

Citation and Resource Guide

Sidney Kess, CPA, JD, Editor

Playing Defense as Stock Prices Soar

- Information about Treasury securities can be found at www.treasurydirect.gov/indiv/products/products.htm.

Holding Down Premiums for Medicare Part B

- The Social Security Administration's publication, Medicare Premiums, Rules For Higher-Income Beneficiaries, is available at www.ssa.gov/pubs/EN-05-10536.pdf.

Safe Harbor 401(k) Plans for Small Companies

- The IRS spells out the rules on safe harbor 401(k)s at www.irs.gov/retirement-plans/plan-sponsor/401k-plan-overview.

Practice Development Tip

Spread the Word on the New IRA Rollover Rules

Client meetings during tax preparation season can be an excellent time for you to present information while you're receiving tax return data. This year, clients may be interested in hearing about new IRS rules on IRA rollovers, released in 2016.

Generally, people who take money from an IRA or 401(k) or another tax-deferred retirement account must put the same amount back into a retirement plan within 60 days. If the deadline is missed, the amount not replaced will be considered a taxable distribution, and a 10% penalty also may apply before age 59½.

The IRS may extend the 60-day deadline, under some circumstances. However, such an extension previously required requesting a private letter ruling (PLR) from the IRS, at a cost of a \$10,000 filing fee, plus any professional charges. As a result, many people who missed the 60-day deadline, even for a good reason, accepted the consequences rather than pay for a PLR, which might not be accepted.

Revenue Procedure 2016-47 signaled a major departure from the IRS. Now, taxpayers who missed the 60-day deadline can "self-certify" that a hardship caused their lateness. Money can go back into a tax-deferred account, without tax consequences.

This Revenue Procedure listed 11 specific hardships that can be self-certified. For instance, error by the financial institution handling an IRA is considered an acceptable hardship. A taxpayer's self-certification can be challenged by the IRS and, if proven to be invalid, taxes and penalties can be assessed.

In your client meetings this tax season—and later—you can briefly explain the new rules. Tell your clients that you'll help with the self-certification process, if it becomes necessary. Even if clients never need help in this situation, informing them about the new rules can help to solidify your position as a knowledgeable adviser about retirement plans.

Online Marketing Tip

How Artificial Intelligence Affects Your Marketing

You've been reading about artificial intelligence (AI) and its potential impact on the accounting profession—particularly as it relates to auditing. But, that's not the only place AI is having a huge impact. Marketing is also seeing a big uptick in AI efforts as the traditional sales model shifts.

What exactly will it be doing for and in marketing? Trying to mimic human intelligence, which will allow marketers to increase actions based on past interactions between humans and their online activities.

Sounds rather Twilight Zone-ish, but it's already making an impact at large companies.

Here's how it would work.

In the past, marketing efforts usually followed this path:

1. Analyze website and social media analytics to see where and when people visit and the type of content they gravitated toward.
2. Design A/B content split tests to see which one people reacted to more often. Then build on those results to provide the format and content most people preferred.
3. Adjust website design and format to meet the needs visitors expressed through behavior analytics, downloads, and more.

Once AI comes fully into the picture...

Machines will analyze the traffic without the (or with limited) human factor; continuously A/B split test content; and adjust the website or online media to generate a new "website" automatically based on the person's need and past visiting behavior—almost like crowd-sourced content.

Survey Says

Demandbase, in conjunction with Wakefield Research, said that "80 percent of marketing leaders believe AI will revolutionize marketing by the year 2020." And, that 98 percent believed it would "provide some benefit to their overall marketing."¹

But...

The survey also stated that only about 26 percent are very confident of the impact and its understanding. And, only 10 percent are currently using it.

Challenges

According to MarketingProfs, "B2B marketing executives expect the top challenges of AI will be integrating it into their existing systems/technologies (60 percent cite it as an issue) and training employees on how to use it (54 percent)."²

ROI Success Metrics

When it's all said and done, what success will really come down to is its return on investment (ROI). How will AI impact a firm's ROI?

1 <http://www.forbes.com/sites/steveolenski/2016/12/14/80-of-marketing-leaders-say-artificial-intelligence-will-revolutionize-marketing-by-2020/#4715c73b21e1>

2 <https://www.marketingprofs.com/charts/2017/31395/will-artificial-intelligence-have-a-major-impact-on-b2b-marketing>

Leading marketing professionals believe B2B companies will see an increase in better close rates for sales; increased revenue; improved website traffic and engagement; and a higher lead conversion.³

That all sounds great, but how do you make it happen?

Start now.

1. Begin segmenting email lists and creating highly-personalized content to send in those emails. For example, if you have a client base of manufacturing and construction clients, review what each client clicks on in your emails. Move them into respective groups of people who like the same kind of content. Then when you email the lists, they will be getting content they want, need, and enjoy.
2. Consider social media tools to help you leverage groups and lists to share messages to targeted recipients.
3. Create a structure for email that is similar to drip campaigns, so that when a person responds to one email, they trigger a series of additional emails to move them down the marketing funnel—ultimately to a close. (See the boxed note on triggered email processes.)
4. Educate your sales and marketing teams on how AI can impact your efforts, increase leads, and require additional skills to make it successful.
5. Investigate solution providers and identify products that will easily fit into your existing suite of software and hardware.

Implementing an AI marketing process is not something that can – nor should – be done in a vacuum. Include your IT and sales teams in the development because their expertise and client knowledge will be crucial. As with any new initiative, trial and error will be required to determine the best path to take.

Will you be leveraging AI in your marketing efforts in the near future?

Triggered Email Process – The Actions

When creating a triggered email process, you must first outline the actions you want people to take in order for them to reach the goal—becoming a client. Here's an example:

1. Website form completion emails the requested file to the lead with a hook to join the email list.
2. Once the person joins the email list, he/she is added to an industry bucket. An email is triggered with additional content they might like.
3. Once the second email is opened, it triggers a third email that invites the person to a 30-minute webinar about the topic they have shown interest in. This email includes the webinar registration link.
4. Now that they've registered for the webinar, feed a weekly email to them about the topic with additional information, survey findings, important updates, etc. that he/she may find useful. Remind them to share the registration link with others and include a link to download one of the pieces of additional information.
5. Additional information item has been clicked on, move them to the next level of the funnel, which is a free consultation post webinar. That email gets sent once the webinar is attended.

Practice Development and Management Resources

from the AICPA

For more information or to order, log on to www.aicpastore.com or call 888.777.7077.

Managing Your Tax Season

■ Reduce stress and make the most of your staff's time and skills with this hands-on guide to improving your tax season. Filled with checklists, sample letters, and worksheets to help keep your clients happy while effectively managing workflow during the busiest time of your year.

[Item nos. PTX1402P—AICPA Member \$79.00, Nonmember \$99.00 and PTX1402E—AICPA Member \$69.00, Nonmember \$85.00]

Leading an Accounting Firm: The Pyramid of Success

■ Build a stronger firm with this guide to CPA firm leadership. *Leading an Accounting Firm* teaches you how to improve your personal leadership and build great leaders around you by guiding you through the essential ideas and practices that are at the core of great leadership and great firms.

[Item no. PPM1201P—AICPA Member \$59.00, Nonmember \$69.00]

Management of an Accounting Practice eHandbook

■ This is your go-to resource for all things practice management. Streamlined online guidance for easy reading and quick reference on the topics you care about: employee compensation and benefits, staffing, disaster recovery, firm organization, benchmarking, strategic planning, and more!

[Item no. MAP-XX—AICPA Member \$149.00, Nonmember \$189.00]

MAP On Track

■ Often, practitioners and small- to medium-sized firms find it challenging to stay on top of firm management responsibilities. The new *Management of an Accounting Practice On Track* (MAP On Track) will help keep you organized. This new scheduler is easy to download and functions as an add-in to Microsoft Outlook, adding tasks to keep your firm running throughout the year. As an added bonus, within the automatically scheduled tasks, you'll find useful links to relevant content within the comprehensive MAP eHandbook as well as PCPS tools that can inform your next steps.

[Item no. MAPTKD—AICPA Member \$229.00, Nonmember \$289.00]

The Engaged Employee: 10 Initiatives for Successful Firms

■ The most successful firms have discovered a solution that retains the best and the brightest while driving desired business outcomes: employee engagement. In this book, author Sandra Wiley presents 10 key initiatives that your firm can employ to foster engagement.

[Item nos. PPM1402P—AICPA Member \$49.00, Nonmember \$59.00 and PPM1402E—AICPA Member \$45.00, Nonmember \$55.00]

Need help with your subscription?

Contact our Member Service Center at 888.777.7077 or service@aicpa.org.

Questions or comments about the content?

Contact Andrea Sterling, Managing Editor, at 919.402.4025 or CBeditor@aicpa.org.