

Bookkeeping Tips

Are You Up to Date? A Self-Quiz for Professional Bookkeepers

Each month, AIPB members receive a quiz like the one below in *The General Ledger* newsletter (www.aipb.org/general_ledger.html), the free monthly technical briefing for members.

This quiz covers news we reported to members as well as general-knowledge questions. Good luck!

1. When taking the standard mileage rate as a tax deduction, you may also deduct _____ fees and _____ as well as _____ incurred to purchase the vehicle.
2. The standard mileage rate cannot be used for vehicles that are being _____, for which a _____ deduction has been taken, that are for _____, or for more than _____ vehicles used simultaneously.
3. The standard mileage rate cannot be used to value personal use of a company luxury car, which for 2006, is one that has a value of \$_____ or more.
4. The following name appears on an employee's Social Security card: Jane Thomson Green. How should this name appear on Jane's W-2?
5. New employee Liz just moved and wants to know if she can use the W-2 that you are giving her as notification to the IRS that she has changed her home address. Can she?
6. Starting in 2006, employers who owe \$_____ or less in federal employment tax per year do not have to file quarterly 941s and can, instead, file Form _____ after the year closes.
7. Is there a limit on what you can charge an employee for producing a new copy of the employee's W-2? Can you withhold the new W-2 until you receive the fee?
8. If employees use a log to track miles driven for business, it must contain at the very least the annual _____ and _____ mileage, and the _____, _____ and _____ for each business trip recorded.

(See answers below)

Answers:

Note the citation next to answer #5. *The General Ledger*, the free monthly technical briefing for members, includes IRS, SSA, IRC, court case and other citations for members who need special information for their company or client.

1. parking, tolls, interest
2. depreciated, Sec. 179, hire, four
3. 15,000
4. Jane Thomson-Green [the key is that the hyphen must be added]
5. No.
The address on a W-2 is not communicated by the taxpayer to the IRS, so it is not notice to the IRS. The IRS is not required to re-mail a notice or take action to locate the taxpayer, but is required to send notices to the taxpayer's last known address. [*Blocker v. Commissioner*, T.C. Memo. 2005-279]
6. 1,000, 944
7. no, no
8. starting, ending odometer, time, place, business purpose

Get informative quizzes like this each month in *The General Ledger*, yours free as a member (www.aipb.org/member_benefits.html).

BOOKKEEPING TIPS is a free newsletter published by The American Institute of Professional Bookkeepers (www.aipb.org). To subscribe: Send a blank email to bookkeepingtips-on@aipb.org

Contact information: AIPB. Suite 500, 6001 Montrose Road, Rockville, MD 20852.
Tel.: 800-622-0121, Fax: 800-541-0066, email: info@aipb.org. Web site: www.aipb.org

The American Institute of Professional Bookkeepers (AIPB), is the national association for bookkeepers, currently with 30,000 active members

AIPB was founded in 1987 for the following purposes:

- To recognize bookkeepers as accounting professionals
- To make sure that each member has the latest bookkeeping, accounting and tax information
- To answer members' everyday bookkeeping and accounting questions on the telephone at no charge.
- To provide bookkeepers with low-cost continuing professional education.
- To return the membership fees of any bookkeeper who is dissatisfied with the benefits of membership