

MAY 2022

KĀLĀ

The Official Publication of the Hawaii Society of Certified Public Accountants



Upgrade Your Technology Skills

Seann Hartnell
Market Manager, Kauai
American Savings Bank

Nathan Wood
Nathan Wood General Contractor, Kauai
Hawaii Business Small Biz Editor's Choice Award Winner

Congratulations to the small businesses that think big.

Take your business to the next level with tools like these:

- Card processing with customizable, secure payment technology.
- Business credit cards to manage spending and earn points or cash back.
- Business lines of credit to access the funds you need to stay competitive.



To get started, contact an ASB banker,
visit asbhawaii.com/business
or scan the QR code today.



The Official Publication of the Hawaii
Society of Certified Public Accountants

Officers

President Edmund N. Nakano
President-elect Ryan K. Suekawa
Vice President Frank T. Kudo
Secretary/Treasurer Chad K. Funasaki
Assistant Secretary Natalie M.H.
Taniguchi

Directors • 2021 – 2023

Ronald I. Heller
Adrian K. Hong
Nelson K. Lau
Trisha N. Nomura
Grayson Y. Nose
Gordon M. Tom

Directors • 2020 – 2022

Steven Oberg (KAUAI)
Norman N. Okimoto
Valerie M. Peralto (BIG ISLAND)

Immediate Past President

Darryl K. Nitta

AICPA Council

Darryl K. Nitta (Designated)
Ryan K. Suekawa (Elected)

Executive Director

Kathy M. Castillo

Administrative Assistant

Debbie Cortes

Graphic Design

Underwood Graphics underwoodgfx.com

Hawaii Society of CPAs

1000 Bishop Street, Suite 802
P.O. Box 1754
Honolulu, Hawaii 96806

Tel: (808) 537-9475
Fax: (808) 537-3520
E-mail: info@hscpa.org
Website: www.hscpa.org



H S C P A

Hawaii Society of
Certified Public Accountants

This publication is designed to provide general information only, and should not be used as a substitute for professional advice. The authors and editors disclaim any liability for any loss or damage resulting from the use of any information or advice herein. Although a reasonable attempt has been made to be accurate, neither the HSCPA nor the authors and editors can guarantee that all information contained herein is correct as of the date of publication.

KALA (the Hawaiian word for money) is published monthly and is the official publication of the Hawai'i Society of Certified Public Accountants. Please direct all inquiries regarding editorial content to HSCPA, 1000 Bishop Street, Suite 802, Honolulu, Hawai'i 96813.

In This Issue

President's Message	5
<i>By Ed Nakano</i>	
Rethinking Firmwide Meeting Standards...	6
<i>By Megan Schottler</i>	
Ergonomics Matter	8
<i>By Tommy Stephens</i>	
It's Time To Upgrade Your Technology Skills.....	10
Webinars.....	11
Stealth Taxes in 2022.....	12
<i>By Tom Yamachika</i>	
Norman's Book Review.....	14
Y-CPA Buzz.....	16
<i>By Colin Lee</i>	
CPA Firm Microcomputer Technology...	18
<i>By Joy Takaesu</i>	
Annual Election /Business Meeting.....	19
2022 Book Orders.....	20

CPACHARGE

AN AFFINIPAY SOLUTION



Member
Benefit
Provider

“CPACharge has made it easy and inexpensive to accept payments via credit card. I’m getting paid faster, and clients are able to pay their bills with no hassles.

– Cantor Forensic Accounting, PLLC

Trusted by accounting industry professionals nationwide, CPACharge is a simple, web-based solution that allows you to securely accept client credit and eCheck payments from anywhere.



22% increase in cash flow with online payments



65% of consumers prefer to pay electronically



62% of bills sent online are paid in 24 hours



PAYMENT
RECEIVED

YOUR FIRM
LOGO HERE

Client Invoice
#0123-A

Your Client

**** * 9995

TOTAL: \$3,000.00

VISA



POWERED BY
CPACHARGE

eCheck

DISCOVER

PAY CPA

Get started with CPACharge today

cpacharge.com/hscpa

866-283-0402

AffiniPay customers experienced 22% increase on average in revenue per firm using online billing solutions

CPACharge is a registered agent of Wells Fargo Bank N.A., Concord, CA, Synovus Bank, Columbus, GA., and Fifth Third Bank, N.A., Cincinnati, OH.



President's Message

By Ed Nakano

The Benefits of a “One Size Does Not Fit All” Accounting Career

I was inspired by this article in the *Accounting Today* magazine, “Building an Accounting Career: One Size Does Not Fit All” written by Sean McCabe. I can personally relate to it and know of other accountants I worked with who have similar experiences during my fifty-year accounting career.

The highlights of this article are as follows:

Accountants Can Pursue Any Professional Path They Wish

Nothing is certain and the accountant that embraces flexibility is a great asset. According to Elizabeth Brown, Student and Outreach Manager at the Illinois CPA Society, “. . . CPAs do more than just audit and tax. Their skills and background allow them to work in any area of their choosing, with expanded opportunities in areas like consulting services and technology. Plus, with CPAs retiring out of the profession and a decline in the number CPA candidates, [they] are in high demand with more advancement opportunities.” With their baseline accounting skills and background, they can “. . . provide insights and deliver value through baseline accounting knowledge couple with future-focused technology skills.”

The Remote Revolution

This one new skill the accountant should learn is to work remotely well. This requires self-discipline and being a self-starter with great writing and video communication skills.

The Right Skill Set

The “. . . ability to constantly adapt and learn new skills to meet the challenges of the day” will be required according to Sue Coffey, CEO of public accounting at the Association of International CPAs. Ms. Coffey also emphasized that a strong skill set of audit and tax is a great start for success in the profession, but problem solving, critical thinking and professional skepticism are also critical. Developing these skills, understanding the power of effective communications and presentation skills with appropriate leadership skills will take one's career to the next level.

Asking the Right Questions

Taking a proactive approach early in one's career beginning as a student with internships and a mindset of “Lifelong Learning”, unlearning and relearning is essential for continued development. It has been “vogueish” to start a career in public accounting then move on to private business in a short period of time. The experts recommend that

moving on too quickly is not necessarily ideal if one does not have a vision of their career. Their recommendation is “Don't chase every shiny object that comes along, and in these days, lots of opportunities will come calling, so it's important to have a sense of where you're going.”

Other words of wisdom include taking advantage of the opportunities in public accounting such as rotation to another location or industries, all with the goal of becoming a well-rounded professional with accounting, technology and soft skills. Seeking mentorship at the early stages of one's career such as networking will provide the young professional with a great advantage to their future career.

My Personal Experiences

I was very fortunate in my public accounting career, which started as an internship, to be provided the opportunity to work under many great leaders locally and from the mainland, small (book-keeping to financials) and large (consolidated organizations), many challenging new and diversified audit clients and tax engagements, traveled to the mainland to perform several unique audits, and was promoted faster than normal.

On one of my second-year audit engagements, after six years of diversified audit

Continued on page 19



Rethinking Firmwide Meeting Standards

By Megan Schottler of Boomer Consulting, Inc.

Erin McCormick shared some excellent advice for [overcoming meeting overload](#). Her advice primarily addressed what individuals can do to avoid spending too much time in unnecessary meetings. That advice is helpful, but even the best individual efforts won't be enough if your firm's meeting culture has gone haywire.

When meetings have taken over not only your calendar but the calendar of everyone in your department or firm, it's time to rethink meetings on a firm-wide level.

Meeting Mayhem

That's the situation we recently faced at Boomer Consulting. Our team was fully remote long before the pandemic made working from home the norm, and we've always considered video conferencing to be part of the glue that holds our culture together.

However, like most organizations, the hours we spend in meetings each week

have skyrocketed in the last few years. We have meetings with clients and prospects, buddies, mentors and supervisors, all-team meetings, departmental meetings and committee meetings.

While we had some standards designed to protect our focus time and get work done, those standards weren't being applied consistently. We decided it was time to take back control of our time company-wide.

During our recent Team Days, we discussed several recommendations to make meetings more manageable, leverage our calendars as communication tools, and regain some precious focus time. If your team is feeling the same tension around meetings right now, I'm sharing some of our recommendations.

Meeting Suggestions

Meetings are important and valuable — no doubt about it. But we need to minimize the time we spend in meetings

while maximizing their benefits. The following recommendations can help you do just that.

- No internal meetings on Tuesdays or Fridays
- Setting default times for internal meetings at 15, 25 or 50 minutes to give ourselves buffer time between stacked meetings for coffee, stretching, breaks, etc.
- Setting default times for certain client meetings to 25 or 50. However, we want to really consider whether meetings need to be 50 minutes, or the same results could be accomplished in 25.
- Rethinking recurring one-on-one meetings. Rather than assuming they need to happen weekly, there should be a conversation between the two parties to decide on a time, cadence, and day that works.
- Rethinking structure of all-team meetings. Everyone is tasked with adding updates to a Box Note prior to the meeting and marking their own agenda items as either "read-only" or "discussion."

We don't want people to feel like they can't schedule longer meetings when needed, but we do want to make sure we're putting intentional thought into what needs to be covered during each meeting and the time needed to accomplish it.

Calendar Suggestions

Calendars can be an excellent communication tool when you use them to block out focus time and let your team

Hawaii Practices For Sale

Gross revenues shown: Honolulu CPA \$1.166M, Kamuela/Waimea Area Tax & Bookkeeping \$250K; Kauai Island CPA \$100K; Kailua/Maui/Honolulu CPA \$530K; Honolulu CPA \$282K. For more information, please call 1-800-397-0249 or visit www.APS.net to see listing details and register for free email updates.

Thinking of Selling Your Practice? Accounting Practice Sales is the leading marketer of accounting and tax practices in North America. We have a large pool of buyers looking for practices now. We also have the experience to help you find the right fit for your firm and negotiate the best price and terms. To learn more about our risk-free and confidential services, call Ryan Pannell with The Holmes Group at 1-800-397-0249 or email Ryan@apsholmesgroup.com.



members know when you're available. However, there needs to be a shared understanding of how you use your calendar. If people block out focus time, can someone else schedule a meeting during that time? What about personal tasks such as going for a run or having lunch?

Rather than having everyone follow their own processes for blocking out time on their calendars, we're narrowing down the options for marking yourself as unavailable to only two categories:

- Unavailable. Unavailable is focus time to get your work done without interruptions from calls and meetings.
- Unavailable – Out of Office. This category covers other times you might not be available: doctor appointments, lunch, taking a yoga class – you're physically not at your computer.

We all agreed to be responsible for our own time and calendars. If someone doesn't feel like they can make a meeting, decline or propose a new time. We each need to set our own boundaries and hold onto them while also recognizing that some flexibility is necessary for getting the work done and moving projects forward in a timely manner.

CollabLabs

Sometimes it's nice to simply work alongside other people. It's a way to connect with others while getting work done, and you can hold each other accountable for completing what you say you want to get done during that time. Our CollabLabs provide that connection and accountability in a remote team.

We're holding two-hour-long CollabLabs on a bi-monthly basis. People can join if they're available — no pressure! People can also schedule 1:1 CollabLabs if they want to hold each other accountable and collaborate.

Leveraging Technology Suggestions

We use Asana to manage projects and Sell to manage our sales process, and we believe we can cut down on the number and length of time we spend in meetings each week by better leveraging those tools.

- Consider whether you can use Asana or Sell to communicate rather than scheduling a meeting or sending an email
- Look into solutions for better scheduling automation

We're hoping that by better leveraging the tools we have available, we won't allow meeting overload to devolve into email overload!

These suggestions fostered some excel-

lent conversations and ideas for better managing meetings and our time companywide. We decided to implement them for 60 days, then check-in and collect feedback from the team to see what's working and what isn't. Our Culture Club will also be actively discussing people's feelings to ensure we protect our company culture with this shift.

Every member of our team agreed to try to bring a growth mindset to these changes. As a fully-remote company for more than five years now, we're always looking for ways to improve working from home. The pandemic brought on new challenges, but it also offers opportunities for improvement.

As a Solutions Advisor for Boomer Consulting, Inc., Megan works to provide the highest level of client service to existing and new clients through building and maintaining relationships. Her primary focus is on Vendor/Sponsor relationships. Megan is passionate about helping clients excel through Boomer Consulting Services.



Real Estate Counseling Services

REAL ESTATE SOLUTIONS

www.Yamaguchiinc.com

www.REMMPacific.com

Real Estate Appraisal Valuation:
Commercial & Residential
Retrospective Value / Date of Death
Trust, Pension and Estate

Jon F. Yamaguchi is a member of:



Appraisal
Institute®



CRE
THE COUNSELORS
OF REAL ESTATE®



RICS®
REALTORS®

NATIONAL
ASSOCIATION of
REALTORS®

Phone: (808) 533-8849

Jon Yamaguchi: jon@yamaguchiinc.com

Stephanie Yamaguchi: stephanie@yamaguchiinc.com



Real Estate Counseling:
Strategic Planning
Commercial Lease Negotiation
Commercial Brokerage & Leasing



Ergonomics Matter

By Tommy Stephens of K2 Enterprises

Employing organizations must provide safe workspaces for their team members. Notably, this requirement is indisputable under workers' compensation laws. Yet, according to the United States Bureau of Labor Statistics, one-third of all ergonomics injuries originate in the workplace. In this article, you will learn why ergonomics matter and the actions you can take to create an ergonomically-friendly workplace.

Defining Ergonomics

According to Webster, ergonomics is "the study of efficiency in working environments," a rather broad definition, to be sure. Importantly, from a business perspective, ergonomics means adapting tasks to fit team members instead of adapting team members to fit tasks. Of course, this distinction accounts for human differences in size, stature, and disposition.

Unfortunately, when employers and team members fail to address ergonomics, the consequences can range from minor to severe. To illustrate, examples of common ergonomically-driven conditions include:

- Headaches
- Back pain
- Pain in the fingers
- Carpel Tunnel Syndrome
- Rotator cuff injuries

Of course, these conditions can lead to decreased productivity, time away from work, surgery, and in some cases, lawsuits for damages.

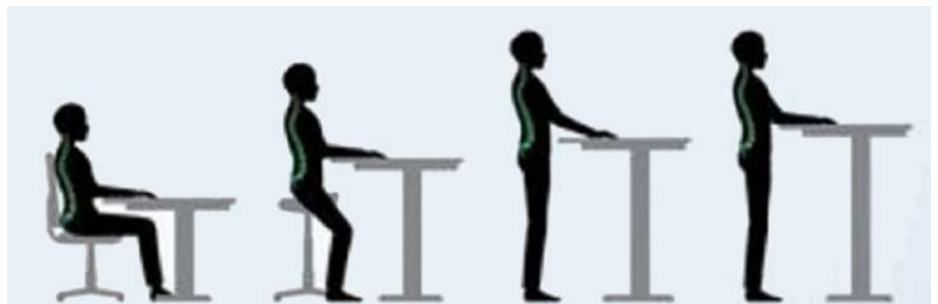
Addressing Ergonomics

Notably, according to the United States Department of Labor, the following elements are critical to reducing workplace-related ergonomic issues.

- **Provide Management Support.** A company's management team must commit to a sound ergonomic program. They can do this by establishing clear goals and objectives, assigning responsibilities, and communicating with team members.
- **Involve Workers.** Team members can help identify and provide information about potential ergonomic hazards. Of course, they also should offer their concerns and suggestions about potential risks and solutions.
- **Train Team Members.** Training team members on the "right" way to do their job is critical to the success of any ergonomics plan. After all, if we don't train team members on a process, how can we expect them to follow it?
- **Identify Problems.** Management and team members should work together to identify potential ergonomics issues. Ideally, this proactive effort should occur before workplace injuries occur.
- **Encourage Early Reporting.** Importantly, the ergonomics plan should encourage team members to report issues early instead of waiting until they become more severe. Of course, early reporting can reduce the severity of the injury and allow for task re-design to prevent future problems.
- **Implement Solutions to Control Hazards.** Management and team members should work together to identify and implement solutions to control ergonomic risk. Notably, these solutions could involve re-designing a task or workflow, utilizing new equipment, or a combination of the two.
- **Evaluate Progress.** Management and team members should view any ergonomic review as a process, not a project. This characteristic means it is ongoing and does not have an end date. Continual feedback and improvement are necessities for success.

Ergonomics And Remote Work

Importantly, the requirement for employers to provide a safe working environment does not end when team members leave the office building. Instead, this requirement gener-



ally extends to remote work locations, including team members working from home. Therefore, employers should be aware that their obligation to provide a safe working environment follows team members to job sites, wherever those job sites may be.

Likely, many team members who have recently begun working from home have not addressed the issue of ergonomics in their home offices. Instead, they may work from their kitchen table, a spare bedroom, or even a sofa in their living room. As a result, their home office probably lacks many of the characteristics of an ergonomically-sound workspace. In turn, productivity likely suffers, and work-related injuries could arise.

Three Specific Examples

Regardless of the work location, management and team members should address the following three specific ergonomic issues.

1. Appropriate seating,
2. The potential of using a sit/stand desk, and
3. Ergonomically-friendly keyboards and mice.

Appropriate Seating

Unfortunately, one of the more common issues affecting team members is sore backs resulting from sitting much of the day at their desks. Notably, in many cases, poorly-designed chairs contribute to this condition, particularly those not adjustable and without lumbar support. However, you can quickly remedy this condition by acquiring appropriate adjustable seating for yourself and your team members. For example, arguably

made famous by the Herman Miller Company, seats with adjustable heights, armrests, and lumbar support are a virtual necessity in any environment seeking to address ergonomics.

The Potential of Using a Sit/Stand Desk

Likewise, closely related to appropriate seating is the issue of what type of desk you should use. Increasingly, many are turning to height-adjustable, sit/stand desks to address ergonomics. With a sit/stand desk, you can choose to work in a sitting position for a while. Then, you can raise the desk and work from a standing position. Many workers find that they remain energized by alternating between sitting and standing throughout the day. Further, by introducing variability into their work position, they place less pressure on their backs and feet.

Ergonomically-Friendly Keyboards and Mice

For some, using a keyboard and mouse for extended periods can create pain in their hands and wrists. Unfortunately, in extreme cases, the pain can be debilitating and even require surgery. However, there are specific actions team members can take to reduce the risk. Among others, these actions include using ergonomically-sound keyboards and mice.

For example, Microsoft's Sculpt keyboard shown in Figure 1 offers a slightly curved design to place workers' hands in a more "natural" position. Therefore, the nerves in the wrist may be relieved of pressure, and team members potentially avoid surgery.

Figure 1 - Microsoft Sculpt Keyboard



Similarly, Evoluent's vertical mouse – shown in Figure 2 – may also address and relieve wrist pain. Notably, this mouse places the user's wrist in a more natural position, one that potentially helps reduce pain.

Figure 2 - Evoluent's Vertical Mouse



Summary

Ergonomics matter and well-designed working environments benefit organizations and team members alike. When we account for ergonomics, we improve team member productivity and morale. Simultaneously, we reduce workforce injuries and workers' compensation claims. Therefore, consider the options you have to improve ergonomics in your work environment – including remote work environments. Further, think about how technologies such as curved keyboards and vertical mice may help you create a more ergonomically-friendly environment. Your back, feet, and wrists thank you in advance.

Tommy is one of the shareholders in K2 Enterprises (www.k2e.com), affiliating with the Firm in 2003 and joining as a shareholder in 2007. At K2, Tommy focuses on creating and delivering content and is responsible for many of the Firm's management and marketing functions. You may reach him at tommy@k2e.com.

It's Time To Upgrade Your Technology Skills

Technology changes every day, and newer technologies show tremendous promise in many areas including security, accounting software, blockchain, and artificial intelligence. Of course, to take advantage of these technologies, you will need to upgrade your technology skills to become more familiar with these newer tools, how to use them, the expected benefits, and potential roadblocks you may encounter. To that end, we invite you to join the team at K2 Enterprises in a series of four special CPE sessions designed to help you upgrade your technology skills in the areas mentioned.

K2's Advanced QuickBooks Tips and Techniques

QuickBooks remains one of the most used accounting applications in North America. However, most users are self-

taught and, therefore, remain unaware of some of the application's feature that can solve users' pain points. In this session you will learn about many features available in QuickBooks that can help you to enhance your accounting processes. Included in the discussion are items such as inventory costing methodologies, linking data from QuickBooks into Excel for reporting and analysis, and the Client Data Review process. Plan to join the K2 team on May 19 in this "must see" session for all QuickBooks users.

K2's Artificial Intelligence for Accounting and Financial Professionals

Artificial Intelligence (AI) is here! AI is a practical tool available to address real-world issues, such as fraud detection.

Join the K2 team on May 20 to learn the fundamentals of AI and how you can put AI to use today to work more efficiently and effectively. You will even learn how you can take advantage of AI in everyday tools you already own, such as Excel. Join us in this session to learn not only what AI is, but more importantly, how you can take advantage of AI.

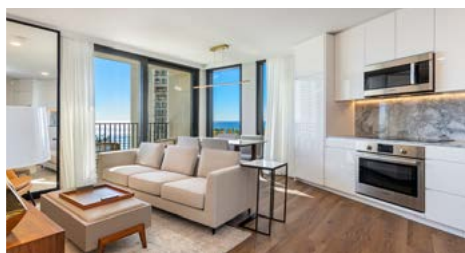
You can learn more about these web-based sessions, including registration information, by visiting the HSCPA website. Additionally, we encourage you to be on the lookout for other rounds of live webinars offered by the K2 Enterprises team throughout the year. We look forward to serving you in these technology-focused education sessions, each of which provides four hours of CPE credit.

'A`ALI`I

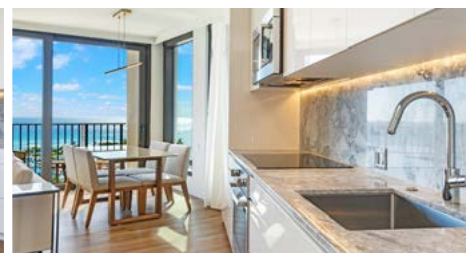
Ward Village's newest project completed in 2021, 'A`ali`i fosters effortless living, where every detail is intentional. The building provides a fresh, modern atmosphere that captures the essence of our island home. Your experience is elevated by custom high-end elements throughout.



#3702 \$1,395,000
2 Bedrooms 2 Baths, Net **Living:** 824 ft² / 77 m²
Lanai: 44 ft² / 4 m², **View:** Ocean & City



#3500 \$999,000
1 Bedroom 1 Bath, Net **Living:** 556 ft² / 52 m²
Lanai: 44 ft² / 4 m², **View:** Ocean & City



#2100 \$999,000
1 Bedroom 1 Bath, Net **Living:** 556 ft² / 52 m²
Lanai: 44 ft² / 4 m², **View:** Ocean & City

Please call May or Jack : **808 532 3330**



John "Jack" Tyrrell

President
Principal Broker, CRS, CRB
CPA (not in public practice) E: Jack@jtchawaii.com
Lic. # RB-19880 C: 808.306.6933

www.jtchawaii.com Ala Moana Hotel - Lobby, 410 Atkinson Drive, Suite 1F6 Honolulu, HI 96814



JACK TYRRELL & COMPANY
A Real Estate Brokerage Corporation

* The information presented herein is provided as is, without warranty expressed or implied of any kind. Information herein deemed reliable but not guaranteed.

Webinars Delivered to You!

May 17: Mergers and Acquisitions

[Complete Guide to Relevant Issues](#)

May 19: K2's Advanced QuickBooks

[Tips and Techniques](#)

May 20: K2's Artificial Intelligence

[for Accounting and Finance Professionals](#)

June 2: Tax Practitioner's Guide

[to Accounting and Reporting Issues](#)

June 6: Advanced Trust Issues:

[A Roadmap for Success in an Increasingly Complex Area](#)

June 16: Guide to the Topic 606

[Revenue Recognition Model for All CPAs](#)

June 17: COVID-19 Pandemic

[Financial Reporting Implications of the COVID-19 Pandemic](#)

June 22: Employee Benefit Plans

[Identifying the Warning Signs and Addressing Fraud](#)

June 23: Expense vs. Capitalize

[Getting it Right for Taxes](#)

June 28: K2's Emerging Technologies

[for Accountants, including Blockchain and Cryptocurrencies](#)

June 29: Tax -Exempt Organizations

[Planning and Compliance for Tax Matters](#)



AICPA

Member Insurance Programs

AON

Brought to you by Aon

We are with you for the moments that matter most.

We help mitigate risk, so you can enjoy peace-of-mind.

The AICPA Professional Liability Insurance Program provides CPA firms with exclusive access to risk and insurance solutions that help safeguard your livelihood. Our comprehensive plans help keep your firm and your employees secure, and help your business run smoothly in the moments that matter most, so you can focus on your clients and achieving your goals.



23,000+
firms insured

70+ years serving
the profession



To learn more, please contact **Emily Rawlings** at
Finance Insurance, LTD at 808.522.2088

CNA

AON

Aon Insurance Services is the brand name for the brokerage and program administration operations of Affinity Insurance Services, Inc., a licensed producer in all states (TX 13695); (AR 100106022); in CA & MN, AIS Affinity Insurance Agency, Inc. (CA 0795465); in OK, AIS Affinity Insurance Services Inc.; in CA, Aon Affinity Insurance Services, Inc. (CA 0G94493), Aon Direct Insurance Administrators and Berkely Insurance Agency and in NY, AIS Affinity Insurance Agency.

One or more of the CNA companies provide the products and/or services described. The information is intended to present a general overview for illustrative purposes only. It is not intended to constitute a binding contract. Please remember that only the relevant insurance policy can provide the actual terms, coverages, amounts, conditions and exclusions for an insured. All products and services may not be available in all states and may be subject to change without notice. CNA is a registered trademark of CNA Financial Corporation. Certain CNA Financial Corporation subsidiaries use the "CNA" trademark in connection with insurance underwriting and claims activities. Copyright © 2022 CNA. All rights reserved.

E-14217-522 HI



TAX FOUNDATION OF HAWAII

Hawaii's Watchdog on Taxes & Government



By Tom Yamachika

Stealth Taxes in 2022

Here at the Tax Foundation of Hawaii, we try to follow and report on bills proposing new taxes. We try like heck to pick up any bill that mentions taxes, or affects the tax codes. But that's not enough. Lawmakers can be very crafty and propose things that don't look like taxes, and they sometimes fool the Hawaii State Tax Watch Doggie's nose. Here are some examples of recent stealth tax bills.

[House Bill 2399](#), for example, establishes an "Extended Producer Responsibility Program" that is designed to slap a "fee" on anyone who imports or sells "fast-moving consumer goods," which means anything non-durable like food or drink. The fee in the current draft of the bill is \$150 for each metric ton of packaging material placed in the market. The Department of Health is tasked with administering the program.

As currently drafted, the fee could apply multiple times in the economic chain. If Supplier A, for example, sells paper plates to Plate Lunch Truck B who sells plate lunches on the plates, then both A and B would be liable for the fee.

Worse, the bill as drafted is designed to make the law hard to find. The bill as drafted is a "temporary" measure designed to sunset on June 30, 2028, and as such the law, if passed, won't even be put in the Hawaii Revised Statutes. Those who don't already know about this law would be unlikely to find it...until it's too late.

Some of the trade associations of affected producers testified that the

Legislature established a Plastic Source Reduction Work Group in 2020, and that work group extensively debated the issues and concluded that a more careful study of producer responsibility was needed. This bill, however, basically tells that group, "To heck with that study. We are going to impose the tax now."

This bill is still alive and will be debated by a House-Senate conference committee.



[Senate Bill 3040](#), sponsored by our Department of Accounting and General Services, deals with state procurement, namely where the State buys goods and services from other businesses. The bill directs the state procurement administrator to procure and administer automated procurement systems, and then collect a transaction fee from all vendors using those systems.

The bill doesn't tell us how much the fee is going to be. Rather, it gives the State Procurement Office the authority to set the fee to cover procurement automation system costs. The Procurement Office in its testimony estimated that those costs would be \$5 million to set up the system and thereafter \$500,000 to \$1 million per year in maintenance and licensing fees.

The bill does not make it mandatory for any vendor to use the system – but we

think that's the logical next step. This bill is also set to go to a House-Senate conference.

Last year, the Department of Land and Natural Resources was pushing [Senate Bill 1173](#), an "Ocean Stewardship User Fee," which would have extracted an extra dollar from each passenger or customer using or riding on commercial vessels water craft, or water sports equipment. The moneys in the fund were to be used for marine resource conservation, marine resource impact mitigation measures, and replacing mooring buoys and other infrastructure. Oh, and 20% of it would go to the Office of Hawaiian Affairs as ceded land revenues.

Interestingly, the bill also contained a provision saying that the fee wouldn't count as a gross receipt for commercial vessel operators who need to pay the State a monthly fee based on gross receipts.

That bill was proposed in 2021 and carried over to the current legislative session. However, that bill never made it out of House Finance Committee. Taxes come in many sizes and shapes. Can you find them all?

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.

Mock Exam

Attention:
CPA Candidates

**FREE MOCK EXAM
SESSION OPEN TO ALL
HSCPA Membership
is NOT required**

**THURSDAY,
JUNE 23, 2022
11:00 AM - 3:00 PM
Hawaii Time**

Go For it!



Good Luck!

Surgent
TAILORED TO YOU **CPAreview**

VIRTUAL



The Uniform
CPA Examination®

*You are invited to participate in a
LIVE, VIRTUAL Mock CPA Exam!*

For many candidates, taking the CPA Exam can be one of the biggest obstacles to overcome when transitioning into the profession. Often aspiring CPAs are not sure if they are truly prepared to sit for each section.

In order to help provide more transparency into exam-readiness, HSCPA and Surgent CPA Review have partnered to offer a **FREE simulated CPA Exam section of your choice**.

The goal is to simulate the format of taking the CPA Exam, using actual multiple-choice questions and simulations. Questions are laid out according to the **Uniform CPA Examination Blueprints**.

This live 4-hour session is a unique opportunity. Not only will you be able to experience a simulated exam section from the comfort of your own home, but you will also be able to view your exam results in real-time, giving you a better understanding of how prepared you are to sit for the actual exam.

Candidates will receive their ReadySCORE™ along with a diagnostic report showing areas of strength and weakness which are aligned with the CPA Exam Blueprints.

To register, click on Register Here tab below. **Deadline to register is June 16, 2022.**

The email address that you use to register for this event will be used by Surgent to set up simulation. Links are unique to individual and cannot be shared.

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.**

Register today - Deadline is June 16, 2022!

REGISTER HERE

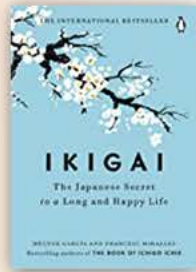


Norman's Book Review

"Ikigai"

by Hector Garcia and Francesc Miralles

At a tiny bar in Tokyo one rainy night, the authors talked about a range of topics and eventually the Japanese word *ikigai*, roughly translated as "the happiness of always being busy," entered the discussion. The authors eventually decided to write this book "to bring the secrets of Japanese centenarians to us and give us the tools to find our own *ikigai*. Because those who discover their *ikigai* have everything they need for a long and joyful journey through life."



I found the book to be very delightful, thought provoking and filled with useful information. It will make you think about your life purpose and give you tips to live healthier and longer. A big bonus is they visited the small town of Ogimi, Okinawa and conducted 100 interviews to learn about the roughly 3,000 resident's longevity secrets. "Ogimi boasts the highest life expectancy in the world – a fact that has earned it the nickname the Village of Longevity."

The following is a sprinkling of interesting information from the book to potentially help you find your *ikigai*. The book is very easy to read, and I highly recommend you get it to help you live a better life.

Ikigai

"According to the Japanese, everyone has

an *ikigai* – a reason for living. Per the Ogimi residents, finding it is the key to a happier and longer life." The authors noted "having a strong sense of *ikigai* means that each day is infused with meaning. It is a place where passion, mission, vocation and profession intersect."

Retire?

Many of us are looking forward to the day we retire, some even counting down the days until retirement. In Japan the authors noted, "one surprising thing you notice is how active people remain after they retire. In fact, many Japanese people never really retire – they keep doing what they love for as long as their health allows."

"Supercentenarians – people who live to be 110 or more – covered in the book have lived intense lives and worked well into old age."

Okinawa – Calories and BMI

We CPAs love numbers so check this out: "Okinawans consume a daily average of 1,800 – 1,900 calories, compared to 2,200 – 3,300 in the USA, and have a body mass index between 18 – 22, compared to 26 or 27 in the USA."

Be Like a Model

We marvel at the attractiveness of runway models. "A model's best kept secret is they sleep between nine and ten hours the night before a fashion show. This gives their skin a taut,

wrinkle-free appearance and a healthy, radiant glow."

Why? "When we sleep, we generate melatonin, a powerful antioxidant with many benefits."



"Be Water, My Friend"

One of the things I liked about the book was it contains miscellaneous information which pertains to the topic being discussed. "Be water, my friend" is one such information, which is a famous [Bruce Lee quote](#) which relates to "being in the present and immersed in the experience."

Flow

One of the interesting concepts I liked was the concept of flow, "where we are completely immersed in life." Per psychologist Mihaly Csikszentmihalyi, "flow is the state in which people are so involved in an activity that nothing else seems to matter; the experience itself is so enjoyable that people will do it even at great cost, for the sheer sake of doing it." Have you found activities that give you flow?"

Ichariba chode

“Treat everyone like a brother, even if you’ve never met them before.”

The authors noted “the happiest people are not the ones who achieve the most. They are the ones who spend more time than others in a state of flow.”

Single Focus vs. Multi-tasking

Many people pride themselves on being great at multitasking. Unfortunately, “scientific evidence shows you are unproductive when you multi-task. You are better off focusing on doing one task well at a time.”

Steve Jobs Loved Japanese Porcelain

I learned the late Steve Jobs was “captivated by the simplicity and quality of Japanese porcelain in Kyoto. Specifically, he loved the work of a *takumi* (artisan) from Toyama named Yukio Shakunaga, who used a technique called *Etchu Setoyaki*, known by only a few. He eventually met Shakunaga and learned he used white porcelain he personally extracted from mountains in the Toyama prefecture to make his finished products - an authentic *takumi*.”

People like Shakunaga “understand the importance of flowing with their *ikigai* at all times.”

Albert Einstein’s *Ikigais*

“In addition to physics and mathematics, the late Albert Einstein enjoyed playing the violin. His two *ikigais* brought him endless pleasure.”

Bill Gates and Washing Dishes

“Bill Gates enjoys washing the dishes

every night. He said it helps him relax and it clears his mind. He tries to do it a little better each day, following an established order or set of rules he’s made for himself – plates first, forks second, and so on.” This is an example of how we can make “mundane tasks enjoyable.”

Ogimi Residents’ Secrets To Longevity

The following are five of the “most meaningful and inspiring statements based on the authors’ interviews of Ogimi’s eldest residents. They asked them about their life philosophy, their *ikigai* and their secrets to longevity.

- Don’t worry.
- Cultivate good habits.
- Nurture your friendships every day.
- Live an unhurried life.
- Be optimistic.”

15 Foods That Are Keys To Okinawan Vitality

The following 15 foods are “rich in antioxidants and are eaten nearly every day in Okinawa. They are considered keys to Okinawan vitality.”

“Tofu, Miso, Tuna, Carrots, Goya (bitter melon), Konbu (sea kelp), Cabbage, Nori (seaweed), Onion, Soy Sprouts, Hechima (cucumber-like gourd), Soybeans (boiled or raw), Sweet Potato, Peppers, and Sanpin-cha (jasmine tea).”

Keep Moving!

The authors noted “studies from The Blue Zone suggest that people who live the longest are not the ones who do the

Ganbaru

“To persevere or to say firm by doing one’s best.”

most exercise, but rather the ones who move the most.”



Radio Taiso

“This morning warm-up has been around since before World War II. The exercises not only loosen you up, but promote a spirit of unity among the participants.” The following is [a link to the Radio Taiso exercise](#).

“While 30% of Japanese practice Radio Taiso for a few minutes every morning, practically every resident in Ogimi does Radio Taiso, even people who are confined to a wheel chair.”

Ten Rules of *Ikigai*

The following are the authors’ 10 rules of *ikigai* based on their visit to Ogimi.

1. “Stay active; don’t retire.
2. Take it slow.
3. Don’t fill your stomach.
4. Surround yourself with good friends.
5. Get in shape for your next birthday.
6. Smile.
7. Reconnect with nature.
8. Give thanks.
9. Live in the moment.
10. Follow your *ikigai*.”

Authors Wish For Us

“Garcia and Miralles wish us a long, happy and purposeful life.”



Y-CPA Networking & Volunteer Event Opportunities

By Colin Lee

Networking is important for everyone, but it's especially important for young professionals. It can help you build connections and relationships that will help you in the future, whether you're in public accounting or business & industry. The easiest way to meet other young professionals is to get involved with the Y-CPA committee of the HSCPA. Here are some of the events that you may wish to participate in the future.

Social Mixers

With restrictions lifted, we will once again resume in-person networking events – yes, pupus and libations! This could also be a joint mixer with another professional organization to even broaden your networking capabilities.

Hiking

For those who prefer outdoor activities, we have organized hiking and walking events. These are usually casual hikes such as the Makapu'u lighthouse trail or a short waterfall hike, but always fun to do.

Giving Back to the Community

Always a rewarding activity to spend a couple of hours to help keep Ala Moana Beach Park clean! University

accounting clubs have been joining us for this annual event for the past 12 years. Supplies are provided and lunch, too!

Student Presentations

These are fun events to attend where we do presentations to high school or college students. Topics can include accounting career paths, the CPA Exam, interviewing skills, resume workshop, or special requests from the students.



Meet the Pros

This is an event I personally missed not having the past couple of years due to the pandemic. Meet the Pros gives students the opportunity to speak with professionals in all segments of the

profession. The format is like "speed dating" so students get to meet various professionals throughout the night. The feedback I always got from the students was that it was very helpful and beneficial to them to meet and talk with experts to help them prepare for the future and decide on a career path.

Other Community Service Events

We also volunteer at places like the Hawaii Foodbank packing food boxes, Shinnyo Floating Lantern festival helping to build the lanterns, Junior Achievement where we teach elementary school students (2nd graders) about business for a day, and much more.

There are many different ways that you can get involved and meet fellow CPAs/accounting professionals while having fun at the same time. A lot of these activities are very rewarding to do, especially helping out the students and giving them advice to become successful professionals.

If you or any of your staff or coworkers are interested in potentially attending one of these types of events in the future, then please don't hesitate to e-mail info@hscpa.org or call 808-537-9475.



Provide opportunities for young professionals (CPAs and associates) to become leaders in the profession, give back to the community and connect with the sustaining value of being a CPA.

Who
We are ...



- ◆ We're young and empowered professionals!
- ◆ Dedicated volunteers of the HSCPA
- ◆ Fun and enthusiastic about the CPA profession
- ◆ "Junior" Board of the HSCPA Board of Directors

What
we do ...

Networking

- Social Happy Hour
- Joint Organization Events
- Meet the Pros Accounting Mixer



Workshop Presentations

- CPA Exam
- Journey to Becoming a CPA
- Resume / Interview Tips



Give Back to the Community

- Beach Clean-up
- Hawaii Foodbank
- Junior Achievement
- VITA Project



How to
Give Back ...

- ◆ Get involved and join the Y-CPA Committee
- ◆ Participate in and/or coordinate workshops / presentations
- ◆ Be leaders in your firm and the profession
- ◆ Must have fun with peers!

**To sign up or find out more information, please contact Michelle Kaneshiro @
mkaneshiro@mwgroup.com or info@hscpa.org**



CPA FIRM



MICROCOMPUTER TECHNOLOGY

By Joy Takaesu of The CPA Collective



Microsoft announced upcoming features for Windows 11 version 22H2, expected later this year. Version 22H2 will include new security safeguards

such as enhanced phishing protection, through Microsoft Defender SmartScreen. Microsoft Defender will warn users if they try to save passwords in plain text apps like Notepad, or if they try to enter credentials into known phishing sites. Windows 11 will also get tabs for Windows File Explorer, similar to how tabs look in Microsoft Edge, and updated menu and right-click options.

Microsoft also announced new features for its Windows 365 service, including quick switching, Boot To Cloud, and an Offline mode. Windows 365 is a virtualized desktop service that allows users to stream a Windows 10 or 11 desktop & apps from the Microsoft cloud to another device, including other desktops, tablets, and smartphones.

With the new Windows 365 Switch feature, users will be able to quickly swap between their own desktop and the Cloud PC. The new Windows 365 Boot option will allow users to set the Cloud PC as the primary system, so that their devices boot directly into the Cloud PC, instead of the operating system installed on the device. The Windows 365 Offline mode will help users automatically sync data and work without an Internet connection.



For those using Windows Enterprise 10/11 E3 or above, Microsoft plans to

release an Autopatch feature in July 2022. Windows Autopatch will automatically install feature updates, drivers, firmware, and Microsoft 365 Apps for enterprise updates. Organizations will be able to divide devices into four different update groups, so that a small percentage of “test” devices will receive the updates first, and the updates will gradually expand to broad release within the organization.

The U.S. Cybersecurity and Infrastructure Security Agency (CISA) warned organizations to secure any Internet-connected UPS devices from attacks. UPS battery devices provide emergency

power backup for critical systems. CISA recommends not allowing emergency power systems to be reachable over the Internet, due to the potential risk of attackers remotely disabling them or burning them out. If remote capabilities are necessary, CISA advises putting the UPSs behind a VPN, enabling multi-factor authentication, and changing the factory default credentials to strong passwords or passphrases.

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



Meet The Pros


2022

MIXER




is back!



October 24th (Monday) 5:30 to 9 p.m.

- Students meet professionals in segments of the accounting profession
- A great event for students to practice their business etiquette
- Special Guest Speaker: Frank Kudo, Chairman and shareholder of New City Nissan



Buffet & Program
Student - \$10





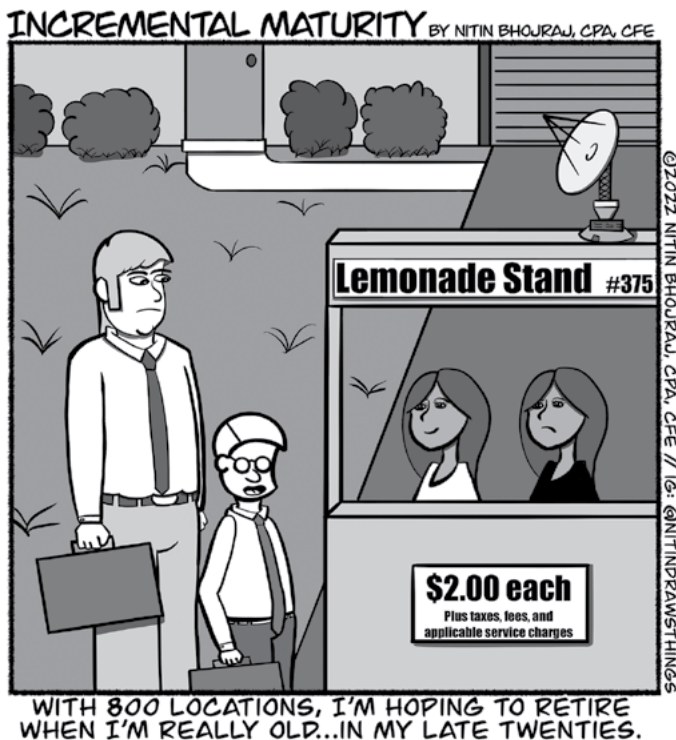
Continued from page 5

and tax experiences in public accounting, I was fortunate to be hired by the 2nd generation owners of C S Wo & Sons, Ltd., and with their guidance and support, was able to utilize my prior audit and tax experiences to participate in the success and longevity of this 4th generation and 112-year-old family-owned business. I also have been very fortunate to have developed numerous business relationships and mentors to guide me in my fifty-year accounting career, six in public accounting and forty-four with my current employer C S Wo & Sons. My “Lifelong Learning” efforts still continues with the relationships I developed and my personal efforts to learn from others and work as what Glenn Furuya, CEO of LeadershipWorks advocates “TE II AM” – Teamwork with Interdependence and Individual Efforts.

I also have worked with many accountants and CPAs who have achieved success in their careers in various business capacities . . . examples that “one size does not fit all.”

I also do my best to mentor my two accountant daughters in their careers (of course, only when asked) and others, (if asked). I always share with them the good, bad and ugly situations I have experienced so they can learn from them.

Take care and be safe.



Annual Election / Business Meeting

June 30, 2022

ELECTIONS

The Annual Election Meeting will be held virtually on June 30, 2022. Registered Regular members will be e-mailed a Zoom link prior to June 30, 2022. 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, 2022. 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.

VICE PRESIDENT: Trisha N. Nomura – Ascend Consulting LLC

DIRECTORS: Chantal Mentzer – Chantal Mentzer, Inc.
(2022-2024) Norman N. Okimoto – Hawaii Financial FCU
Joel C. Peralto – Peralto & Co. CPAs, Inc.

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: Ryan K. Suekawa – Deloitte & Touche LLP

PRESIDENT-ELECT: Franklin K. Kudo –
University of Hawaii at West Oahu

**SECRETARY/
TREASURER:** Chad K. Funasaki – N&K CPAs, Inc

**ASSISTANCE
SECRETARY:** Natalie M.H. Taniguchi –
American Savings Bank

**IMMEDIATE
PAST PRESIDENT:** Edmund N. Nakano –
C.S. Wo & Sons, Ltd.

DIRECTORS : Ronald I. Heller –
(2021-2023) Torkildson Katz Hetherington Knorek & Harris
Adrian K. Kong – Island Plastic Bags, Inc.
Nelson K. Lau – Nelson K. Lau, CPA
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



2022 TAX BOOK ORDER

ALL SALES FINAL

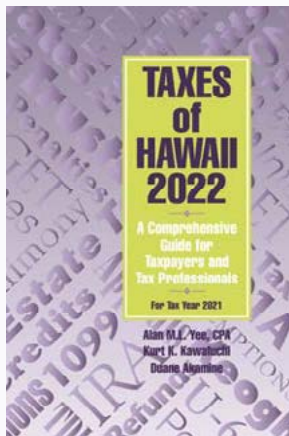


2022 CCH U.S. Master Tax Guide – \$95.00 / \$125.00

The nation's top federal tax resource, the U.S. Master Tax Guide (2022), has been updated to provide complete and reliable guidance on Coronavirus (COVID-19) relief and economic recovery legislation, as well as pertinent federal taxation changes. Having access to the most sought-after resource, you can gain a complete understanding of updated tax law regulations and administrative guidance.

Sold Out!

The U.S. Master Tax Guide was meticulously researched to cover today's federal tax law and was expertly-written to help identify tax planning opportunities, ensure accuracy when filing taxes, maximize your knowledge of all of the latest tax law developments, and serve as a quick reference guide when providing tax services to your business or clients.



2022 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
	2022 CCH U.S. Master Tax Guide			
	2022 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	
*Mainland/International - contact for pricing				
TOTAL AMOUNT DUE				

Payment must be received to confirm order - while supplies last.

☐ No mailing necessary – will pick up at the HSCPA office on _____ (call before pick-up)

☐ Check # _____ ☐  ☐  Card No. _____ Exp. Date _____ / _____ CVV _____

Signature _____ Print name on card _____

Name _____ Firm _____

Address _____ Tel _____ E-mail _____

Please remit completed form with payment to:

HSCPA • P.O. Box 1754 • Honolulu, Hawaii 96806 • T - (808) 537-9475 • F - (808) 537-3520 • E-mail: info@hscpa.org