



## CENTER FOR ECONOMIC DEVELOPMENT

# NewsWire

January 20, 2009

### HELPING ENTREPRENEURS AND BUSINESSES GROW AND SUCCEED

A joint program of the Labovitz School of Business and Economics, Natural Resources Research Institute, and Swenson College of Science and Engineering.

## TREASURES of the EARTH GREEN GOODS Craft & Art Fair

Saturday, March 28, 2009  
Unitarian Universalist Congregation of  
Duluth  
835 W. College St. Duluth, MN  
10:00 am – 3:00 pm

The fair will be a great opportunity for regional artists and vendors with hand-made items made from natural materials (such as wood, stone, bark, fiber) or from recycled materials to showcase and sell their handmade work. This event is a great educational awareness opportunity to learn where things come from, what they are made of, and what can be made from what. You will also find plenty of gift ideas to give year-round.

If you would like to be a vendor, sponsor, give a short lecture, or demo in this event, please contact Wendy at [wendyupnorth@yahoo.com](mailto:wendyupnorth@yahoo.com) or call: 218-525-5098.

For more information:  
[www.greengreen.org/duluthfairs](http://www.greengreen.org/duluthfairs).

**Registration deadline: Friday, February 20, 2009.** Note: A limited number of each type of art will be accepted (i.e. pottery, glass). **The more natural, the better.**



## DAILY IRS TAX TIPS AVAILABLE For 2009 Filing Season

WASHINGTON – The Internal Revenue Service is offering a daily series of Tax Tips for the 2009 federal tax filing season that began this month.

Tax Tips offer concise, useful information on topics affecting millions of taxpayers. More than 70 tips on federal taxes will be available with a new one for each business day until the April 15 tax filing deadline.

Tips are available as easy-to-understand [text](#) as well as several [audio](#) files for podcast.

Sample text-based Tax Tip topics include:

- Choosing a tax preparer
- Where you can get free tax help
- How e-file can make filing easier and getting you your refund faster
- How to file for an extension or to amend your return
- What tax records to keep
- First-Time Homebuyer Credit

Taxpayers can receive new text-based Tax Tips via email when they are published by subscribing through the [e-News Subscriptions](#) page on IRS.gov. When subscribing, the taxpayer will receive a confirmation message by e-mail that he or she must respond to in order to confirm the subscription. Other list serves available on IRS.gov include Guidewire, which distributes IRS guidance, and NewsWire, which distributes IRS press releases.

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## HOW TO CHOOSE A TAX PREPARER and Avoid Preparer Fraud

Return preparer fraud involves the preparation and filing of false income tax returns by preparers who claim inflated personal or business expenses, false deductions, unallowable credits or excessive exemptions or returns prepared for their clients. Preparers may, for example, manipulate income figures to fraudulently obtain tax credits, such as the Earned Income Tax Credit.

## *How to Choose a Tax Preparer and Avoid Preparer Fraud (Cont.)*

In some situations, the client, or taxpayer, may not know of the false expenses, deductions, exemptions and/or credits shown on his or her tax return.

However, when the IRS detects a fraudulent return, the taxpayer — not the return preparer — must pay the additional taxes and interest and may be subject to penalties.

The IRS Return Preparer Program focuses on enhancing compliance in the return-preparer community by investigating and referring criminal activity by return preparers to the Department of Justice for prosecution. The IRS can also assert appropriate civil penalties against unscrupulous return preparers.

While most preparers provide honest service to their clients, the IRS urges taxpayers to be careful when choosing a preparer — as careful as they would be choosing a doctor or lawyer. Even if someone else prepares a tax return, the taxpayer is ultimately responsible for all the information on the return. For that reason, taxpayers should never sign a blank tax form. And they should review the return before signing it and ask questions on entries they don't understand.

### **Helpful Hints When Choosing a Return Preparer**

- Be cautious of tax preparers who claim they can obtain larger refunds than other preparers.
- Avoid preparers who base their fee on a percentage of the refund.
- Use a reputable tax professional who signs the tax return and provides a copy.
- Consider whether the individual or firm will be around to answer questions about the preparation of the tax return months, or even years, after the return has been filed.
- Check the person's credentials. Only attorneys, certified public accountants (CPA's) and enrolled agents can represent taxpayers before the IRS in all matters, including audits, collection and appeals. Other return preparers may only represent taxpayers for audits of returns they actually prepared.
- Find out if the preparer is affiliated with a professional organization that provides its members with continuing education and resources and holds them to a code of ethics.
- Ask friends and family whether they know anyone who has used the tax professional and whether they were satisfied with the service they received.

Reputable preparers will ask to see receipts and will ask multiple questions to determine whether expenses, deductions and other items qualify. By doing so, they are trying to help their clients avoid penalties, interest, or additional taxes that could result from an IRS examination.

Tax evasion is a risky crime, a felony, punishable by five years imprisonment and a \$250,000 fine. For more information:

<http://www.irs.gov/newsroom/article/0,,id=202123,00.html>



The University of Minnesota Duluth Center for Economic Development offers numerous workshops to help entrepreneurs and employees operate more efficiently. All workshops are held at the Duluth Technology Village, 11 E. Superior Street, Suite 210 unless otherwise noted. To register call: 218-726-7298, 888-387-4594 or register online: [www.umdced.com/workshops](http://www.umdced.com/workshops).

**The mission of the University of Minnesota Duluth Center for Economic Development is to assist entrepreneurs and businesses to grow and succeed.**

*Funded in part through a cooperative agreement with the U.S. Small Business Administration, Minnesota Department of Employment and Economic Development and sponsoring centers. Reasonable accommodations for persons with disabilities will be made if requested at least two weeks in advance. For arrangements, contact: UMD Center for Economic Development, 11 E. Superior Street, Suite 210, 218-726-7298.*

**1986 – 2009** Celebrating 23 years of excellence and also recognizing UMD's 25 year partnership with the Minnesota Small Business Development Centers

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