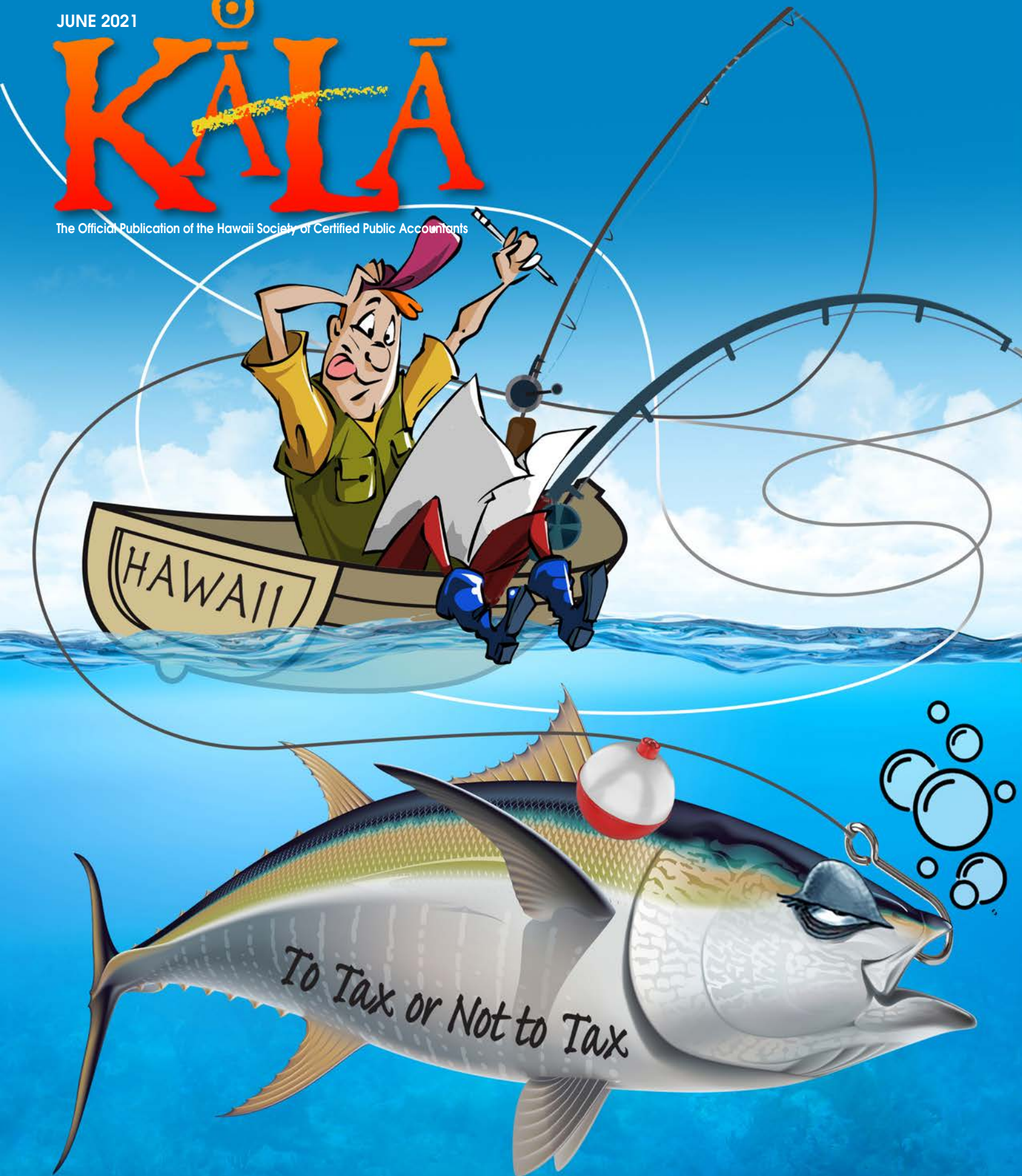


JUNE 2021

KĀLĀ

The Official Publication of the Hawaii Society of Certified Public Accountants



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President's Message

By Ed Nakano

Post Pandemic Future of Work

I found several interesting and relevant articles that point out what we as accounting professionals have experienced while working remotely since the pandemic began in March 2020. These articles are “Predicting the Post Pandemic Future of Work” from the Economist, “How COVID-19 Has Us Doing More in Less Time” by Stephanie Vozza from Fast Company, “Lessons COVID-19 Has Taught Us About Remote Work” and “The Post Pandemic Office Dilemma: Who Returns and Who Works from Home” from Fast Company.

“Predicting the Post Pandemic Future of Work” from the Economist - McKinsey Poll of 800 Executives in Nine Major Economies:



1. 85% said their companies were making greater use of technologies such as video conferencing, 50% were using technologies when dealing with customers and 35% applying more computer power to supply chains.
2. In two years, 15% of executives expect to allow a tenth of their employees to work remotely two or more days a week.
3. Remote work could become a way to lower real estate costs and compete for talent.

“How Covid-19 Has Us Doing More In Less Time” from Fast Company- Observations from Prodoscore (Provider of Employee Visibility and Productivity Intelligence Software:

1. Workday hours have shrunk, however employee productivity remained steady and even increased.
2. Workers were getting more done, with the window of greatest productivity from 10 a.m. to 1 p.m. Tuesday was the most productive day of the week, followed by Wednesday and Thursday. Productivity was lowest on Friday.

3. Working hours may have declined, but the Monday through Friday workweek became a thing of the past as more employees put in time over the weekends. The study found that employees worked 42% more on Saturdays and 24% more on Sundays in 2020 than in 2019.

“Lessons COVID-19 Has Taught Us About Remote Work” from Fast Company

1. Just about every major CEO declared that remote work is the new way of the world, a necessary evil or somewhere in between.
2. Once it is safe to return to work, a report by Manpower Group indicated that most workers surveyed said they'd prefer working two to three days in an office, and working remotely the rest of the time.
3. A Mercer survey of 800 employees indicated that 94% of them said that their productivity was unaffected or even improved, compared to pre-pandemic levels.
4. Leadership requires articulating clear goals and values and setting an example about how remote work should look. These are investments required for remote work to succeed. Frequent check-ins and micromanagement were discouraged. Instead, leaders should prioritize results over hours logged.
5. One of the biggest perks touted by remote work is the flexibility it provides. Working at home provided convenience and flexibility benefits (sick, child care, home and personal appointments, etc.).
6. The biggest challenge working remotely is with parents who have children, especially with women, who juggle between full time work and remote learning. This has affected their continued employment.

“The Post Pandemic Office Dilemma: Who Returns and Who Works from Home?” from Fast Company

Continued on page 9



How to Promote Mental Health in Your Firm

By Jenna Blackwood of Boomer Consulting, Inc.

How many of your team members are chronically stressed out, dealing with anxiety or even depression? It's tough to know, isn't it? If your coworker shows up with their arm in a cast, it's easy to tell they broke their arm. But the symptoms of stress, anxiety, depression and other mental health conditions can be hard to see.

People are often hesitant to discuss their mental well-being at work. That's why it's important to create a firm culture that promotes and supports mental well-being, so anyone struggling feels safe and knows how to look after their own mental health and access additional resources when needed.

Why mental health matters at work

According to Harvard Business Review, we collectively lose over 200 million workdays annually due to mental health conditions, resulting in a loss of \$16.8 billion in employee productivity. Despite this drain on resources, nearly 60% of employees have never spoken to anyone at work about their mental health – often because they fear professional repercussions.

Another study, conducted by Mind Share Partners and published in the Harvard Business Review, found that about half of millennials and 75% of Gen Z employees have left a job because of mental health reasons.

At Boomer Consulting, the COVID-19

pandemic served as a major reminder that we need to check in on our fully remote team more.

Last fall, during one of our strategic planning meetings, we talked about the “six-month wall,” a concept pioneered by Professor Aisha Ahmad of the University of Toronto to describe a point in any sustained crisis where people feel like they're running out of steam. Prior to hitting that wall, people think positively and adjust to change. But when that wall hits, people start to question whether they can keep going.

We've revisited the six-month wall discussion several times as a company and discovered that wall has definitely extended past the six-month mark and is still lingering. That's why we decided to make mental health more of a priority – both on a company-wide basis and individually.

How to promote mental health in your firm

While we're still learning how to best support our team and be inclusive, here are a few of the steps we're taking to promote mental health and well-being in our organization.

1. Start an open dialog

The first step in reducing the stigma around mental health in the workplace is talking about it openly.

Like other elements of company culture, this has to start from the top down. When firm leaders speak candidly about their personal experiences, other team members realize they aren't alone and mental illness isn't taboo.

In the study mentioned above, researchers realized that the conversation around mental health traditionally involved diagnosable conditions. To broaden the conversation, the researchers framed their questions in terms of symptoms that everyone experiences from time to time, such as feeling sad or anxious, losing interest in activities or losing sleep. Often, talking about symptoms carries less stigma than talking about depression and or other mental illnesses, so consider that when framing your conversations.

Even if they're uncomfortable at first, sticking with it can really open up your interactions and increase connection with the company and even with your clients.

2. Share resources

As part of our focus on mental health, we created the BCI Healthy Minds Program, which entails ensuring everyone on our team knows about the available resources.

For example, we've had an Employee Assistance Program (EAP) for years, but few people were aware of the wide variety

of resources available through our EAP, such as:

- A 24/7 toll-free helpline with access to licensed behavioral health professionals
- Personal assistance to help with things that can impact work/life balance like dealing with transportation, housing, childcare and sleeping issues
- Short-term counseling with a professional counselor – face-to-face or via phone, text or video
- An online stress toolkit
- Life coaching

Each week, I share EAP and other outside resources with our team, so people are aware of the resources available and feel encouraged to take advantage of them.

3. Take time out

Our Culture Club – a committee tasked with hosting fun events, challenges and celebrations for our team – hosts monthly and quarterly health challenges to help people focus on their physical health.

INCREMENTAL MATURITY

BY NITIN BHOJRAJ, CPA, CFE



"GREAT NEWS! IF YOU HURRY UP AND BREAK YOUR RIGHT FOOT, YOU MIGHT QUALIFY FOR THE MEDICAL EXPENSE DEDUCTION."

This month, which also happens to be Mental Health Awareness Month, we're extending the challenge to focus on mental well-being, and I'll be posting a challenge in Workplace for everyone to complete each day for 12 days. For example, I might encourage people to watch a comedy or take a 15-minute walk. Our team members can post a picture of themselves performing that day's task or share their thoughts about

what they're doing each day. We're hoping this encourages people to take time to do things that help them feel energized and uplifted.

Supporting mental health in your firm is achievable. Look into your firm's EAP or wellness program to find helpful resources and make sure everyone in the firm knows they're there. Start making it a priority to talk about mental health and let people know you care about them on a personal level.

When you address this serious issue in a way that helps people feel understood and supported, you can create a positive and inclusive workplace where people can bring their best selves to work. It's a win-win!

As Financial Operations for Boomer Consulting, Inc., Jenna is passionate about the administrative side of business –both internally and externally. Her primary focus is on the company's payroll, human resources, and accounting. Before joining Boomer Consulting, Inc. as a Solutions Advisor in 2018, Jenna owned a home health agency for three and a half years.

Employee Retention **TAX CREDIT**

Assisting Clients in Obtaining the Maximum Benefit



July 8, 2021

2-HOUR WEBINAR

8:30 to 10:30 a.m.

webinar link will be e-mailed on June 24th -
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With the enactment of the Taxpayer Certainty and Disaster Tax Relief Act of 2020 (TCDTRA) on December 27, 2020, Congress retroactively made available to taxpayers who had participated in the Payroll Protection Loan program the right to obtain benefits under the CARES Act Employee Retention Tax Credit for 2020, as well as extending that benefit to the first half of 2021 and making the maximum credit much larger. In March, Congress extended that benefit through to the end of 2021, as well as making it available to any start-up business.

Although the credit can represent a substantial amount of tax relief for qualified businesses, the program has different sets of rules that apply for different periods, as well as the need to work to determine the optimal strategy for obtaining full forgiveness for Paycheck Protection Program loan relief while obtaining the largest possible tax credit.

In this course, we'll help you understand the nuances of each version of the program, the interaction with the Paycheck Protection Program loan forgiveness application process, and how to file the claims for refund to obtain credit for prior periods your client is eligible for.

[REGISTER HERE](#)

Upcoming Webinars

Continued on page 5

As more employees become vaccinated in 2021, companies will be faced with the difficult dilemma of if, when and how they should return to in office work. These three main components will be impacted:

- 1. Remote Work Technology.** Companies that invested heavily in remote work from home technologies for their employees will positively impact their recruiting and retention efforts. Companies that were laggards in investing these technologies will experience employment challenges.
- 2. On-Campus Culture.** Companies that invested heavily in “campus culture” such as in office amenities and perks for employees to enjoy before and after work may experience these go to waste with remote workers. These amenities and perks have to be reimagined in a more flexible way to foster employee morale, company pride and overall sense of belonging to the organization.
- 3. Flexibility vs. Collaboration.** Companies will need to optimize the balance between collaboration and flexibility. This requires determining the right, timely moments to use their office spaces, especially if the hybrid office work model is used.

For those of us who have been working remotely and unaware or even aware of these dilemmas, this article provides us with background and insight to consider how to proceed with the full or hybrid return to work in the office.

Take care and be safe.

JUNE 8

Exclusive Event Live Online! Exploring New Frontiers with Sir Richard Branson and Adam Steltzner

JUNE 10

Single Audits of Recipients of Federal Relief Funds

JUNE 17

Tax-Exempt Organizations - Planning & Compliance for Tax Matters

JUNE 23

Professional Ethics for Hawaii CPAs

JUNE 24

Virtual Mock CPA Exam

JUNE 30

Annual Election/Business Meeting

JULY 8

Employee Retention Tax Credit: Assisting Clients in Obtaining the Maximum Benefit

JULY 9

Everything You Need to Know About the Pass-Through Entity Rules: IRC Section 199A - The Code and Regulations

November 19

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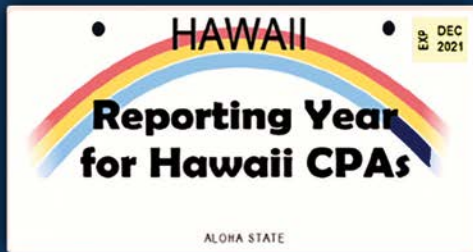
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Professional Ethics for Hawaii CPAs June 23, 2021 8:30 a.m. to 12:30 p.m.



This presentation will fulfill the 4-hour continuing professional education on the Ethics / Professional Conduct requirement for CPAs licensed in Hawaii.

Course will cover the basic tenets of professional ethics and explain recent changes in the AICPA Code of Professional Conduct. You will learn to identify, analyze and respond to conflicts of interest, how to apply independence rules in your practice, and key rules regarding client confidentiality.

The presentation will also cover recent Hawaii developments and tips to avoid malpractice claims or liability.

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NOTE TO CPAs: Please share this with your clients and businesses that may be affected.

**June 10, 2021
(Thursday)
8:30 a.m. to
10:00 a.m.**



*** INTENDED AUDIENCE ***

Business / finance managers, executive directors of organizations that have received or plan to receive federal stimulus fund monies, or are interested in pursuing federal grants and want education on audit and compliance requirements.

The CARES Act and other Federal pandemic relief legislation established many new programs requiring Single Audits.

Many recipients will need a first-ever Single Audit by a qualified CPA.



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Moderator

COVID-19 Relief Federal Oversight

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TAX FOUNDATION OF HAWAII

Hawaii's Watchdog on Taxes & Government



By Tom Yamachika

State/Federal Changes in Income Tax

Income tax is a complicated enough subject already. Certain things are income and certain things are not income. Some expenses can be written off and others can't. Under House Bill 1041, which isn't law yet but is expected to become law, Hawaii income tax is going to be mirroring certain federal tax law changes and going its own way on some others.

No tax on second round recovery rebates: The CARES Act provided the first round of recovery rebates, or economic impact payments, of up to \$2,400. In the 2020 session, our lawmakers passed legislation saying that, just like federal treatment, those payments would not be taxable income for state income tax purposes. This year's bill considered the second round, namely the \$600 payments, and provides that those are not taxable either. The third round of payments, the \$1,400 payments provided under the American Rescue Plan Act (ARPA), was enacted early in 2021 and will be considered in the 2022 legislative session.

Tax on unemployment benefits: ARPA says that individuals can exclude up to \$10,200 in employment benefits received in 2020. Hawaii is not going to copy the exclusion. It costs too much. If you received unemployment benefits in 2020, and you didn't elect to have Hawaii tax withheld, you should look very seriously at paying estimated Hawaii tax.

PPP, EIDL, and other federal grants and forgivable loans are exempt, but associated expenses aren't deductible: There has been a lot of news about the Payment Protection Program, Economic Injury Disaster Loans, and new specialized grants to help restaurants. Hawaii went on record as saying that when the federal government forgives these loans or issues grants under the PPP, the money will not be taxable income. The tax treatment of EIDL grants was not settled by the CARES Act, and the Consolidated Appropriations Act included a provision saying that those grants also would not be taxable income. Hawaii's bill does mirror that treatment.

In the Consolidated Appropriations Act and ARPA, however, the Feds went one step further, and Hawaii won't take that extra step. Here's what happened.

When the CARES Act first gave us the forgivable PPP loans, the Internal Revenue Service issued a Notice, and later a Revenue Ruling, telling us that under the normal rules in the Internal Revenue Code, payment of expenses that give rise to loan forgiveness can't be deducted for tax purposes. This is because expenses associated with taxable income are deductible, but expenses associated with tax-exempt income are not because that would result in a double benefit. There would be no advantage in deducting the expenses against the tax-exempt income, so the expenses would be deducted against

other taxable income, which didn't seem to be what Congress had intended at the time.

In the Consolidated Appropriations Act and ARPA, however, Congress included provisions saying that they would indeed give a double benefit to taxpayers. The issue for Hawaii lawmakers was whether they would conform to that benefit as well. Lawmakers found that copying that benefit would cost even more than providing the unemployment benefits exemption, so their decision was to decouple from that benefit as well.

No GET on loan forgiveness: Separately from the legislative process, the Department of Taxation concluded that PPP or EIDL grants or loan forgiveness would not be subject to GET and don't need to be reported on GET returns. The ruling sounds like the Department is doing everyone a favor, but the conclusion does follow other precedent, called the "general welfare exclusion," concluding that government payments made on the basis of need aren't considered gross income, and thus wouldn't be subject to GET.

Tom Yamachika is President of the Tax Foundation of Hawaii - the 'watchdog' that keeps an eye on Hawaii's taxes. Tom is also the owner of Aloha State Tax, a small law firm with emphasis on State taxes. Prior to going solo and the TFH, Tom was a principal with Accuity LLP where he managed the tax consulting practice, including quality and risk management and practice development.

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Prior to the day of the mock exam, you will receive a registration email from cpareview@surgent.com, this will be your day-of access for the mock exam. CHECK YOUR SPAM/JUNK FOLDERS. Additionally, you will need to register for a proctor webinar [HERE](#). Register today - Deadline is June 17, 2021!

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Norman's Book Review

"Bringing Peace To Our World, One Chocolate Story At A Time"

by Erin Kanno Uehara

The COVID-19 pandemic has had a huge impact on our tourism-based economy and to our own personal welfare. When it hit us in March 2020, our economy was humming along, unemployment was at an all-time low, and many had spring break and summer vacation plans all lined up. Everything came to a screeching halt. Except for essential businesses, everyone had to stay home. Many businesses went from gearing up for increased sales tied to the booming economy to ZERO sales. One such business was Choco le'a, a small gourmet chocolate company in Manoa Valley owned by Erin Kanno Uehara. It went from expand mode in office space and equipment, to total shut down with no income and continuous expenses. What do you do? Aside from crying, do you close up shop or fight on?

This book is about Choco le'a and Erin's 40-week journey in 2020 to downsize, persevere and reinvent themselves. The book is divided into 40 chapters, one for each week from the start of the pandemic in March 2020. The first 20 are categorized as "Reflections," and the remaining 20 are categorized as "Routines."

Reading the book, I found myself living through the challenges of the pandemic again and learning how one successful business owner managed through it. The book is really inspiring, filled with

emotion, care, concern and love for everyone – family, friends, chocolate friends and strangers. Each chapter ends with a short commentary on "Lessons Learned," "Opportunity Now," and "Hope For Our Future." For those of you who are faith based like Erin, she notes bible passages applicable for each chapter.

The following are some passages from the book that I thought you might be interested in and gives you a flavor of the book's spirit.

Morning Routine

Most of us start our day with a nice hot cup of coffee. But how many of you include something sweet with your coffee like chocolate? You know Erin is passionate about chocolate and life when part of her morning routine is "a good cup of coffee in her favorite mug on a pretty coaster, something sweet (usually chocolate!), some soft spa-like background music playing, and Christmas lights twinkling."

Chocolate Is Her Platform

We all believe and do things either consciously or unconsciously which shows our platform in life. Erin's platform is "chocolate, and through chocolates she will bring joy, hope and peace to others."



Lessons Learned from her 98-Year-Old Grandma

When we are feeling down, think of Erin's 98-year-old grandma who lives in an assisted living home and "wakes up every morning and says, "Oooooo... I'm alive? Thank you for one more day!" Then she repeats to herself over and over as she gets out of bed, "I am happy. I am happy." Let's be grateful and happy when we are given another day to live."

What Do You Love Most About Your Work?

This is a very deep question which all of us should ask ourselves periodically. For Erin, "what she loves most is her ability to connect with many different people, because many different people love chocolates! Her work has become her platform to share her faith and the lessons she has been learning, the op-

Company Mission:

"Bringing peace to our world, one chocolate at a time."

Company Core Values:

"Be faithful, grateful, humble, respectful, joyful & honest."

portunities now, and her hope for our future."

"Let's Have A Chocolate Party!"

This is what Erin's kids say whenever she brings home chocolates. She mentions this in her "Celebrate" chapter because through the many struggles and tears shed as a result of the pandemic, she learned there were still many things to be thankful for and celebrate. "Creating a routine of celebrating, even the small stuff, does wonders. Life itself is worth celebrating, and we shouldn't wait for a reason!"

Start BIG Then Work Backwards

In her "Plan" chapter, Erin shared the way she planned Choco le'a's success was to "start BIG then work backwards. Take the big vision, break it down into manageable daily, weekly, monthly, quarterly and annual goals, then commit to it."

Just TRY ...

Reflect on all the things you thought about doing but never attempted. The beauty of her "Try" chapter is it is a great reminder that it is "great to learn but growth happens when we take action and try to implement what we learn. We grow when we try new experiences, try to look at things from different perspectives, and try to get out of our comfort zone. Be better.

Live better. Lift up others." Choco le'a is a great example of someone just trying. Erin had no experience in making chocolates and in starting/running her own business. Through hard work and passion, she learned chocolate making from her Uncle Colins and Aunty Joan Kawai and eventually started her company six years ago.

If It Is Not A "Hell Yes" ...

I had a good laugh when reading her chapter on "Change" because it mentioned this quote she heard, "if it's not a hell yes, then it should be a no." For those of you who say "yes" to almost everything and have trouble saying "no" to people, this is a good quote to remember.

Who Are You?

This is another thought-provoking question. In her "Connect" chapter she mentioned one of her favorite quotes is "You are an average of the five people you spend the most time with." She further noted "we are all given the same amount of time in a day. Not only how we spend that time, but who we spend that time connecting with, says a lot about what and who we value in our life." Personally, she has chosen to "keep the positive people in her bubble, and learn from but not spend too much time with the down-



ers, haters and negative people who try to bring people down."

Summary

I'm sooo happy I was exposed to this book and Erin's chocolates. It was a good reminder of how devastating the pandemic has been for many businesses, and showed how one business went from zero sales to recalibrating their business model to be successful at 30% of their previous sales. Most of all, it was a wonderful reminder that values such as hard work, integrity, grit, concern for everyone, commitment to quality, having faith and love for family, friends and the world NEVER goes out of style.

She chose "Love" as her final chapter because "love is always the right answer. Love is the thread that holds everything together in both the good and the bad. It is Love that has gotten me through it all and it is Love that will continue on. So, let's choose to Love."

If you are interested in purchasing Erin's book or trying one of her delicious chocolates, you can [click here](#).

FULFILL THE ETHICS REQUIREMENT FOR LICENSE RENEWAL

Get the Latest Developments in the Accounting Profession



Don't gamble your license away...CPAs follow ethical standards!

Highlights

- Professional Ethics for Hawaii CPAs - HSCPA
Ron Heller, will help you earn your 4 hours of Ethics requirements
- Former U.S. Attorney for the District of Hawaii, Kenji Price, will discuss white-collar crimes and other financial fraud matters
- Fun, games and swag, too - a must!
- 7 hours of CPE, Includes 4 hours of Ethics

VIRTUAL ANNUAL CONFERENCE

NOVEMBER 19, 2021

Tax-Exempt Organizations

Planning and Compliance for Tax Matters

**June 17, 2021
8:30 a.m. to 12 noon
Hawaii time**



David Thompson of the National Council of Nonprofits, said recently that
“the pandemic has affected nonprofits exactly like every for-profit business and worse.”

This course will address many of the important compliance considerations that practitioners should be aware of currently impacting their tax-exempt organizations.

This program addresses, from a transaction planning and compliance perspective, the major tax issues exempt organizations face.

- Exceptions to the UBTI rules
- Organizations with complex UBTI issues
- Advertising and sponsorship
- Unrelated debt-financed income
- Political activity and legislative lobbying
- Governance and management
- Tax-exempt organization cases and rulings
- Intermediate sanctions and disclosure and disclosure rules



**REGISTER
HERE**

Whistle While You Work

By Jessica Gluck

What do you do to combat the “noisy neighbor” while you’re working? Whether you’re in the office and someone around you is talking or you’re at home and your kids are playing in the background or (as in my case) your spouse is watching TV, you’ve probably had to deal with trying to block out distractions and focus on your work. If you’re anything like me, you may turn to music to drown out the disruptions. So, let’s explore . . . Is music a real solution to focusing on your work or is it just another distraction?

The short answer: *“It depends!” Just like your musical tastes and preferences are personal, so is your reaction to music.*

The idea of using music as an energizing force during work has been around for decades. In the 1960s there was a theory circulated, the “activation theory”, that to be productive in a monotonous job, like working on an assembly line at a factory, you needed some amount of mental stimulus.(1) However, it was quickly discovered that overstimulation would also make an individual’s performance go down. The key here was that the observed benefit to listening to music while working

was only for simple, repetitive, tedious tasks. So, if you’re rolling over workpapers, scanning paperwork, or packaging deliverables, why not turn on some light music to help pass the time?

Could listening to music actually just make you smarter? In 1993, a paper was published claiming that people who listened to Mozart for 10 minutes and then performed a spatial task, performed better than those who heard silence or monotone speech immediately before the same task.(2) This became known as the “Mozart effect” and led to all sorts of gimmicks to make you a genius like Mozart (like head phones for your baby in the womb). Unfortunately, listening to any type of music, Mozart or Motown, at any age, probably isn’t going to make you an accounting genius.

When it’s time to knuckle down and concentrate on a complex tax problem, read through law, or analyze research, it may not be

the best time to listen to music. Studies show that things that really require focus like reading comprehension and math (in college students) are negatively impacted when listening to music.(3) [This specific case is actually in comparison to silence though, rather than competing noise.] There is additional support for this notion that your performance is hindered if you are actively trying to ignore a background sound, an irrelevant sound, called the irrelevant sound effect. (4) But, what if there’s already noise you have to block out?

There is no definitive answer but what we do know is that there are definite benefits to music. Music can absolutely put you in a good mood and it can help you reduce stress and anxiety.(5) So when you’re trying to focus and there’s extraneous noise annoying you, maybe music can bring you some peace (as well as mask the aggravating sound). Here are some things to consider when you reach for your earbuds:



- Try to choose music that won't distract you (like music without lyrics or lyrics in another language)
- Try listening to slow or instrumental music (to keep from being over stimulated)
- If you really need to concentrate, try to stick to music during breaks and then you can listen to your favorite music to pump you up (also, be sure to take breaks!)
- Pay attention to your volume setting - play music at a volume just loud enough to drown out background noise

And, if you're really one of those people who just doesn't want to listen to music while working, maybe you can try reaping the music benefits in other ways. Children who train in music have shown improvement in intellectual abilities.(6) This could be related to activities associated with studying music, like concentration and practice. So, if you're looking for a new hobby (like the new COVID quarantine skills Jill explored in April KALA), why not try learning a musical instrument!

1Scott Jr., William E. (1996). Activation theory and task design. *Organizational Behavior and Human Performance*, Vol 1 Issue 1
 2Rauscher, F., Shaw, G., Ky, C. (1993). Music and spatial task performance. *Nature*.
 3Christopher, Eddie A., Shelton, Jill Talley. (2017). Individual Differences in Working Memory Predict the Effect of Music on Student Performance. *Journal of Applied Research in Memory and Cognition*, Vol 6 Issue 2
 4Hughes, Robert W. (2014). Auditory distraction: A duplex-mechanism account. *Psych Journal*, Vol 3 Issue 1
 5Chanda, Mona Lisa, Levitin, Daniel J. (2013). The neurochemistry of music. *Trends in Cognitive Sciences*, Vol 17 No. 4
 6Schellenber, E. Glenn. (2005). Music and Cognitive Abilities. *Current Directions in Psychological Science*, Vol 14 Issue 6

CPA FIRM MICROCOMPUTER TECHNOLOGY

By Joy Takaesu of The CPA Collective



Microsoft has released Windows 10 version 21H1, also known as the May 2021 Update, available to those who manually check for it. 21H1 includes a few minor features, such as improvements to Windows Defender, the new Chromium-based Edge browser, and security fixes. Microsoft is also releasing an older version of Windows 10 for broader deployment, by removing the safeguard holds for version 20H2 (aka the October 2020 Update).

Microsoft uses safeguard holds to stagger updates, so that not all devices receive the newest updates immediately. This allows organizations to decide when to install updates. If there are known issues with an update, the safeguard holds help prevent potentially problematic updates from being installed on devices that may be affected.

Older versions of Windows 10 will no longer receive security updates, including multiple editions of Windows 10 versions 1803 (April 2018 Update), 1809 (October 2018 Update), and 1909 (November 2019 Update). To check your Windows

10 version, you can go to Start > Settings > System > About.

Microsoft has started replacing Internet Explorer 11 with the newer Microsoft Edge browser. Microsoft Edge now has a built-in Internet Explorer mode that will allow legacy IE-based websites to load. Internet Explorer 11 will retire and go out of support on June 15, 2022. IE mode for Microsoft Edge is expected to be available until at least 2029.



Apple advises macOS users to update to Big Sur 11.4 as soon as possible, to patch a vulnerability that could potentially bypass Privacy settings without explicit consent. If exploited, an attacker could potentially take screenshots or access cameras, microphones, or keystrokes

If you have any questions or comments, please call me at (808) 837-2517, or send e-mail to jtakaesu@thecpacollective.com.

Accounting Manager

Assists with the management of the Accounting department to ensure that financial transactions and records are processed and maintained accurately and efficiently within regulatory compliance. Bachelor's degree from a four-year college or university or higher; minimum of two to three years related work or practical experience and/ or training in accounting or auditing, minimum of one year supervisory experience; or equivalent combination of education/experience required. Certified Public Accountant (CPA) license is preferred. Excellent communication and analytical skills are a must. Working knowledge of Microsoft applications is required. Candidate should be capable of assisting with the preparation of financial statements and review of regulatory reports; understanding financial and regulatory requirements pertaining to department operations and reporting.

Visit www.tsbhawaii.bank to complete an application. Include a cover letter with salary requirements.

EEO Employer/Vet/Disabled



ANNUAL ELECTION / BUSINESS MEETING

June 30, 2021

ELECTIONS

The Annual Election Meeting will be held virtually on June 30, 2021. Registered Regular members will be e-mailed a link on June 29, 2021. Following the Election Meeting, installation of the new officers and directors will be conducted.

NOMINATING COMMITTEE REPORT

Pursuant to the provisions in Article VI, 6.1 of the HSCPA Bylaws, the Nominating Committee has submitted the following nominations for officers and directors of the Society for the fiscal year beginning July 1, 2021. If any nominee should for any reason become unavailable after notice of the election has been given, and if voting is not conducted by written ballot, then nominations for that office from the floor by any member in good standing who is present at the Annual Election Meeting shall be accepted.

ASSISTANT SECRETARY	Natalie M. H. Taniguchi – American Savings Bank
DIRECTORS (2021-2023)	Ronald I. Heller – Torkildson Katz Hetherington & Knorek Adrian K. Hong – Island Plastic Bags, Inc. Nelson K. Lau – Nelson K. Lau, CPA Trisha N. Nomura – Ascend Consulting LLC Grayson Y. Nose – CW Associates, CPAs Gordon M. Tom – Hawaiian Financial FCU
AICPA MEMBER OF COUNCIL	Darryl K. Nitta – Accuity LLP Ryan K. Suekawa – Deloitte & Touche LLP

In accordance with the Bylaws, officers automatically accede to the next level of office to serve terms as elected or as designated, and the directors named below will continue to serve their terms as elected or as designated, or may be removed by a vote of at least two-thirds of the voting members present at a designated meeting. The President automatically becomes Immediate Past President when his/her term ends.

PRESIDENT	Edmund N. Nakano – C.S. Wo & Sons, Ltd.
PRESIDENT-ELECT	Ryan K. Suekawa – Deloitte & Touche LLP
VICE PRESIDENT	Franklin T. Kudo – University of Hawaii at West Oahu
SECRETARY/TREASURER	Chad K. Funasaki – N&K CPAs, Inc.
IMMEDIATE PAST PRESIDENT	Darryl K. Nitta – Accuity LLP

DIRECTORS (2020-2022)

Steven R. Oberg – MUN CPAs (KAUAI)
Norman N. Okimoto – Hawaiian Financial FCU
Valerie M. Peralto – Peralto & Co., CPAs, Inc. PC (BIG ISLAND)

Proposed Amendments to HSCPA Bylaws

Amendment to Article IV, Section 4.1 COMPOSITION. The officers of the Society shall be the President, President-elect, Vice President, and Secretary/Treasurer. **The Board may, but is not required to, appoint an Assistant Secretary and/or Assistant Treasurer, who shall have such duties as the Board assigns.** All officers shall be elected from the voting members of the Society in accordance with the provisions of Article VI of these Bylaws, **provided that any Assistant Secretary and/or Assistant Treasurer shall be appointed by the Board and serve at the pleasure of the Board.**

Amendment to Article VII MEETINGS. **7.12 Any reference in these Bylaws to a member, officer or director being “present in person” at any meeting shall be deemed to include real-time electronic participation in any meeting conducted by electronic means. Meetings may be conducted wholly or partially by electronic means, provided that any required notice of the meeting must provide the information necessary for access and participation.**



2021 TAX BOOK ORDER FORM



ALL SALES FINAL



2021 CCH U.S. Master Tax Guide – \$85.00 / \$105.00

The nation's top federal tax resource, the U.S. Master Tax Guide® (2021), has been updated to provide complete and reliable guidance on the Coronavirus (COVID-19) Relief Acts, as well as pertinent federal taxation changes that affect 2020 returns. By having access to the most sought-after resource on the market, you will gain a complete understanding of updated tax law, including regulations and administrative guidance.

SOLD OUT



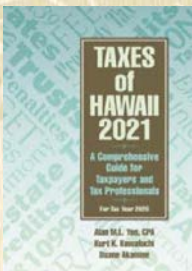
2021 RIA Federal Tax Handbook – \$75.00 / \$90.00

(eBook Format Only)

You'll get specific guidance on key tax topics, including individual, trust, partnership and corporate taxation, deductions, credits, capital gains, IRAs, SIMPLE and pension plans, education incentives, passive activity losses, the Code Sec. 199A "pass-through" deduction for qualified business income, employee benefits, estate and gift taxes, and more.



e-BOOK ONLY



2021 Taxes of Hawaii – \$27.00 / \$36.00

Every year since 1964, this annual publication is updated with all new state taxation laws and judicial rulings. Taxes of Hawaii is an invaluable tax-season tool used by Island and mainland CPAs, tax preparers and bookkeepers, as well as attorneys, small businesses, individual taxpayers and students. Includes income tax rate tables, specimen tax forms and vital information on income, General Excise use, estate, property, unemployment, transient accommodations and other taxes.

LIMITED SUPPLY

ALL SALES FINAL

Quantity		Member	Non-member	Total
	2021 CCH U.S. Master Tax Guide	SOLD OUT		
	2021 RIA Federal Tax Handbook (eBook)	\$75.00	\$90.00	
	2021 Taxes of Hawaii	\$27.00	\$36.00	
Mailing: Postage & Handling *				
	\$9.00 for 1st book (HAWAII ONLY)	1 - \$9.00	1 - \$11.00	
	\$4.00/book - 2nd book & thereafter	2+ - \$4.00	2+ - \$6.00	
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