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Attorney's Corner
By Larry Culley

Proper training is one of the most important elements in ensuring that you will never be summoned to appear at a DMV hearing where your valuable licenses could be at risk.

Starting this month the DMV will begin to implement on-line inspector certification training and final exam scheduling. Once this system is implemented, the existing instructor-led classroom training will be discontinued and be replaced with on-line training. Also, DMV will no longer assign applicants to a specific exam site on a specific date.

The benefits of on-line training include:

- Inspector training is completed on-line and at the applicant's own pace
- The applicant can access the training material at any time
- The applicant is free to choose the most convenient exam location and time
- Email reminders will be provided two days before the exam

Detailed instruction letters will be mailed out to all applicants who have submitted application form VS-120, and who qualify to begin the on-line training and scheduling process. The letter details the steps to follow to register, prepare for, and schedule the exam.

Training material is always available at wwwnyvip.org from the home page. Just click on the blue "Public Access to Inspector Training Materials" button. Training slides and Commissioner's Regulations for all who wish to begin training, or to refresh their skills. Additional information or instructions are also available under the "Inspectors" tab.

DMV proctors will continue to score and report final exam results to DMV's Certified Inspector Unit (CIU). Those who receive a passing grade will receive mailed out certified inspector ID cards from Albany. Please consider having your staff take advantage of the "always available" training. You may call OPUS Inspection at 866-623-8378 or the Office of Clean Air at 518-473-0597 and select option #4 with any questions.

Your Association is developing a power point with audio presentation for January 1, as opposed to the DMV site, which is silent. We're also expanding on the pre-test. DMV has one pre-test while your Association's course will have as many as four pre-tests. You still have to go to the DMV site to take the final test.

The contents of this column are not intended as legal advice. I give no legal advice without an appointment and interview with a client.

INSIDE THIS ISSUE

Paid Family Leave Is Almost Here

NY workers and employees will have to pay family leave in their benefits package come the beginning of next year, but some might have questions about how it can be used and what it entails.

The NYS Dept. of Labor reported that the law passed through the state legislature as part of the 2017-18 budget.

Paid family leave is available for use in cases such as after the birth of, foster of, or adoption of a child, or to care for a family member with a serious health condition or the deployment of a family member on active military duty.

Under the law employers will be eased into providing benefit over four years with employees receiving 8 weeks of leave and 50% of their average weekly wage in 2018, 10 weeks of leave with 55% of average weekly wage in 2019, 10 weeks of leave with 60% of average weekly wage in 2020, and 12 weeks of leave with 67% of average weekly wage in 2021.

Employees automatically pay into these benefits whether or not they qualify to receive them as a portion of their weekly wage withheld capped at 0.126 of the state average weekly wage. For example: someone who earns the statewide average weekly wage of $1,306 a week or more will pay a maximum of $1.65 per week. The maximum amount any one employee is expected to contribute is $85.56 a year.

Employees who work twenty or more hours a week are eligible for the benefits after twenty-six weeks of employment. Employees working less than twenty hours a week are eligible after 175 days of employment.

Employees who do not qualify, essentially freelance workers such as non-union construction workers, are required to ask for a waiver to keep from paying into the benefit. Essentially everyone is in unless they are out.

In order to file to use the benefit, employees are required to give employers thirty day notice, fill out a form and provide supporting documentation such as a birth certificate or military deployment certification.

The claim will be paid or denied within eighteen days of filing.

Now paid family leave can be used in concert with the Family and Medical Leave Act and unpaid leave, but they cannot bookend each other, meaning an employee can use the Family and Medical Leave Act leading into the paid family leave, but cannot use the paid family leave and opt into the Family and Medical Leave Act, and then back into a paid family leave again.

Paid family leave cannot be used at the same time as disability benefits.

In Some cases employees use disability leading up to a birth but paid family leave can only be used after the birth occurs. Disability rates may actually go down because less people will use it after giving birth.

The Labor Department tells us that immigration and work status does not affect the qualification for the paid family leave benefits. They say they pay for it and so immigration status does not matter.

The Department of Labor suggests that couples having a child should use their benefits one after the other, sighting results from a study the Department is conducting on the gender wage gap.

Employees will have to hold the payment to the paid family leave account and invest it in an insurance policy that will pay the benefits when and if an employee takes advantage of the Paid Family Leave Act.

The Family and Medical Leave Act

The Family and Medical Leave Act ("FMLA"), was signed into law in 1993. The FMLA is the first – and to date the only nationwide law that provides a safety net for eligible employees to take time off from work without fear of losing their
jobs.

What Does the FMLA Provide?

Eligible employees who work for "covered" employers may take up to 12 weeks off of work per year to care for themselves, a sick relative and/or to bond with a new child (through birth, adoption or foster care).

Who is Eligible to Take FMLA?

Any employee who:

1. Works for an employer who is covered by the law (private-sector employer with 50 or more employees; a publicagency; or an elementary or secondary school.
2. Has worked for a period of twelve months before requesting leave; and
3. Has completed 1,250 hours of work during the 12 month period preceding taking the leave.

Is FMLA Paid Leave?

No. The FMLA does not require an employer to pay the employee's salary while they are out on a leave. However, an employer must maintain the employee's benefits, including health insurance, in the same manner as if the employee
was still employed. Family leave is paid under New York State's Paid Leave program.

What Protections Does the FMLA Offer an Employee Requesting Leave?

1. An employer cannot interfere with the ability of an employee to take FMLA leave.
2. An employer cannot retaliate in the terms and conditions of an employee's job because they have taken FMLA leave.

At the conclusion of the employees leave, the law requires that they be restored to the same or a substantially equivalent job. The employer cannot demote the employee while out on FMLA, lower their salary or in any other way diminish their job responsibilities or opportunities for advancement. On the other hand, taking a leave does not protect an employee from adverse action unrelated to taking time off pursuant to the FMLA. For example, it is not illegal for an employee to lay off an employee who is out on an FMLA leave,

Examples of interference include:

- Improperly denying an employee FMLA leave or putting pressure on an employee to return to work prior

to the end of the 12 week period, before they are ready to do so.

- Making unreasonable demands for medical certification (although a reasonable request to verify the illness of the employee or the person for whom the employee is caring is permissible). as long as they would have selected that employee for termination regardless of their taking leave or their request to do so.

Sunoco, 7-Eleven Transaction
Expected To Close In January 2018

Sunoco said on Tuesday that 7-Eleven Inc. and Sunoco LP are jointly committed to closing the $3.3 billion transaction, and both companies expect the deal to close in January 2018.

This is later than Sunoco's previous expectation for a deal completion in the fourth quarter of 2017.

In April, Sunoco said that assets being sold to 7-Eleven include approximately 1,110 convenience stores in 19 geographic regions primarily along the East Coast and in Texas, and the associated trademarks and intellectual property of the Laredo Taco Company and Stripes. As part of the transaction, Sunoco will enter into a 15-year take-or-pay fuel supply agreement with a 7-Eleven subsidiary under which Sunoco will supply approximately 2.2 billion gallons of fuel annually. This supply agreement will have guaranteed annual payments to Sunoco, provides that 7-Eleven will continue to use the Sunoco brand at currently branded Sunoco stores and includes committed growth in future periods.

On Tuesday, Sunoco said that both companies believe the transaction to be in the latter stages of the regulatory approval process with the Federal Trade Commission.

Meanwhile, Sunoco LP said that the partnership has signed definitive agreements with a commission agent to operate the approximately 207 retail sites located in certain West Texas, Oklahoma and New Mexico markets, which were not included in the previously announced transaction with 7-Eleven Inc. Conversion of these sites to the commission agent is expected to occur in the first quarter of 2018.

Sunoco LP is a master limited partnership that operates 1,346 convenience stores and retail fuel sites and distributes motor fuel to 7,898 convenience stores, independent dealers, commercial customers and distributors located in 30 states.

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SSDA-AT Report: Update On
House And Senate Tax Reform Proposals

On November 16, 2017, the House of Representatives passed the "Tax Cuts and Jobs Act" (H.R. 1) by a 227-205 vote and in the wee hours of the morning on December 2, 2017, the Senate approved its version by a 51 –49 vote largely along party lines.

Because the chambers have passed different versions of the bill, the differences must now be reconciled through a conference committee. House Republican and Democratic leadership have named the following fourteen members to the conference committee - Don Young (R, AK), Sander Levin (D, MI), Fred Upton (R, MI), Richard Neal (D, MA), Lloyd Doggett (D, TX), Kevin Brady (R, TX), John Shimkus (R, IL), Rob Bishop (R, UT), Raul Grijalva (D, AZ), Devin Nunes (R, CA), Kathy Castor (D, FL), Peter Roskam (R, IL), Diane Black (R, TN), and Kristi Noem (R, SD). The Senate voted just yesterday to proceed to a conference committee. The following Senate Republicans have been named to serve on the conference committee – Orrin Hatch (R-UT), Michael Enzi (R-WY), Lisa Murkowski (R-AK), John Thune (R-SD), Rob Portman (R-OH), Pat Toomey (R-PA), and Tim Scott (R-SC). The Senate Democrats have not yet announced their picks for the committee. Committee negotiations are expected to begin as early as this week.

As an update to the prior newsletter that we have issued on this topic, this newsletter will focus on the most important provisions from the viewpoint of SSDA-AT and its members in both the House bill and the Senate bill as they stand today. This newsletter will not cover the changes in the international tax provisions.

The Senate tax bill was being amended almost up to the time it was voted on by the Senate. In fact, the version that was passed around to the Senators (and posted on the Senate's website) included handwritten edits on the margins with entire sections crossed out. Prior to this legislation, there has never been a major tax bill passed without input from both parties and numerous hearings over a number of years. Hearings allow interested parties and experts to express their concerns and the tax writing committees to change their bills accordingly. The current process is going so fast that there is no question there are going to be many unintended results and hidden surprises in store. SSDA-AT has been a longtime proponent of real tax reform which meant, at least in part, major simplification. Both the Senate and the House bills, however, contain many complex provisions and the benefits under both bills appear to be slanted towards big business and ultra-wealthy taxpayers. The amount of tax relief going to big business as compared to small business is nowhere proportional to the impact small business has on our nation's economy. When the President said he wanted to sign the bill before Christmas, most believed that to be a very ambitious deadline. It now appears almost certain that major tax legislation will be passed before the end of the year. The new bill will have a January 1, 2018 effective date, with virtually no transition period.

Because the House bill covers a number of provisions that the Senate bill does not and vice versa, this should prove to be a very interesting conference. Also, as more and more unintended results come to light as tax experts have some time to read and digest the proposed legislation, a number of provisions will need to be changed. Even so, most anticipate that where there are conflicting provisions between the

Senate and House, the Senate version or something close to it, will prevail. This is because the margin of votes needed to pass the bill in the Senate is far closer than that in the House. Because of the limits of budget reconciliation, this conference process will be further complicated by the need to stick to strict budgetary guidelines, meaning that all the cuts in the House and Senate versions can't simply be merged together without additional changes.

The vast majority of provisions, with the exception of those impacting corporations, in the Senate bill are set to expire as of December 31, 2025. This is two years sooner than would be required under the reconciliation process. The reason for the early expiration date of many provisions was to make the entire bill revenue neutral primarily to make the C corp rate permanent. Concerned Senators are being told that the most popular of these provisions will be extended before they expire, but that is an expectation that may or may not be met.

Advantages and Comparisons of the House and Senate Bills

While there are a number of provisions in both the House bill and the Senate bill that are problematic for a number of small businesses, both versions also have advantageous provisions. Below is a breakdown of the provisions that will benefit most taxpayers.

Reduced C Corporation Tax Rates

In the House bill, the C corporate rate drops immediately and permanently to 20% (though, as noted below, this decrease exasperates the disparity between C corp and pass-through tax rates). The tax rate for personal service corporations would be 25%.

The Senate bill also provides a permanent 20% tax rate for C corps but this rate will not go into effect until tax years after 2018 (a year later than the House's proposal). The tax rate for personal service corporations also starting in 2018 would be 20%.

AMT Repealed

The House bill repeals the alternative minimum tax (AMT) for both individuals and corporations, which will help many upper-middle income and wealthy taxpayers and would definitely simplify the tax code.

In a surprise move, the Senate bill kept the AMT for corporations as is and largely retained the AMT for individuals, but with a somewhat increased exemption amount and phase-out threshold. By retaining the corporate AMT, the Senate bill prevents companies from using the research and development tax credit. Moreover, by keeping in place the major elements of the individual AMT rate, the Senate has retained a very complex provision in the tax code.

Look to the House version or some variation to prevail. C corporations are not happy with the Senate version since they won't be able to use the research and development tax credit. [The Senate was apparently surprised that retaining the corporate AMT produced this unintended result.] It is possible that the AMT will be retained for individuals but with a significantly increased exemption amount – maybe as high as $500,000 or higher.

Estate and Gift Tax and GST Provisions

The House bill will increase the federal unified estate and gift tax exemption (as well as the generation-skipping transfer tax exemption) in 2018 for single individuals from $5.6m to $11.2m and for married couples from $11.2m to $22.4m. This doubling of the current federal estate and gift and generation-skipping transfer tax exemptions will be a major help for those small business owners who have a larger estate than the current exemption amounts. Starting in 2025, the estate tax and the generation-skipping transfer tax are scheduled to be repealed in their entirety. The gift tax would remain in place but the gift tax rate would be reduced from 40% to 35%, effective for gifts made after 2024. The step-up in basis is preserved in this bill which will help the heirs of any deceased person who had assets that appreciated significantly during the deceased person's life. The increase in the exemption amounts culminating with repeal will be of some help to those upper-middle income taxpayers or those in the lower range of wealthy whose estates exceed the amount of the exemption today. Repeal of the estate tax will be greatly beneficial to the extraordinarily wealthy.

Through 2025, the provisions in the Senate bill on the unified estate and gift and generation-skipping transfer tax exemption are the same as in the House bill except that there is no repeal of the estate and generation-skipping transfer tax at any point in the future and no change to the gift tax rate. Instead, rather than becoming permanent the changes to the estate and gift tax exemptions would sunset in 2025 under the Senate bill, so the exemptions would revert back to an indexed $5 million amount after December 31, 2025. (In 2017, the $5 million amount indexed is $5.49 million for a single person). However, the indexing occurring thereafter will continue to be based on the chained CPI, which is a not as generous a COLA measurement as that in place today. Under both the House and Senate bills, the new chained CPI method will applied across the board (and without sunset) starting in 2018.

Increased Bonus Depreciation

Under the House bill, companies would be able to immediately write off the full cost of investments in their businesses, starting with assets purchased and placed in service after September 27, 2017 and before January 1, 2023.

The Senate bill's provision is the same as that of the House bill, except it includes a gradual phase-out through 2026. During the first five years businesses can expense 100% of the purchase, in the sixth year they can expense 80%, and the percentage goes down 20% for each year thereafter.

Section 179 Deduction Expanded

Under the House bill, effective for tax years 2018 through 2022, the Section 179 deduction would be expanded dramatically from $500,000 to $5 million with an increased phase-out threshold at $20 million. After 2022, the Section 179 provisions would revert back to the provisions in place today.

Under the Senate bill, the provision is similar to the House bill, except the $5 million limit would be decreased to $1 million and the phase-out threshold would be $2.5

million. The definition of qualified real property would also be expanded to include improvements made to nonresidential real property including roofs, heating and air-conditioning property.

Research and Development Credit and Low-Income Housing Credit Retained

Under the House bill the research and development credit is retained as is the low-income housing credit.

The Senate bill would also preserve the research and development credit as well as the low-income housing credit. A number of additional provisions would be added to the low-income housing credit.

Expanded Availability of Cash Method of Accounting

The House tax bill would increase the availability of the cash method of accounting by raising the current $5 million average gross receipts for corporations and partnerships with corporate partners ceiling to $25 million (indexed for inflation).

The Senate bill also raises the current ceiling but only to $15 million instead of $25 million.

Note under the House bill it appears the new definition in the tax code for a small business would be average gross receipts of $25 million and under. Unfortunately, under the Senate bill, the definition would be only $15 million.

New Employer Credit for Paid Family and Medical Leave

No provision in the House bill.

In the Senate bill there is a new credit for wages paid to employees on FMLA if certain conditions are met. This credit is effective only for 2018 and 2019.

Potentially Problematic Provisions

A variety of think tanks and experts, as well as the Joint Committee of Taxation, have shown that a number of taxpayers will either immediately get a tax hike under the tax reform plans or, by 2027, will pay more taxes than they do today. Many of the models reflect that taxpayers making between $200,000 and $500,000 are the most likely to see a tax increase. The most recent data published in the Wall Street Journal indicates that in 2019 nearly 25% of taxpayers in this group would pay more in taxes under the tax reform plans than they would under the existing tax laws. This is because for many taxpayers in this group, the loss of some of the deductions below will not be offset by the lower rates and/or the increase in the standard deduction. Additionally, in the long term, and as mentioned above, a significant number of the individual tax provisions in the Senate bill are not permanent but rather sunset within eight years which would, in many cases, leave taxpayers with a higher tax bill than they had before the "tax cut."

As a bottom line, the individual taxpayers who have larger families and/or live in areas with higher state and local taxes or have higher property taxes than $10,000, and/or rely upon home equity lines are most likely to either immediately, or sometime within the next ten years, end up worse off under the House or Senate version (or a hybrid thereof).

Deduction for Business Interest

Under the House bill, effective 2018, businesses would only be able to deduct net interest expenses incurred by the business in an amount up to 30% of the business's adjusted taxable income.

The Senate bill would impose the same limit on the interest deduction.

Small Business Exception from Limitation on Deduction of Business Interest

Under the House tax bill, effective 2018, companies with average annual gross receipts of $25 million or less would be able to continue to deduct business interest without the 30% limitation.

The Senate bill similarly provides a threshold for unlimited business interest deductions except that $15 million is substituted for $25 million. If the Senate version prevails, this will hurt those businesses who have average annual gross receipts between $15 million and $25 million.

Note again under the House tax bill, it appeared that a business with average annual gross receipts of $25 million or less are deemed to be a small business which is far better than today's $10 million cut off found throughout the tax code. Unfortunately, the Senate bill drops that number to $15 million.

Controversial and Complex Pass-Through Provisions

Some of the most controversial and complex provisions in both the House and Senate bills are the provisions dealing with pass-through entities. In the House bill, for owners of a pass-through entity who actually work in the business, the default provision is that 30% of the income generated by the business is deemed to be attributable to the capital of the business and thus taxed at a new 25% tax rate while the remaining 70% is subject to the normal income tax rates. There is a far more complicated formula for small business owners who choose to apply a facts and circumstances test to show that more than 30% of the income from the business is attributable to capital they have invested and thus will be taxed at the 25% tax rate. For owners of personal service organizations, such as lawyers, doctors, accountants, engineers, actuaries and consultants, the default presumption for active business income would be 0% not 30%. There is also a 9% tax rate for the first $75,000 ($37,500 for unmarried individuals, $56,250 for heads of household) of net business taxable income of an active owner or shareholder earning less than $150,000 ($75,000 for unmarried individuals, $122,500 for heads of household) in taxable income from a pass-through business. For taxable income over these levels, there is a phase out of the reduced tax rate which would be totally phased out at $225,000. The 9% tax rate would be phased in over the next four years and would be fully effective in 2022.

Not only will these provisions add tremendous complexity to the tax code but they also create a new major disparity in tax rates between C Corps (20%) and pass-through entities (a blend of 25% and the owner's personal income tax rate – in the vast majority of cases this will be a 30 – 70 blend). This differential is far worse than what exists today. Thus, instead of closing the gap between the C corp and pass-through entities as expected, the House tax bill will make the gap far worse. This provision is why many small business owners who work in their own businesses believe

that the bill discriminates against them. Meanwhile folks who do not work in the pass-through, so-called "passive" owners, will receive the 25% rate on all income from the business. To the small business owners who works in their businesses, this provision appears to penalize them at the expense of those who do not work in the businesses. Much of the complexity found in these new provisions is a direct result of trying to prevent individuals from gaming these provisions.

The Senate bill has a very different approach and one that sunsets in 2025! Basically, the individual taxpayer will receive a 23% deduction on "qualified business income" from a partnership, S corporation or sole proprietorship, if the individual taxpayer makes $250,000 or less (or $500,000 or less in the case of a joint return). If the individual makes more than $250,000 (or more than $500,000 in the case of a joint return), then the deduction from "qualified business income" is the lesser of (i) 23% of "qualified business income" or (ii) 50% of the W-2 wages with respect to the trade or business. Further, once the $250,000 (or $500,000) threshold is hit, a "qualified trade or business" does not include a service business, including the typical personal service fields such as health, law, engineering, as well as investing and investment management, and the trade or business of performing services as an employee. "Qualified business income" does not include reasonable compensation paid to the taxpayer by any qualified business for services rendered with respect to the business. There is a phase in of $50,000 for individuals or $100,000 for joint returns.

A number of small business groups are upset with these provisions in the Senate bill because they contend that when this provision is combined with the loss of deductions the effective rate for pass-through entities will only decrease by a minimal amount. They also question why the 23% deduction only applies to "domestic" income and why only roughly 25% of all of the tax benefits going to corporations will go to pass-through businesses.

Finally, many small business owners who work in a pass-through entity, are upset that the C corporate tax rate deduction is permanent, while the deduction for the pass-through entities under the Senate bill would expire in 2025. It has been explained that C corporations need permanency in order to plan properly. Implicit in this statement is the converse – that pass-through entities do not need this permanency. Many owners of successful pass-through entities would disagree with that sentiment.

State and Local Tax Deduction – the "SALT" Deduction

The House bill would eliminate the deduction for state and local income and sales tax. It would allow individuals to deduct up to $10,000 in state and local property taxes.

The Senate bill is the same. C corporations would, however, be allowed to deduct these expenses. The elimination of these deductions for individuals would expire after December 31, 2025 and the deductions would revert back to the law as it stands today.

There is some discussion of allowing taxpayers to apply the $10,000 deduction to state and local taxes or property taxes. There is also a discussion of retaining the SALT deduction but eliminating the step up in basis for assets going through an estate. As discussed above, this would result in a major new capital gains tax on many Americans. The step up in basis provides that assets going through an estate receive a new "stepped-up" basis to their date of death fair market value. Imagine an elderly person who dies owning a house worth $750,000 on his date of death but which he bought for $25,000 many years ago and which he improved over the years by putting an additional $200,000 of improvements into the house. Today the heirs of this person would receive the house with a basis of $750,000. If they sold the house the next day, there would be no tax due because the house would be sold for $750,000 so no taxable gain. If the step up in basis is repealed, then this same heir would have to pay capital gains tax on $525,000 ($750,000 - $225,000). This would be a major new tax for countless Americans! Hard to imagine this would be part of a bill which is heralded as a tax cut.

Contributions to Capital

One of the stranger provisions in the House bill deals with contributions to capital of a partnership that would require contributions in excess of fair market value of the interest received to be included in gross income. Thus, two individuals could contribute say $10,000 to a new LLC to run a business. Due to discounts for lack of control and lack of marketability, let's say the value of each interest is $7,000. Under this provision the LLC has received $20,000 of value and the two members have received $14,000 of value, resulting in $6,000 of income, which is taxable one half to each individual. This is the first time an individual could be taxed in this situation!

The Senate bill has no corresponding provision.

Hopefully, the Senate bill will control.

Increased Standard Deduction, Repeal of Personal Exemptions and Increased Child Tax Credit

The House tax bill would increase the standard deduction next year from $13,000 to $24,400 for a joint return or a surviving spouse, and to $18,300 for an unmarried taxpayer with at least one qualifying child and $12,200 for single filers. As noted above, and as with other elements of the bill, this standard deduction would be indexed to the chained CPI measure of inflation, which will increase the standard deduction more slowly than the inflation factor utilized today. While the standard deduction is increased, with that would come the repeal of the personal exemption that in the past was claimed for each member of the household. The loss of the personal exemption could hurt families with even just two children. For example, under current law, in 2018 a married couple with two children would receive a $13,000 standard deduction with four personal exemptions of $4,150 for a total exemption of income from federal income taxes of $29,600, whereas under the House bill only $24,400 would be exempt from federal income tax. Obviously, the more children a middle to upper-middle income family has, the more the loss of the personal exemption would hurt. The loss of personal exemptions is offset at least somewhat, but not entirely, by an increase in the child tax credit from $1,000 to $1,600 and

an increase in the income limits at which the child tax credits phase out to $115,000 (up from $75,000) for single taxpayers and $230,000 (up from $110,000) for married taxpayers. There is also a new credit for non-child dependents and a new "family flexibility credit" (available to the taxpayer or his/her spouse who is not a child or a non-child dependent) of $300 but both of these credits will sunset in 2022.

It is anticipated that the increase in the standard deduction will prove to greatly simplify figuring out taxes for many taxpayers with lesser amounts of income.

The Senate bill has the same provisions as the House bill with respect to the standard deduction except the amounts are $24,000, $18,000 and $12,000 respectively and it also eliminates personal exemptions. The Senate bill would increase the child care credit to $2,000 and, among other changes, would increase the threshold for the phase-out up to $500,000 for married taxpayers. The plan would also provide a $500 non-refundable tax credit for dependents other than qualifying children. All of the Senate bill's provisions would expire after December 31, 2025 except that the new (slower) chained CPI index factor for the standard deduction would continue to apply. Otherwise all of these provisions would revert to the law as it stands today.

Also on the child and dependent front, the ability of employers to offer tax-advantaged dependent care Flexible Savings Accounts was initially eliminated immediately under House bill until an early amendment modified the bill to provide for such FSAs to continue until 2022.

The Senate bill has no provision addressing the tax-advantaged dependent care Flexible Savings Accounts.

The bottom line is that, middle to upper-middle income taxpayers with children could see a lot of changes under the conferenced bill.

Elimination of Individual Deductions

Both the House bill and the Senate bill eliminate a number of individual deductions and exclusions. One of the most controversial ones, contained in the House bill but not in the Senate bill, would repeal the exclusion for graduate and undergraduate tuition waivers or assistance and require students to report the value of the waiver as part of their income. This provision has been facing serious criticism for the fact that it would actually make it more difficult to pursue higher education, which would seem to be counter to what is best for our country in the long term.

Limitations on Mortgage Interest Deduction

Another big change that taxpayers would see under the House bill is the reduction of the mortgage interest deduction from $1 million to $500,000 for debt incurred after November 2, 2017 and a new limit that only permits the deduction for debt incurred on the principal residence. This provision is one of the reasons that the Home Builders Association is opposed to the House bill. They view this as a provision that will stop people from being able to enter the housing market. Many are concerned that this provision would also significantly increase the cost of higher-end homes or homes in more expensive regions. Based upon the massive and unexpected real estate collapse generated by removing the real estate tax shelter provisions in 1986, it is not hard to imagine this provision triggering a housing crash or a loss of value with respect to these types of homes and/or people shifting to renting high-end homes rather than purchasing them. There is also a provision in the House bill that would continue to allow the exclusion from gross income the proceeds of the sale of a principal residence but only if the taxpayer owned and used the home for five out of the previous eight years. This exclusion would be phased out for joint filers with income over $500,000 and single filers with income over $250,000. This is perceived as an anti-growth provision since people who might prefer to move up to a larger home sooner will not do so in order to receive this exclusion from gross income.

The Senate bill would eliminate the deduction for home equity loans but, unlike the House bill, leaves the current $1 million mortgage deduction intact. The Senate bill has basically the same exclusion for sale proceeds as the House bill but includes an exception to the five year exclusion requirement for changes of employment, health or unforeseen circumstances. Both of these provisions would sunset on December 31, 2025 and the law would revert back to as it stands today (which is less restrictive so this would be a change that taxpayers would welcome).

The ACA Element

A major change between the House and Senate bill is the repeal the Affordable Care Act's (ACA) individual mandate that requires most Americans to buy health insurance in the Senate bill. The primary reason this was included is because it serves as a sizable revenue raiser (because the elimination of the mandate cuts down on the number of individuals whose health insurance will be subsidized by the government).

The individual mandate was not a popular provision with either Republicans or Democrats, but was considered necessary by the insurance industry. The health insurance carriers did not think it was possible to cover individuals with pre-existing conditions (a popular provision) while being limited as to what they could charge older or sicker individuals (another popular provision) without having the risk pool expanded by healthier and younger individuals. By removing the mandate, the insurance carriers are adamant that premiums will have to rise because of the belief that the younger, healthier individuals will leave the pool.

Major Provisions Left Unchanged

Non-qualified Deferred Compensation

After amendment to the original versions in both the House bill and the Senate Finance plan, the non-qualified plan provisions remain unchanged. In other words, Section 409A remains unchanged in both versions.

Capital Gain and Dividend Rates

Capital gains and dividend tax rates are unchanged under both the House bill and the Senate bill, with the exception of some changes that are due to changes in the tax brackets.

Qualified Retirement Plans

By and large, retirement plans sponsored by businesses were not directly adversely affected by either the House or

Senate bill. However, retirement plan experts are concerned that the lower pass-through rates are likely to make qualified retirement plans sponsored by small businesses who operate as pass-through entities far less popular.

Conclusions

While there is a great deal of momentum behind tax reform at this point, there have also been some significant groups, including the home builders, mortgage brokers, small businesses who operate as pass-throughs and voters from places with high state and local income taxes (whose constituents are likely to be negatively impacted by tax reform), who have raised concerns about the bill. It is likely that some of the provisions will be changed in conference to try to appease these groups. Interestingly, the current bills, even though they significantly increase the federal deficit, have not posed as much of a problem for the budget hawks to accept as was anticipated.

Expect a new massive tax bill in place by the end of the year – not everyone will end up with a tax cut, but most taxpayers won't know if they end up better off or not until sometime late next year. As can be expected with a mega-tax bill, tax lawyers and accountants will be busy figuring out how the new provisions work, how they interrelate with each other and what new opportunities are available to taxpayers.

SSDA-AT will continue to monitor and provide updates on these developments and plans to host a webinar once the final bill is passed by Congress.

Don't Take The Bait; Avoid Phishing Emails By Data Thieves

With the approach of the holidays and the 2018 filing season, the IRS, state tax agencies and the nation's tax industry urge people to be on the lookout for new, sophisticated email phishing scams that could endanger their personal information and next year's tax refund.

The most common way for cybercriminals to steal bank account information, passwords, credit cards or Social Security numbers is to simply ask for them. Every day, people fall victim to phishing scams that cost them their time and their money.

Those emails urgently warning users to update their online financial accounts – they're fake. That email directing users to download a document from a cloud-storage provider? Fake. Those other emails suggesting the recipients have a $64 tax refund waiting at the IRS or that the IRS needs information about insurance policies – also fake. So are many new and evolving variations of these schemes.

The Internal Revenue Service, state tax agencies and the tax community -- partners in the Security Summit -- are marking "National Tax Security Awareness Week" with a series of reminders to taxpayers and tax professionals. In part two, the topic is avoiding phishing scams.

Phishing attacks use email or malicious websites to solicit personal, tax or financial information by posing as a trustworthy organization. Often, recipients are fooled into believing the phishing communication is from someone they trust. A scam artist may take advantage of knowledge gained from online research and earlier attempts to masquerade as a legitimate source, including presenting the look and feel of authentic communications, such as using an official logo. These targeted messages can trick even the most cautious person into taking action that may compromise sensitive data.

The scams may contain emails with hyperlinks that take users to a fake site. Other versions contain PDF attachments that may download malware or viruses.

Some phishing emails will appear to come from a business colleague, friend or relative. These emails might be an email account compromise. Criminals may have compromised your friend's email account and begin using their email contacts to send phishing emails.

Not all phishing attempts are emails – some are phone scams. One of the most common phone scams is the caller pretending to be from the IRS and threatening the taxpayer with a lawsuit or with arrest if payment is not made immediately, usually through a debit card.

Phishing attacks, especially online phishing scams, are popular with criminals because there is no fool-proof technology to defend against them. Users are the main defense. When users see a phishing scam, they should ensure they don't take the bait.

Here are a few steps to take:

- Be vigilant; be skeptical. Never open a link or attachment from an unknown or suspicious source. Even if the email is from a known source, approach with caution. Cybercrooks are adept at mimicking trusted businesses, friends and family. Thieves may have compromised a friend's email address or they may be spoofing the address with a slight change in text, such as name@example.com vs narne@example.com. In the latter, merely changing the "m" to an "r" and "n" can trick people.
- Remember, the IRS doesn't initiate spontaneous contact with taxpayers by email to request personal or financial information. This includes text messages and social media channels. The IRS does not call taxpayers with threats of lawsuits or arrests. No legitimate business or organization will ask for sensitive financial information via email. When in doubt, don't use hyperlinks and go directly to the source's main web page.
- Use security software to protect against malware and viruses. Some security software can help identity suspicious websites that are used by cybercriminals.
- Use strong passwords to protect online accounts. Each account should have a unique password. Use a password manager if necessary. Criminals count on people using the same password repeatedly, giving crooks access to multiple accounts if they steal a password. Experts recommend a password have a minimum of 10 digits, including letters, numbers and special characters. Longer is better.
- Use multi-factor authentication when offered. Some online financial institutions, email providers and social media sites offer multi-factor protection for customers.

Two-factor authentication means that in addition to entering your username and password, you must enter a security code generally sent as a text to your mobile phone. Even if a thief manages to steal usernames and passwords, it's unlikely the crook would also have a victim's phone.

The IRS, state tax agencies and the tax industry are working together to fight against tax-related identity theft and to protect taxpayers. Everyone can help.

Employers, Payroll Officials, Avoid the W-2 Email Scam

The IRS, state tax agencies and private-sector tax groups warned the nation's business, payroll and human resource communities about a growing W-2 email scam that threatens sensitive tax information held by employers.

These emails may start with a simple, "Hey, you in today?" and, by the end of the exchange, all of an organization's Forms W-2 for their employees may be in the hands of cybercriminals. This puts workers at risk for tax-related identity theft.

The W-2 scam has emerged as one of the most dangerous and successful phishing attacks as hundreds of employers and tens of thousands of employees fell victim to the scheme in the past year. This scam is such a threat to taxpayers that a special IRS reporting process has been established.

The Internal Revenue Service, state tax agencies and the tax community -- partners in the Security Summit -- are marking "National Tax Security Awareness Week" with a series of reminders to taxpayers and tax professionals. In part four, the topic is the W-2 scam.

Because the Security Summit partners have successfully made inroads into stopping stolen identity refund fraud, criminals now need more information to file a fraudulent return. That means they need more accurate data about taxpayers, causing them to target tax practitioners, payroll professionals and employers. The Form W-2 contains income and withholding information necessary to file a tax return.

All employers are at risk. In 2017, the W-2 scam made victims of businesses large and small, public schools and universities, as well as tribal governments, charities and hospitals. The scam, which grows larger each year, will likely make the rounds again in 2018.

The Security Summit warns employers – in public and private sectors – to beware of this scheme and to educate employees, especially those in human resources and payroll departments who are often the first targets.

This is an example of a business email compromise or business email spoofing in which the thief poses as a company executive, school official or someone of authority within the organization. The crook will send an email to one employee with payroll access, requesting a list of all employees and their Forms W-2. The thief may even specify the format in which he wants the information. The subject line has hundreds of variations along the lines of "review," "manual review" or "request."

Because payroll officials believe they are corresponding with an executive, it may take weeks for someone to realize a data theft has occurred. Generally, the criminals are trying to quickly take advantage of their theft, sometimes filing fraudulent tax returns within a day or two.

Because of the W-2 scam's threat to tax administration for both federal and state governments, a special reporting process has been established to quickly alert the IRS and state tax agencies. Detailed reporting steps may be found at Form W-2/SSN Data Theft: Information for Businesses and Payroll Service Providers.

Here's an abbreviated list of how to report these schemes:

- Email dataloss@irs.gov to notify the IRS of a W-2 data loss and provide contact information. In the subject line, type "W2 Data Loss" so that the email can be routed properly. Do not attach any employee personally identifiable information data.
- Email the Federation of Tax Administrators at StateAlert@taxadmin.org to get information on how to report victim information to the states.
- Businesses/payroll service providers should file a complaint with the FBI's Internet Crime Complaint Center (IC3.gov). Businesses/payroll service providers may be asked to file a report with their local law enforcement agency.
- Notify employees so they may take steps to protect themselves from identity theft. The Federal Trade Commission's www.identitytheft.gov provides guidance on general steps employees should take.
- Forward the scam email to phishing@irs.gov.

Employers are urged to put steps and protocols in place for the sharing of sensitive employee information such as Forms W-2. One example would be to have two people review any distribution of sensitive W-2 data or wire transfers. Another example would be to require a verbal confirmation before emailing W-2 data. Employers also are urged to educate their payroll or human resources departments about these scams.

As part of the Security Summit effort, the IRS, state tax agencies and the tax industry working together to fight against tax-related identity theft and to protect taxpayers. Everyone can help. Be alert and guard against the W-2 scam.

RFA: E15 Approved For Use In Nearly 90% Of New 2018 Vehicles

The Renewable Fuels Association (RFA) has determined that almost 90 percent of new 2018 model year (MY) vehicles are approved by their respective manufacturers to use E15.

E15 is gasoline blended with 15-percent ethanol. Standard fuel that's blended with 10-percent ethanol. The EPA has certified vehicles made in 2001 or newer as E15 compatible. Despite the EPA certification, not all vehicles have been explicitly approved by manufacturers.

Approximately 81 percent of MY2017 were approved, 9 percent less than for MY2018, according to RFA.

Among the difference-makers for this year's higher approval percentage is Nissan Motor Co., which warrantied the use of E15 in the majority of its new vehicles for the first time. Nissan now joins Chrysler, General Motors, Ford, Toyota, Honda and Hyundai/Kia.

Still holding out on explicitly approving E15 for their new vehicles are Subaru, Daimler (maker of Mercedes-Benz), Mazda and BMW.

"Automaker acceptance and approval of E15 continues to expand rapidly, and almost all new 2018 vehicles carry the manufacturers' explicit allowance to use this lower-cost, cleaner-burning, higher octane fuel," said RFA President and CEO Bob Dinneen. "We applaud Nissan for joining the 'E15 Club' with its model year 2018 vehicles, and we will continue to work with the few remaining automakers who haven't yet included E15 in their fuel approvals."

According to RFA's research, of the estimated 235 million vehicles on the road today, roughly 34 percent are manufacturer-approved to take E15. Moreover, more than 90 percent of vehicles on the road were made in 2001 or newer, and thus are EPA-approved to use E15.

In recent years, E15 has been experiencing rapid growth in the fuels marketplace. Today, it's sold at more than 100 retail station in 29 states.

EPA Rejects Petitions To Change RFS Point Of Obligation

The U.S. Environmental Protection Agency (EPA) has rejected requests to change the point of obligation for compliance under the Renewable Fuels Standards (RFS) program.

Under the current structure of the RFS, merchant oil refiners are obligated to blend more renewable fuel. The petition seeks to shift the obligation to entities that own gasoline before it is blended for retail sale.

According to the agency, it based its Nov. 22, decision on "a wide range of stakeholder input and information provided as a part of the public comment period."

Oil industry players has been behind efforts to shift the point of obligation from where it was initially placed on the refiner or importer, downstream to fuel marketers — a move that had been opposed by NACS, the Association for Convenience & Fuel Retailing.

Moving the point of obligation downstream would not only increase fuel prices for consumers, but it could also disrupt the functionality of the RFS program, the association said.

According to NACS, the EPA noted in its denial that it does "not anticipate a benefit from changing the point of obligation" and "believe[s] that such a change would significantly increase the complexity of the RFS program, which could negatively impact its effectiveness."

NACS said it is "pleased that EPA has denied the petitions." The EPA's denial comes one year after the agency had initially proposed denying the petitions to shift the point of obligation.

However, due to the importance, complexity, and broad stakeholder interest in this issue, the agency took public comment on the proposed denials to ensure it received input from the wide variety of stakeholders that could be affected, according to the EPA.

Growth Energy also supported the EPA's denial, noting that the decision to keep the point of obligation unchanged protects consumer choice.

"We commend the EPA for laying to rest a year of attempts from a small group of oil refiners who have been using every trick in the book to change the established rules for tracking compliance with the Renewable Fuel Standard," said Growth Energy CEO Emily Skor.

"This one-sided handout would have added regulatory red tape, created havoc in the marketplace and denied consumers access to more affordable fuels with higher blends of biofuels like E15," she added. "Growth Energy has led the charge to oppose this effort from the very beginning, and we are grateful to our allies in Congress and to [EPA Administrator Scott] Pruitt for working with us to protect over 12 years of investment under the RFS."

Skor explained the RFS "is America's single most successful energy policy and continually works to save consumers money, protect the environment, drive rural growth, and secure U.S. independence."

The Iowa Renewable Fuels Association (IRFA) also applauded the decision.

"We commend the EPA for maintaining the stability of the RFS by officially rejecting any change to the point of obligation. The RFS is working and obligated parties have had 10 years to acclimate their business models to the program," said IRFA Executive Director Monte Shaw.

"Changing the RFS point of obligation would have only served to reward those who haven't lifted a finger to help the implementation of the RFS and to punish those who have worked hard to make it the most successful energy policy in U.S. history," Shaw added.

Pennsylvania Bill Would Make Possessing Skimmers Illegal

Pennsylvania Rep. Kirstin Hill has introduced a bill that would make it a felony to possess a skimming device, the Sharon Herald reports. The measure gives law enforcement more tools in their fight against the illegal devices often installed in gas pumps and ATMs.

For Hill, it's personal too. "I had my credit card skimmed at a local convenience store and am well aware of the feelings of fear and helplessness when this happens to you," she said.

Currently, it's not illegal to have a skimmer, so police officers who stop vehicles and spot the devices can't charge the driver. Charges only stem from when the devices are used to siphon financial data.

Hill's proposal would make it a felony offense to have a skimmer even if no financial information has been stolen.

She modeled her bill after Florida legislation that went after people with skimming devices in their possession or for sale as well. So far, 31 states have laws against skimming devices, according to the National Conference of State Legislatures.

Pennsylvania officials have been calling for more public awareness of skimming, with Banking and Securities, Office of Attorney General, State Police and Department of Agriculture coming together on a public awareness campaign about skimming.

Retailers Praise AmEx For Dropping Signatures

The Merchants Payments Coalition lauded American Express for joining MasterCard and Discover in taking a step to improve card-payment security by no longer requiring customers to engage in signing receipts. Retailers now call on Visa, the biggest card company, to stop resisting measures that would lead to making its customers' cards safer, too.

This week, Amex said that by April, the company would not require customers to verify card purchases by signing a receipt, an action that does nothing to prevent fraud. In announcing the decision, the card company quoted Walmart as saying: "Having to sign a recipe can be a hassle for customers and is not necessary to prevent fraud at the point of sale."

Dropping this practice will show the claim it improves security is nothing but a fiction. And it opens the door to real, effective methods of verifying transactions, such as personal identification numbers and advanced technologies.

That will bring real security to consumers—so long as the security standards are open and transparent. Personal identification numbers (PINs) are 700% safer than signatures, according to the Federal Reserve.

Until recently, the card companies had clung to signature verification in the United States, even though the use of a PIN instead is standard in the industrialized world, including at ATMs in the United States. Consequently, the U.S. has become an increasingly frequent target of card fraud.

Retailers are encouraged that Amex, Discover and MasterCard have recognized they can end the unhelpful signature practice and make transactions faster and more convenient. The move will help everyone realize that we must look elsewhere for better fraud prevention.

More New York Counties Consider Higher Tobacco Buying Age

More New York localities are taking matters into their own hands when it comes to instituting a higher minimum age for buying tobacco product. Statewide measures haven't been able to make it out of committees, so county governments are enacting their own higher tobacco buying age.

Currently, more than 50% of New York residents live in areas where you have to be 21 to buy tobacco products, including Albany, Cattaraugus, Chautauqua , Cortland, Orange, Schenectady, Suffolk, Sullivan and Tompkins counties. Onondaga County approved a similar measure, but it has yet to be finalized, while Dutchess and Clinton counties are debating an increase as well.

Those supporting a higher minimum age argue that it will help improve public health. "There is a lot of support for this and it's coming from both sides of the aisle," said Kevin O'Flaherty, northeastern region director for Tobacco Free Kids.

However, the New York State Association of Convenience Stores (NYACS) says a higher tobacco buying age is a "noble goal" but not a reasonable one because minors will find ways to smoke even if they can't buy cigarettes directly from a retailer.

More than 270 localities in 18 states have 21 as the minimum buying age for tobacco products, including Topeka, Kan., which approved the higher minimum wage this month. Five states have a higher tobacco buying age of 21: California, Hawaii, Maine, New Jersey and Oregon.

DMV Record Retrieval

DMV record retrieval is available to association members and affiliates at a cost of $12 per record. Additionally, you may order DMV certified paper abstracts of driver's license, vehicle registration, and vehicle title records for an additional fee of $2 per abstract. Please call 516-371-6201

Attention Inspection Stations

The Association has received a flurry of requests for legal representation for violations of the DMV commissioner regulations known as "clean scanning." that is when a vehicle other that the one to be inspected is substitute for the OBD-II part of the test. We have no defense for these violations. DMV has the ability to trace the OBD-II inspection to the vehicle used for the inspection.

If you cannot pass a vehicle for any reason, get help. That help could come from DMV. This violation almost always results in revocation.

All Petroleum Bulk Storage Facilities

YOU WERE REQUIRED TO DESIGNATE A CLASS A AND/OR B AUTHORIZED OPERATOR TO NYS DEC NO LATER THAT OCTOBER 11, 2016

THIS WAS MORE THAN A YEAR AGO

If you have not done this you are now subject to a $500 penalty from NYS DEC. This may now be unavoidable

If you have not reported this information to NYS DEC as of yet do so immediately. Communicate this information to DEC at operatortraining@dec.ny.gov

Or call the association office

NYVIP2 MESSAGE No. 238

DATE: **12/26/2017**
TO: **ALL INSPECTION STATIONS**
FROM: **OPUS INSPECTION INC**

SUBJECT: NYVIP2 ANTI-VIRUS DEFINITION UPDATE

PLEASE BRING THIS MESSAGE TO THE ATTENTION OF THE STATION OWNER AND/OR MANAGER

A NYVIP2 software update to version **17.12.02** will be rolled out to all Emissions Inspection Stations beginning tomorrow December 27th. You must accept and load the new software when you are prompted to by your NYVIP2 Computerized Vehicle Inspection System (CVIS) analyzer.

This software includes an important anti-virus protection update. Do not turn off, reboot, or interrupt this update. When completed, your NYVIP2 unit will return to the Startup screen.

UPDATE INSTRUCTIONS FOR BROADBAND (INTERNET) STATIONS
If your CVIS communicates using a broadband connection, you will receive the update anytime it is powered on. Once the update is received, a message will display on your system stating: "A software update has been downloaded and is ready to install on this unit. Estimated time to complete the update process is less than 5 minutes. Proceed with update?" You must select **YES** to install the update on your analyzer.

UPDATE INSTRUCTIONS FOR DIAL-UP STATIONS
Broadband internet connections are preferred however, if your analyzer communicates using a dial up connection, you must leave the analyzer powered on overnight on the Main Menu with the phone line connected. Updates performed via dial up connection will take place overnight.

NOTE: Software updates using dial-up connections will take longer. How long it will take depends upon your phone line performance and connection. We recommend that you check your phone service contract and understand charges you will incur due to long connection periods that are common with NYVIP2 software updates over dial-up.

NEW YORK STATE | Paid Family Leave

DEC 13 2017

INFORMATION FOR EMPLOYERS

Five Steps to Ensure Your Business is Ready for Paid Family Leave on January 1

On **January 1, 2018**, Paid Family Leave launches in New York State. Preparing your business is easy. Read on for important information on the many resources available to you at ny.gov/PaidFamilyLeave, as well as a checklist of **next steps to take by December 31, 2017.**

ABOUT PAID FAMILY LEAVE

New York State Paid Family Leave provides you with a structure to help employees care for their families. Studies show that paid leave increases workplace morale and employee retention, which cuts hiring costs.

Paid Family Leave provides job-protected, paid time off so an employee can:

- **bond** with a newly born, adopted, or fostered child;
- **care** for a family member with a serious health condition; or
- **assist** loved ones when a family member is deployed abroad on active military service.

Paid Family Leave is provided through an insurance policy **fully funded by employee payroll contributions**. Employees will apply for leave through your insurance carrier, who will pay their benefit directly to them.

ELIGIBILITY

Full-time employees – employees with a regular work schedule of 20 or more hours per week – are eligible after 26 consecutive weeks of employment.

Part-time employees – employees with a regular work schedule of less than 20 hours per week – are eligible after working 175 days, which do not need to be consecutive.

EMPLOYER RESOURCES

There are a number of resources to help you implement Paid Family Leave, including:

- **Employer checklist**: The checklist included in this letter outlines the steps you should take to prepare for Paid Family Leave.
- **Paid Family Leave website**: Visit **ny.gov/PaidFamilyLeave** for downloadable resources, Paid Family Leave request and waiver forms, and other tools for businesses.
- **Paid Family Leave Helpline (844) 337-6303**: Call for information and answers to your Paid Family Leave questions.

BUSINESS CHECKLIST: PREPARING FOR PAID FAMILY LEAVE

Here are the steps to take before December 31, 2017.

1. ☐ **Ensure your company has Paid Family Leave coverage.**
   - Most private employers with one or more employees are required to obtain Paid Family Leave insurance. Contact your broker or insurer for information about available policies as well as options for paying your premium (e.g., whether it can be paid semi-annually, annually, or annually on a retrospective basis).
   - This insurance is generally added to an existing disability insurance policy.
   - If you are self-insured for disability, you may purchase a separate Paid Family Leave policy or apply to the NYS Workers' Compensation Board to self-insure.
   - For a list of insurers offering Paid Family Leave policies, visit the PFL section of the Department of Financial Services website at **www.dfs.ny.gov/PFL**.

2. ☐ **Inform your employees about Paid Family Leave.**
   - Update appropriate written materials distributed to your employees, such as employee handbooks, to include Paid Family Leave information.
   - If you do not have a handbook, provide written guidance to employees concerning their Paid Family Leave benefits.
   - Model language for handbooks and other resources are available in the Employer section of **ny.gov/PaidFamilyLeave**.

3. ☐ **Prepare for employee payroll contributions.**
   - Update your payroll processes to collect the employee contributions that pay for this insurance.
   - It is strongly recommended you notify employees before withholding any contributions. A model notification is available in the Employer section of **ny.gov/PaidFamilyLeave**.
   - The employee contribution rate is set every year to match the cost of insurance coverage. The current contribution rate is 0.126% of an employee's weekly wage, up to 0.126% of the annual New York State Average Weekly Wage (SAWW). In 2018, the maximum weekly employee contribution is approximately $1.65 per week or $85.56 annually. For example, in 2018 if an employee earns $32,000 a year ($615 a week), the employee will pay 78 cents per week. Employees who earn above the SAWW of $67,907 a year ($1305.92 a week) will pay the maximum contribution of $1.65 per week.
   - To assist you, a deduction calculator is available at **ny.gov/PFLcalculator**.

4. ☐ **Inform ineligible employees about waivers.**
   - Identify employees who will not meet the time-worked requirement for eligibility, and offer them the option to waive coverage.
   - Provide these employees with a waiver form, which is available at **ny.gov/PaidFamilyLeave**.
   - Keep a copy of all completed waivers on file.

5. ☐ **Post an employee notice.**
   - Your insurance carrier will provide you with a notice to employees (Form PFL-120) stating that you have Paid Family Leave insurance.
   - If you are self-insured, you can get this notice by contacting the NYS Workers' Compensation Board at **certificates@wcb.ny.gov**.
   - Post and maintain this notice in plain view, similar to how the signage for workers' compensation and disability insurance is displayed.

FOR MORE INFORMATION

Website: ny.gov/PaidFamilyLeave **Helpline: (844) 337-6303**

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- Over 30% Average Annual Dividend (25 Years)
- Save up to 55% off your current premium*
- Last years dividend was 30% ($3,045,773)
- Dividend checks as high as $65,433 have been issued to our policy holders
- Easy quoting process
- Program available to all members

*Based on 25% up-front discount + declared dividends

Bill Adams

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Lawley

You owe it to yourself to make sure you are getting the best deal.

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INTERESTED PARTIES

PLEASE CONTACT WAYNE

AT THE GASDA OFFICE

516-371-6201 EXT.101

ARE YOU AN OWNER OR EMPLOYEE IN NEED OF TRAINING?

DO YOU WANT TO PROTECT YOUR BUSINESS FROM EXCESSIVE FINES
OR
THE POSSIBLE LOSS OF YOUR:
TOBACCO LICENSE
LOTTO LICENSE
ALCOHOL LICENSE?

DO YOU WANT TO BE CERTIFIED IN SECTION 609 MOTOR VEHICLE AIR CONDITIONING (MVAC)?

THE NEW YORK STATE ASSOCIATION OF SERVICE STATIONS & REPAIR SHOPS
OFFERS ON-LINE COURSES THAT NOT ONLY PROVIDE TRAINING AT YOUR CONVENIENCE, BUT AT VERY COMPETITIVE PRICES FOR BOTH MEMBERS AND NON-MEMBERS OF OUR AFFILIATES

ALL INFORMATION AND MATERIALS ARE PROVIDED THROUGH OUR WEBSITE AT:
NYSASSRS.COM

QUESTIONS CAN BE DIRECTED TO (518) 452-4367. WE ARE AVAILABLE TO PROVIDE PERSONAL ASSISTANCE.

Garage Insurance Survey

Name of Business:			
Street Address:			
City:	State:	Zip:	
Phone #	Fax #	E-Mail:	
Contact Person:		Phone # (if different from above)	
Are you happy with the cost and service provided by your carrier/agent?		Yes	No
If yes STOP here… If NO or NOT SURE you may want to look at the following			
Is your coverage insufficient?		Yes	No
Is the service poor to non-existent?		Yes	No
Is the cost too high?		Yes	No
Are you satisfied with your current coverage?		Yes	No
Are you interested in a quote from another insurer?		Yes	No
Is so please check each that apply:			
		Property & Casualty	
		Workers Comp	
		Disability	
		Health	
If you checked one or more of the above please provide the following information:			
Name of Current Insurer:			
Type of Insurance:			
Renewal Date:			
When/How is the best time to contact you?			

If you are interested in learning how you may save on insurance costs
Please fill out and fax to your local association at 518-452-1955

GASDA
Legal Service Plan

GASDA'S legal plan provides for consultation services and representation at hearings. The following are included:

- Representation at one small claims proceeding or one administrative hearing per year. Requests for representation must be received at the association's office 20 days prior to the hearing date.

- One-hour consultation on any single issue relating to a member's business.

- Small claims proceeding ONLY. The first two court appearances are covered under the plan. The third and all subsequent appearances are not covered. If the member wants continued representation, the appearance fee is $375 per appearance.

- The legal service attorney will provide legal representation or consultation to GASDA members at the rate of $185 per hour for any issue not included in the legal service plan.

In order to be eligible for Group Legal Service representation, a member's dues in full and all obligations to the Association must be current. For additional information, please call the GASDA office at:

516-371-6201

CIGARETTE SALES TO MINORS
CLERK CERTIFICATION

COMPLIANCE .WITH THE NEW STATE CERTIFICATION OF CLERKS WHO SELL TOBACCO PRODUCTS

CERTIFICATION OF A CLERK WHO SELLS TOBACCO PRODUCTS
POINT REDUCTION CLASS

NEW YORK STATE AMENDED ITS POLICY OF ENFORCEMENT FOR RETAILERS WHO SELL TOBACCO. UNDER THE NEW LAW A POINT SYSTEM HAS BEEN ESTABLISHED. EACH VIOLATION OF A TOBACCO SALE TO A MINOR WILL GENERATE A FINE AND TWO POINTS. THREE POINTS AND THE RETAILER'S LICENSE TO SELL CIGARETTES WILL BE SUSPENDED. HOWEVER, IF THE CLERK HAS RECEIVED A CERTIFICATION BY TAKING AN APPROVED SEMINAR, THE VIOLATION WILL RECEIVE ONE POINT.

THE STATE IS ENFORCING THIS LAW
IN ORDER TO ACCOMMODATE OUR MEMBERS,
WE ARE CERTIFIED TO PROVIDE THIS TRAINING.
PLEASE NOTE DATES, TIME, AND LOCATI0N OF THE NEXT SEMINAR

WHERE:

ASSOCIATION OFFICE
372 Doughty Blvd, Suite 2C
Inwood, New York 11096

WHEN:

The First Monday of every month at 2:00 PM
The Second Wednesday of every month at 10:00 AM

COST:

MEMBERS: $15.00 - NON-MEMBERS $30.00

PLEASE CALL FOR RESERVATIONS AT (516) 371-6201

SPONSORED BY: GASDA/LIPDRA

FREE MONEY

BE A MEMBER OF OUR ASSOCIATION OR AFFILIATES
FILL OUT THIS FORM AND FAX BACK TO US
BUY $7500 IN PARTS IN ONE QUARTER FROM YOUR **NAPA DEALER**
RECEIVE A REBATE CHECK FOR 2% OF YOUR PURCHASES (MINIMUM OF $150 REBATE)
PUT THE MONEY IN YOUR POCKET
NOTE: YOU CAN NOT BE A MEMBER OF THIS AND ANOTHER NATIONAL NAPA PROGRAM

FREE MONEY

Name of Your Business:		
Business Address Street:		
City:	State:	Zip:
Phone:	Fax:	E-Mail:
Name of NAPA Dealer:		
NAPA Street Address:		
City:	State:	Zip:
Phone:	Fax:	
Additional NAPA Dealer(s) you do business with:		
Name of NAPA Dealer:		
NAPA Street Address:		
City:	State:	Zip:
Phone:	Fax:	
Name of NAPA Dealer:		
NAPA Street Address:		
City:	State:	Zip:
Phone:	Fax:	

FAX this form back to:
518 452-1955

AutoPass Private Label Credit Card Program

Why Choose CFNA?

Private label credit cards offer consumers a dedicated line of credit for a merchant's products and services. Private label credit cardholders shop more often and spend more on each visit.

Who is CFNA

Credit First National Association (CFNA) is a limited purpose federally chartered private label credit card bank, wholly owned by Bridgestone Retail Operations, LLC. CFNA issues private label credit cards for thousands of automotive retailers throughout the United States.

Card Benefits

The AutoPass card is now the preferred private label credit card for NYASSARS Merchants. Consumers can use the AutoPass card for the purchase of parts, services, accessories and tires.

The AutoPass Program provides:

- Instant credit decisions at the point of sale and online
- Brand impact for every Merchant and their business name is embossed on every card opened
- Generous consumer credit limits
- High customer approval rating
- No annual fees for consumers
- No initial set up fee
- No minimum monthly sales volume required

When

As of July 1, 2015, The AutoPass credit card, issued by CFNA is the preferred private label credit card for NYASSARS Merchants.

In store advertising collateral

Interested in offering AutoPass and ready to get started? Contact CFNA today at 800.527.6770 or sales@cfna.com