



CLIENTTELL

Vol. XXX | No.1 Spring 2024 | Blackburn, Childers & Steagall, PLC Quarterly Newsletter

New Reporting Under the CTA

2

BY NICK HILL

The Recent Drop in Accounting Degrees

4

BY KEVIN PETERS

CLIENT FEATURE

Miss Babs Hand-Dyed Yarns & Fibers

6

EXCITING THINGS AHEAD

BY ANDY HATFIELD

We are happy to announce that our Johnson City and Kingsport offices are consolidating and moving to be together under one roof in the former Citi building in Gray. Internally we are referring to the move as "Project Gray." We are still very likely a year away from a move as construction is in full force for a total renovation of our future space. Our Boone, North Carolina and Greeneville,

>> KEEP READING ON PAGE 2



Demolition is under way at the former Citi building to prepare for the renovation of our new home.

>> CONTINUED FROM COVER STORY

Tennessee offices will remain in their same locations. The move will allow us to serve our region better by being in one central location in the Tri-Cities, and will also give us plenty of space for future growth. A whole lot more to come on Project Gray! ♦



New Reporting Under the Corporate Transparency Act

BY NICK HILL



Effective January 1, 2024, a substantial number of business owners must file a new report as part of the federal Corporate Transparency Act (CTA). The goal of the CTA is to enhance the U.S. government's ability to combat money laundering, terrorist financing, and other illicit activities by providing law enforcement and regulatory authorities with better access to information about the true ownership of companies. Failure to comply with this act may result in severe civil and criminal penalties, including hefty fines and possible time behind bars.

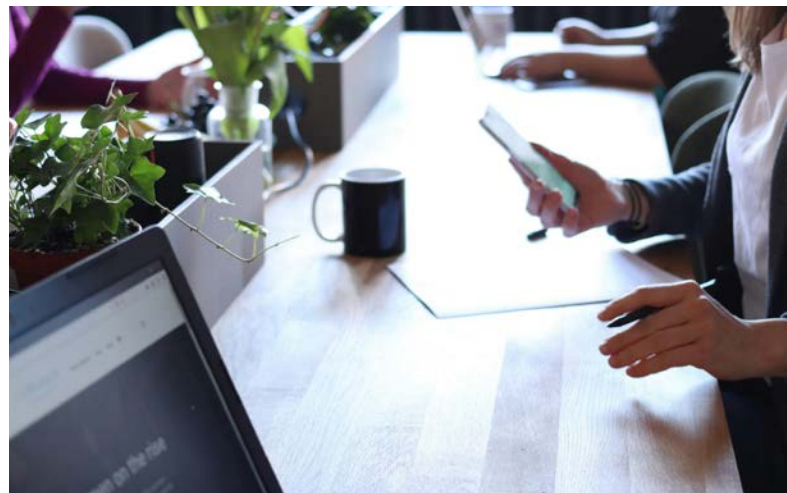
Under the CTA, reporting companies must file a Beneficial Ownership Information (BOI) report with Financial Crimes Enforcement Network (FinCEN). The information provided in the report will include the beneficial owner names, addresses, dates of birth, and identification numbers. A beneficial owner is an individual who, directly or indirectly, either 1) exercises substantial control over the reporting company or 2) owns or controls at least twenty-five percent (25%) of its ownership interests.

A reporting company created or registered before January 1, 2024 must file a report by January 1, 2025. A reporting company created or registered on or after January 1, 2024 and before January 1, 2025 must file its initial BOA report within ninety (90) days of the date on which the company receives actual or public notice that its creation has become effective. A reporting company created or registered on or

after January 1, 2025 must file its initial BOI report within thirty (30) calendar days of the effective creation date.

Entities that are already subject to close federal or state regulation and thus already must disclose their beneficial ownership information to the government are exempt from filing. These entities include publicly traded companies meeting specified requirements, many nonprofits, and certain large operating companies. Large operating companies are ones that 1) employ more than twenty (20) full-time employees in the U.S., 2) operate at a physical office in the U.S., and 3) have filed a federal tax return for the previous year reporting gross receipts or sales of more than \$5 million. Most small corporations and LLCs likely will not qualify for an exemption. A comprehensive list of the companies that are exempt from the reporting requirement can be found on the FinCEN website.

The beneficial owner must complete this federal filing and submit it electronically through a filing system on FinCEN's website: <https://www.fincen.gov/boi>. The CTA mandates only the submission of an initial BOI report and, when necessary, an updated or corrected report. Notably, there is no state filing involved. If you have any questions, please contact your tax advisor. ♦



NEWS FROM AROUND THE FIRM



Congratulations to this year's Core Values Award winners! Each employee was nominated by their peers for exhibiting the qualities of the firm's Core Values: Balance, We Before Me, Premier Service, and Stewardship.

SWEET CAROLINE

MeLissa Crockett welcomed her fourth granddaughter into the world on February 2nd. Caroline is the daughter of MeLissa's son Caleb and daughter-in-law Elizabeth.



GIVING BACK



A group of BCS employees cooked dinner for the residents at Ronald McDonald House.



We donated 142 pairs of socks to local nursing homes in Johnson City.

Combating the Recent Drop in Accounting Degrees



BY KEVIN PETERS

In October 2023, the American Institute of Certified Public Accountants (AICPA) released an important research report on the accounting profession. The report, *2023 Trends: A Report on Accounting Education, the CPA Exam and Public Accounting Firms' Hiring of Recent Graduates*, illustrates some very interesting data. Two important findings relate to a drop in accounting degrees:

- Bachelor's degrees awarded in accounting dropped 7.8% from 2021-2022
- Master's degrees awarded in accounting dropped 6.4%

The Report notes that over three-quarters of universities that responded project enrollment in 2023-2024 to be the same or higher, which is a good sign. The Report also cites the National Center for Education Statistics and their projection that for each of the next seven school years (which is the period fall 2022 to fall 2028), all undergraduate enrollments is projected to grow at 6.3% (regardless of field of study).

There is more positive news. The challenge is competing for these students and in particular recruiting and awareness efforts to educate them about careers in accounting.

The AICPA has an all encompassing awareness campaign, and state societies of CPAs have similar initiatives.

At BCS, we have consistently had programs and initiatives to attract new talent:

We have been a sponsor and participated in the high school career day event, Career Quest, It's All About Business\$, sponsored by the First Tennessee Development District. This event is for high school students with an interest in business related fields.

One of our partners is an advisor for the FBLA club at a local high school.

Several of our staff have spoken at events at our local colleges and universities including East Tennessee State University, Appalachian State University and King University. This includes speaking at the accounting honor society, Beta Alpha Psi, and also at accounting classes.

BCS participates in networking and meet the firms nights at ETSU, Appalachian State, Milligan and Tusculum

We have job shadowing hosting events for high school students.

All of our departments (Tax, Audit, Managed Accounting Services and IT) fully utilize college interns. These internships provide real world experience for college students. Many of our full-time hires come from our internships.

Other firm specific events we have include dress for your day, community service projects, Fab Fridays during tax season, firm-wide and department specific retreats and fun days. All of which are discussion items we have with high school and college students. All in an effort to show students a different perspective of the accounting profession.

The AICPA report is an interesting publication with a lot of data. At BCS, we continue to see the accounting profession, while challenging at times, very rewarding. We have an ongoing opportunity to invest in high school and college students with an interest in accounting to continue to give back in the profession. Research shows many high school and college students, regardless of profession, desire to have a career with work-life balance, opportunities to make a difference in society and do meaningful work. At BCS, we work to display our Core Values of Stewardship, We before Me, Balance and Premier Service and how the accounting profession provides you the avenue to strive for all four of these. ♦



- QuickBooks Desktop Enterprise subscriptions (Silver, Gold, Platinum, and Diamond) are **not impacted** by this change and customers can continue to purchase Enterprise subscriptions after July 31, 2024. Enterprise Gold, Platinum, and Diamond include integrated payroll.
- Accountants can continue to purchase QuickBooks Accountant Desktop Solutions, including ProAdvisor bundles, after July 31, 2024.



QuickBooks Desktop Changes Coming Soon

BY TERESA ADAMS

After July 31, 2024, Intuit will no longer sell **new subscriptions** of the following products in the US:

- QuickBooks Desktop Pro Plus
- QuickBooks Desktop Premier Plus
- QuickBooks Desktop Mac Plus
- QuickBooks Desktop Enhanced Payroll

This change only applies to **new subscriptions** in the United States and currently does not impact **existing subscribers** as long as you keep your billing information up to date with Intuit.

WHAT'S NOT CHANGING

- Existing QuickBooks Desktop Pro Plus, Premier Plus, Mac Plus, and Enhanced Payroll subscribers can **continue to renew** their subscription after July 31, 2024.
- Intuit will continue to provide security updates, product updates, and support for existing subscribers.

WHAT ACTIONS TO TAKE

- If you have a **non-subscription version** of QuickBooks Desktop Pro, Premier, or Mac and wish to remain on Desktop, Intuit recommends purchasing a QuickBooks Desktop Pro Plus, Premier Plus, or Mac Plus subscription before July 31, 2024.
- If you have QuickBooks Pro Plus or Premier Plus and have been considering Desktop Payroll, Intuit recommends purchasing a QuickBooks Enhanced Payroll subscription before July 31, 2024, or upgrade to QuickBooks Enterprise Gold, Platinum, or Diamond, which includes integrated Payroll.
- Existing QuickBooks Desktop Pro Plus, Premier Plus, Mac Plus, and Enhanced Payroll subscribers must keep their billing information up to date with Intuit. Failure to do so, could result in losing your current subscription and not being able to renew after July 31, 2024.
- Intuit recommends that all QuickBooks Desktop subscribers upgrade to the latest version of the software by July 31, 2024, or switch to the QuickBooks Online version.

If you have questions or need help upgrading your QuickBooks Desktop software to QuickBooks Online, please contact our office at 423-282-4511. ♦



CLIENT FEATURE

Miss Babs Hand-Dyed Yarns & Fibers

MOUNTAIN CITY, TN



Q+A with **BABS AUSHERMAN**

OWNER + PRESIDENT



Q. WHAT IS YOUR STORY? HOW DID YOU GET YOUR START?

A. My story is like many other entrepreneurs in that I started in my kitchen and grew over time. In 1999, my husband and I moved to Mountain City so he could take an engineering position with a local manufacturing company. He grew up in Western North Carolina, so the mountains and people here were very familiar. I found an adjunct position teaching Business and Marketing courses at App State. I have an MBA from Southern Illinois University at Edwardsville. I also began knitting again after a 20 year break. I also began exploring other fiber related activities such as weaving and spinning yarn. Because I never do anything small, I soon amassed a lot of bare yarn without color. I started trying my hand at dyeing and started down a rabbit hole I have not yet come out of in the last 20 plus years.

Color is a language for me and I love it. I have learned to dye colors all across the color spectrum so that I can appeal to knitters and crocheters who have all different color preferences. Part of why knitting is so popular for many people is that it is a meditative process and can soothe you as the yarn flows through your fingers and the colors pass by your eyes.

I started dyeing full-time in 2005 and turned the pressure on when my husband became disabled in 2008. While 2008 and beyond were hard years economically, it was a time when many people retreated home and made things for gifts and for themselves. Hand-dyed yarn is a niche product and is more expensive than what you find in big box stores, but a single skein of yarn can provide hours of enjoyment. People often ask why should someone spend what they do on my yarn, and my response is do you have a hobby? If so, do you buy hand-tied

flies, or have custom gunstocks, or pay greens fees for those great golf courses?

One of the keys to our success is creation of combinations of colors in sets that can be used for projects. Picking 2 colors is often easy, but picking 6 colors can be way more difficult. We also have a great website that shows our yarns and colors. This is really important since we have many different products. We do go to some shows through the year and sell in person, but the majority of our sales occur online through our website.

We have 17 employees who are paid well, have benefits, and many have been with us for years. For us, having low turnover has been incredibly important. It really takes 2 years for someone to be fully trained so that they understand the flow of our work which is project based and changes through the year. We wouldn't be where we are without our staff.

Q. WHAT ARE YOUR GOALS FOR THE FUTURE?

A. Our goals for the future are to maintain employment for my staff and continue to provide beautiful colors to my customers in wonderful combinations.

Q. HOW HAS BCS HELPED YOU?

A. BCS has allowed us to move all our accounting needs under one roof for simplicity in our accounting process. One of my philosophical beliefs is that it is important to keep things simple, and BCS lets us do that. ♦


**BLACKBURN, CHILDERS
& STEAGALL, PLC**

801 B Sunset Drive | Johnson City, TN 37604
Johnson City | Kingsport | Greeneville | Boone

**PRSR STD
US POSTAGE
PAID
JOHNSON
CITY, TN
PERMIT NO. 26**



BCSCPA.COM

Vol. XXX | No. 1 Spring 2024 | © 2024 Blackburn, Childers, & Steagall, PLC

HERE WE GOAT AGAIN

Nothing relieves tax season stress like a visit from a baby goat! Thank you to our friends at the Funny Farm for letting us love on Spot!

