detection and Prevention Team at (716) 686-4860 or via e-mail at tege.itg.schemes@irs.gov.

American Recovery and Reinvestment Act of 2009

Most of the tax provisions of this new legislation will not affect taxpayers until they file their 2009 tax returns next year. However, there are a few items that may impact your 2008 tax return.

Making Work Pay Credit: This credit will be taken on the 2009 and 2010 tax returns and is equal to the lesser of 6.2 percent of the individual's earned income or \$400 (\$800 for married couples filing jointly). The Making Work Pay Credit is phased out for a married couple filing a joint return whose modified Adjusted Gross Income (AGI) is between \$150,000 and \$190,000 and other taxpayers who modified AGI is between \$75,000 and \$95,000.

Although taxpayers will claim the credit when they file their 2009 income tax return next year, many taxpayers will see the benefit sooner in the form of reduced withholding from paychecks beginning this spring and continuing until the end of the year.

The Internal Revenue Service recently released new withholding tables that will result in more take-home pay this spring for millions of American workers. A Form W-4 does not need to be submitted for the automatic withholding change. However, individuals and couples with multiple jobs may want to submit revised Forms W-4 to ensure enough withholding is held to cover the tax for the combined income.

Economic Recovery Payment to Recipients of Social Security, SSI, Railroad Retirement and Veterans Disability Compensation Benefits - Unlike last year's economic stimulus payment, most taxpayers will not get a separate, special check from IRS this year. However, the bill provides a one-time payment of \$250 to retirees, disabled individuals and SSI recipients receiving benefits from the Social Security Administration, Railroad Retirement beneficiaries, and disabled veterans receiving benefits from the U.S. Department of Veterans Affairs. The one-time payment will reduce any allowable Making Work Pay credit. This payment will not come from the IRS, but from the agency paying the benefit. Taxpayers are not required to file a tax return in order to receive this benefit.

First-time Homebuyer Credit - The new law raises the current maximum \$7,500 first-time homebuyer tax credit to \$8,000 and extends it at that level through November 30, 2009. It also eliminates any required repayment to the IRS as long as the house is not sold within 36 months of purchase. These enhancements apply to purchases of a principal residence by a first-time homebuyer after December 31, 2008. Purchases on or after April 9, 2008 and before January 1, 2009 continue to be governed by the original first-time homebuyer credit enacted last year. The credit phases out for taxpayers with adjusted gross income in excess of \$75,000 (\$150,000 in the case of a joint return).

Increase in Earned Income Tax Credit - The bill temporarily increases the earned income tax credit for working families with three or more children and increases the beginning point of the phase-out range for all married couples filing a joint return (regardless of the number of children). Taxpayers who are eligible for the Earned Income Credit and have a qualifying child can see an immediate increase in their take-home pay through the Advanced Earned Income Tax Credit (AEITC). The AEITC gives a portion of the Earned Income Tax Credit in each paycheck. To receive the AEITC, complete Form W-5 and give it to your employer.



Tax Tip for 2008 Form 1040 Returns

Rebate Recovery Credit – The Economic Stimulus Payment received in 2008 was based on information from your 2007 tax return. If you did not receive the Economic Stimulus or did not receive the maximum amount, the Rebate Recovery Credit on your 2008 tax return gives you a second chance. Use the Recovery Rebate Credit Worksheet (see the instructions for Line 70 of the Form 1040) to see if you are due an additional amount. You will need to know the amount of Economic Stimulus Payment you received in 2008 – you can confirm this amount by using the “How Much Was My 2008 Stimulus Payment” feature at www.irs.gov or by calling the IRS at 1-866-234-2942.

Volunteer Tax Preparation. Volunteer Tax preparation is available in many communities until April 15, 2009. Free Volunteer Tax Preparation is provided at locations around the state. To find the nearest volunteer site, call United Way’s referral service, Alaska 2-1-1, by dialing 2-1-1 or 1-800-478-2221. Volunteers are certified by the IRS to prepare basic returns, including the Earned Income Credit and other family-oriented credits. Volunteer sites use IRS e-file, the quickest and most accurate way to file your tax return.

Name Change with SSA

Question: I need to change or correct the name on my Social Security card. How do I do this?

Answer: If you legally change your name because of marriage, divorce, court order or any other reason, tell the Social Security Administration (SSA) so that you can get a corrected card. If you are working, also tell your employer. If you do not tell SSA when your name changes, it may:

- Delay your tax refund; and
- Prevent your wages from being posted correctly to your Social Security record, which may lower the amount of your future Social Security benefits.



To change your name on your Social Security card:

- Complete an [Application For A Social Security Card](#) (Form SS-5);
- Show proof of your:
 - ◊ U.S. citizenship (if you have not previously established your citizenship with us);
 - ◊ Legal name change; and
 - ◊ Identity.
- Take your completed application and original documents to [your local Social Security office](#).

One document may be used for dual purposes. For example, your U.S. passport may be used as proof of both citizenship and identity.

All documents must be either originals or copies certified by the issuing agency. Photocopies or notarized copies of documents will not be accepted. Also, a receipt showing that you applied for the document will not be accepted.

.....continued on page 9

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Citizenship. If you have not already established your U.S. citizenship, proof of U.S. citizenship must be provided. Only certain documents are accepted as proof of U.S. citizenship. These include:

- U.S. birth certificate; or
- U.S. passport.

Name change. If you need to change your name on your Social Security card, you must show a recently issued document as proof of your legal name change. Documents Social Security may accept to prove a legal name change include:

- Marriage document;
- Divorce decree; or
- Court order for a name change.

If the document you provide as evidence of a legal name change does not give enough information to identify you in Social Security's records or if you legally changed your name more than two years ago, you must provide Social Security with additional documentation of your identity.

Marriage, divorce or annulment. In addition to showing a legal document proving your marriage, divorce or annulment, you must provide an identity document. That document must show your old name, as well as other identifying information or a recent photograph. (An expired document will be accepted as evidence of your old name).

Other name change. In addition to showing a legal document citing your new name, such as a court order, you must provide two identity documents, including:

- One identity document in your old name (which can be expired); and
- One identity document in your new legal name, which must be current (unexpired).

Both of these documents must show identifying information or a recent photograph.

Identity. Only certain documents can be accepted as proof of identity. For example, as proof of identity Social Security must see:

- U.S. driver's license;
- State-issued nondriver identification card; or
- U.S. passport.

If you do not have one of these specific documents or you cannot get a replacement for one of them within 10 days, you will be asked to provide other documents, including:

- Employee ID card;
- School ID card;
- Health insurance card (not a Medicare card); or
- U.S. military ID card.

Your new card will have the same number as your previous card, but will show your new name. The new card will be mailed as soon as all of your information and your documents have been verified. Keep your Social Security card in a safe place. It is an important document. **Do not carry it with you.**

Self-Assess Your Federal Tax Compliance Risks

Tribal entities can now self-assess their federal tax compliance and work with ITG to address any problems they uncover. Entities electing to participate receive a fillable template from ITG and are provided with the name of a local ITG Specialist who will serve as their resource person during the process.

Information on the program, as well as an on-line request form, is available through the "Self Assess Tribal Tax Compliance" link on the right-hand of the ITG web site landing page at www.irs.gov/tribes, or you can make an inquiry about the program via e-mail to tege.itg.tefac@irs.gov.



Successful Training

In Anchorage. On February 18, 2009, the office of Indian Tribal Governments (ITG) sponsored a Pull Tab and Gaming workshop in Anchorage. The topics included State of Alaska gaming permit and licensing issues as well as statutes and regulations. Federal excise tax filing requirements (Forms 730 and 11-C) were also discussed. Presenter for the workshop were Diane Nesvick (ITG Specialist) and Joe Koss (State of Alaska Department of Revenue Gaming Unit). Thirty-four (34) individuals representing eleven tribes, two nonprofit organizations, the State of Alaska (RUBA), and the IRS were in attendance.

Feedback from the participants was very favorable. Most notable was the question and answer interaction between the class and Mr. Koss. The response to his presentation was very enthusiastic. Many of the attendees took extra handouts to share with other gaming operations in their villages.

Outside of Anchorage. On February 24, 2009, ITG Specialists Mary Jo Audette and Judy Pearson traveled to Dillingham to present a one-day Employment Tax Workshop during Bristol Bay Native Association's Presidents & Administrators Workshop. The workshop was sponsored by BBNA.

Payroll tax matters and the proper treatment of employees were the topics for the workshop. Employment tax withholding and federal filing requirements were emphasized as well as how to meet the rules for per diem and travel reimbursement.

Twenty-nine (29) individuals attended the training; seventeen (17) villages were represented. Feedback from the participants was very favorable.

Future Training. We are available upon invite to present similar training throughout the State of Alaska as long as (1) our audience consists of a sufficient number of tribal governments to justify our time and travel costs and (2) a space is available (free of charge) for us to hold the training. Unfortunately, we do not have the funding to rent a space for the training.

If you desire to have regional training in your area, encourage your regional nonprofit association or other local organizations to sponsor a workshop and provide a venue for a training location.

See page 11 for information on our annual April workshop.

Tax Tools for Tribes

You can order our comprehensive reference CD-ROM containing Publication 4268 (Employment Tax Guide for Tribes), Publication 3908 (Gaming Tax Law for Indian Tribal Government), Publication 15 (Employer's Tax Guide), Publication 15-A (Employer's Supplemental Tax Guide), ITG News issuance for your area for the last 8 quarters, a "primer" for federal tax issues affecting individual Native Americans, and a guide on "Helpful Hints to Avoid Penalties." E-Mail us at ITG.TaxTools@irs.gov and provide your mailing address and the number of CD-ROM copies you would like to receive.



April 14, 15, 16



April 20, 21, 22, 23



April 2009 Training in Anchorage

Registration for Class I and Class II has closed.

All seats have been reserved.

Any further inquiries will be added to our **Stand-by list** or to **Class III**.

If you have a confirmed reservation but discover that you cannot attend, please let us know as soon as possible so we can fill the vacant seat with someone from our Stand-by list.

The Office of Indian Tribal Governments (Internal Revenue Service) is holding three identical 2½ day Employment Tax Workshops in Anchorage on--

I. Tuesday/Wednesday/Thursday, April 14 - 16, 2009

and

II. Tuesday/Wednesday/Thursday, April 21 - 23, 2009

and

III. Tuesday/Wednesday/Thursday, April 28 - 30, 2009

In conjunction with the above, half-day sessions on Pull Tab filing requirements will be held from 1pm—4:30pm on Thursday April 16th, Monday April 20th, and Thursday April 30th.

The training will be held in Room 210 (2nd floor) at the IRS offices at

949 East 36th Avenue, Anchorage.

Class times are from **8:30am – 4:30pm.**

Items on the agenda will include:

- Defining Employees vs. Independent Contractors
- Computing the correct taxes for payroll
- Completing Form 941 Quarterly Employment Tax Return
- Making federal tax deposits
- Due Dates on Tax Returns
- Completing Forms W-2/W-3 and 1099/1096
- Reconciling Forms 941 and W-2 at year end
- Avoiding penalties
- Meeting rules for an Accountable Plan for Per Diem & Travel Reimbursements
- Pull tab and gaming excise tax filing requirements
 - > Guest speaker: Joe Koss, State of Alaska Gaming Unit



Stand-by or April 28-30 Registration

Full name:

Tribal affiliation:

Tribal title/duties:

Phone:

Fax:

e-mail address:

If you have questions about the training, please contact Judy Pearson via phone, fax, or e-mail at

Phone (907) 271-6949

Fax (907) 271-6664

Judy.M.Pearson@irs.gov



Message from the Director

We recently completed a thorough analysis of the feedback given by tribes through our annual Customer Satisfaction Survey. While the overall feedback was very positive, we were able to identify a number of areas where we can improve through the development of new products or the modification of existing processes.

One specific change involves ITG News. As you may have noted, this Message is no longer on the front page. That is the result of changes we are making to the newsletter through the addition of more technical content and placing the most critical information in the front sections. We will be transitioning to this format over the next few issues.

We will also be making enhancements to the ITG web site with a major focus on making more information readily available on current issues. Critical news items will also be disseminated via Special Editions of ITG News so that you do not need to search the web site or wait for the next quarterly issuance.

We will be instituting a process that will guarantee a return telephone call from our staff within 24 business hours. We continue to encourage tribes to use the [contact information](#) that is available from the ITG web site, but if you cannot reach your designated ITG Specialist, we will return your call no later than the next business day.

We will be seeking to expand our regional 2 day Employment Tax seminars that were piloted last year in Alaska and the Southwest. We hope to schedule 10 or more of them later this fiscal year, and tribes will be able to sign up attendees on-line.

Finally, we are in the preliminary stages of developing a kit to help tribes get their payroll processing back in operation in the event of a sudden disruption, such as unplanned staff turnover or a loss of records. This initiative, known as PREPARE (Payroll Resumption Emergency Procedures and Reporting Essentials), is designed to provide a tribe with immediate assistance to mitigate any potential tax or penalty issues that might arise. We plan to implement this in the summer of 2009.

As always, I welcome your feedback and further suggestions on how we can best address federal tax administration needs for Tribes. I can be contacted at any time at 202-283-9800 or via e-mail at Christie.Jacobs@irs.gov.

Christie Jacobs

Want to Avoid Penalties?

Are you incurring penalties? Do you want to eliminate penalties in the future?
ITG has a "Helpful Hints to Avoid Penalties" job aid that can assist you.
It's available by ordering our "Tax Tools for Tribes" CD-Rom
via e-mail at ITG.TaxTools@irs.gov.



Federal Tax Calendar for Second Quarter 2009

April 2009

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1 * Make a deposit for 3/25-3/27	2	3 * Make a deposit for 3/28-3/31	4
5	6	7	8 * Make a deposit for 4/1-4/3	9	10 * Make a deposit for 4/4-4/7 Employees report March tip income to employers if \$20 or more	11
12	13	14	15 * Make a deposit for 4/8-4/10 ** make a deposit for March if under the monthly deposit rule	16	17	18
19	20 * Make a deposit for 4/11-4/14	21	22 * Make a deposit for 4/15-4/17	23	24 * Make a deposit for 4/18-4/21	25
26	27	28	29 * Make a deposit for 4/22-4/24	30		

File Form 730 for wagers received during March

File Form 941 for the first quarter of 2009

May 2009

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1 * Make a deposit for 4/25-4/28	2
3	4	5	6 * Make a deposit for 4/29-5/1	7	8 * Make a deposit for 5/2-5/5	9
10	11 Employees report April tip income to employers if \$20 or more	12	13 * Make a deposit for 5/6-5/8	14	15 * Make a deposit for 5/9-5/12 ** make a deposit for April if under the monthly deposit rule	16
17	18	19	20 * Make a deposit for 5/13-5/15	21	22 * Make a deposit for 5/16-5/19	23
24	25	26	27	28 * Make a deposit for 5/20-5/22	29 * Make a deposit for 5/23-5/26	30
31						

* = Make a Payroll Deposit if you are under the semi-weekly deposit rule.

** = Make a Monthly Deposit if you qualify under that rule.

NOTE: Deposits made through EFTPS must be initiated at least one day prior to the due dates listed above in order to be timely.



June 2009

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1 <i>File Form 730 for wagers received during April</i>	2	3 * Make a deposit for 5/27-5/29	4	5 * Make a deposit for 5/30-6/2	6
7	8	9	10 * Make a deposit for 6/3-6/5 Employees report May tip income to employers if \$20 or more	11	12 * Make a deposit for 6/6-6/9	13
14	15 ** make a deposit for May if under the monthly deposit rule	16	17 * Make a deposit for 6/10-6/12	18	19 * Make a deposit for 6/13-6/16	20
21	22	23	24 * Make a deposit for 6/17-6/19	25	26 * Make a deposit for 6/20-6/23	27
28	29	30 <i>File Form 730 for wagers received during May</i>				

* = Make a Payroll Deposit if you are under the semi-weekly deposit rule.

**= Make a Monthly Deposit if you qualify under that rule.

NOTE: Deposits made through EFTPS must be initiated at least one day prior to the due dates listed above in order to be timely.

Return Filing Dates

April 30th

- > File Form 730 and pay the tax on applicable wagers accepted during March.
- > File Form 941 for the 1st quarter of 2009. If all deposits paid on time and in full, file by May 11th.

June 1st

- > File Form 730 and pay the tax on applicable wagers accepted during April.

June 30th

- > File Form 730 and pay the tax on applicable wagers accepted during May.

Form 11-C
due
July 1st

July 1st

- > File Form 11-C to register and pay the annual tax if you are in the business of taking wagers.
- > Remind your Pull-tab sellers that they also have to file Form 11-C to register and pay this annual tax as "agents."



Indian Tribal Government (ITG) Specialists for Alaska

<u>name</u>	<u>location</u>	<u>phone/fax</u>	<u>e-mail</u>
Judy Pearson	Anchorage	Ph 907-271-6949 Fax 907-271-6664	Judy.M.Pearson@irs.gov
Mary Jo Audette	Anchorage	Ph 907-271-6874 Fax 907-271-6413	Mary.J.Audette@irs.gov
Diane Nesvick	Anchorage	Ph 907-271-6917 Fax 907-271-6664	Diane.M.Nesvick@irs.gov
Joe Kincaid Manager	Portland	Ph 503-326-2381 Fax 503-326-7441	Joe.Kincaid@irs.gov
Customer Service		Ph 877-829-5500	
Web site		www.irs.gov/tribes	