

Tennessee CPA Journal
Self-Study CPE Exam

Sponsored by the
 Educational & Memorial Foundation of the
 Tennessee Society of CPAs
 Recommended CPE Credit: 1 hour

Issue Date: November/December 2009
 Exam valid through June 1, 2010.
 Must be postmarked on or
 before June 1, 2010.

If you are not a member of TSCPA, please enclose a check for \$20 payable to the Educational & Memorial Foundation of TSCPA.

Instructions:

Members may earn free CPE by reading the Tennessee CPA Journal. To be eligible for continuing professional education credit, you should spend approximately one to two hours reading the material in the current issue of the Tennessee CPA Journal. Then answer the following questions by darkening the circle which represents the best answer. Certify that you have completed the reading requirement for this exam by signing below. You must answer five of the seven questions correctly to receive credit. You should receive a copy of your graded test within four weeks of the date of submission. If you have not received a response within this time, please call TSCPA at 615/377-3825 or toll-free 1-800/762-0272. This program has been approved by the Tennessee State Board of Accountancy. This exam qualifies for credit under the reporting sub-category "Other - Code 10." **CPAs licensed to practice in Tennessee may earn up to 20 percent of their total CPE requirements through this type of examination.**

- | | True | False |
|--|-----------------------|-----------------------|
| From "Federal Tax Liaison Meeting" | | |
| 1. High income is defined as total positive income in excess of \$1,000,000. All expenses are included when the IRS considers returns for audit. | <input type="radio"/> | <input type="radio"/> |
| 2. Approximately 90 percent of all tax court cases are settled by appeals. | <input type="radio"/> | <input type="radio"/> |

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| From "Debt Renegotiation: Tax Traps for the Unwary Business" | | |
| 3. The issue price is calculated by determining the current value as of the date of modification of all future payments of the modified loan, using the appropriate applicable federal rate (AFR). | <input type="radio"/> | <input type="radio"/> |

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| From "Preparing for Your 403(B) Audit" | | |
| 4. Generally, the Form 5500 is due four months after the plan year-end but can be extended for an additional month. Plans not complying with these filing deadlines are subject to penalties of up to \$1,500 a day. | <input type="radio"/> | <input type="radio"/> |

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| From "What Auditors of Local Governments Need to Know About The American Recovery and Reinvestment Act" | | |
| 5. According to the ARRA, reporting should not begin until the grant has been received or expended. | <input type="radio"/> | <input type="radio"/> |
| 6. The Division of County Audit will be performing real-time reviews of ARRA grants in selected counties. | <input type="radio"/> | <input type="radio"/> |

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| From "Roth IRA Conversions: New Rules for 2010" | | |
| 7. For Roth IRA conversions occurring in 2010, half of the income from the 2010 conversion is taxable in 2011, and the remaining half is taxable in 2012. | <input type="radio"/> | <input type="radio"/> |

Return the original, completed test to:

Tennessee Society of CPAs
 201 Powell Place
 Brentwood, TN 37027

For official use only:	Date Received: _____
<input type="radio"/> Three or more questions were answered incorrectly; therefore, credit is not granted. <input type="radio"/> All requirements have been successfully completed. One hour of continuing professional education credit as set out by the Tennessee CPA Journal Self-Study Exam guidelines is granted. <input type="radio"/> You failed to sign below for credit. After doing so, you do not need to return this form.	
Date Graded: _____	Examiner: _____

I certify that I have read the November/December 2009 Tennessee CPA Journal, from which these questions were taken.

Signature: _____

(Please print the information below. **Must** be legible for Post Office to use as return address.)

Name: _____ Date submitted: _____

Address: _____ Member of TSCPA? () Yes () No

City, State, Zip: _____ E-mail: _____

Optional question: What topic would you like to read about in the *Tennessee CPA Journal*? _____