



2020 Tax Organizer

This **2020** Tax Organizer contains important information that can reduce your taxes. There are several tax saving opportunities included here! Please take a little time to look it over to see if anything applies to you. To make it easier, just review the section headings.

Preparing for your Tax Appointment

Here is how you can best prepare for your tax appointment:

- Bring the information shown on the list appearing on the next pages
- Review and sign the work agreement on last page
- Complete the organizer as best you can (it is not required that all sections be completed), because there are many tax saving opportunities enclosed.

Feel free to call if you have any questions, or if you need to change your appointment time or day. We especially appreciate it when you take the time to make a referral or recommend us.

We look forward to helping you with your taxes.

ATTENTION for the 2020 Filing Season

- For all business returns (1065 & 1120S) with a filing deadline of March 15th, 2021; complete tax packets **MUST** be received by our office ***no later than February 20th, 2021***. If received after that date, an extension will be filed for that return.
- For all personal returns (1040/1040-EZ, 1120, 990) with a filing deadline of April 15th, 2021; complete tax packets **MUST** be received by our office ***no later than March 29th, 2021***. If received after that date, an extension will be filed for that return.

The Short List

Things we need to see ... to complete your tax return - ***New Clients please include copy of previous year tax return***

- All W-2 forms
- All 1099 forms, including those from
Banks - Credit Unions - Stock Brokerages - Social Security - Miscellaneous Income
- K-1 forms from any partnerships / S-Corps
- Any correspondence from any tax authority
- Brokerage statements if there were any stocks sold
- Escrow statements (HUD-1) for any real estate purchase, sale or refinance
- All 1098 forms
- Social Security card for any new dependents
- Form 8332 for any non-custodial dependent claimed
- Forms 1095A, 1095C, 8965

New For 2020

- Did you receive a COVID Stimulus? How much did you receive?
- Did you receive a PPP Loan? Please bring all information on the PPP Loan
- Did you receive any Federal or State COVID grants? Please bring in all information on any grants received
- Did you have any virtual currency (Bitcoin, etc.)? Please bring in all information regarding your virtual currency investments.
- Non-Employee compensation is now reported on Form 1099-NEC. 1099-MISC is used but not for non-employee compensation.

Things to Do ... to ensure minimum taxes

- Get all your paperwork in one place
- Review this organizer... do a once over to get a feeling for the things that could save taxes.
- Review last year's return. What has changed?
- Look over your checkbook and credit card statements for deductions – summarize deductions on a pad of paper noting date, amount, source (checks or credit cards)
- Work through the organizer – complete as much of it as you can.

Reminder

As the result of law (IRS Sec 6694), tax preparers are now required to have a completed work paper set, including a completed tax organizer, in order to prepare a tax return. You can save time and money by spending a little time working through the tax organizer.

Affordable Care Act

The Affordable Care Act mandates that *most* individuals have minimum essential coverage (health insurance). All individuals must maintain minimum essential coverage for themselves and any dependents that are also applicable individuals. Please note that the penalty for not having coverage is no longer in place. We do, however, still need to know if you have insurance.

A series of forms have been introduced to verify coverage, calculate the premium tax credit and determine applicability of the shared responsibility penalty. Forms needed to complete a tax return include:

1. **Form 1095-A** is issued by the State Market Place for individuals receiving coverage through a State Market Place
2. **Form 1095-C** will be issued by applicable large employers with 50 full-time equivalent employees subject to the large employer mandate.
3. **Form 8965** Health Insurance Exemptions, will be issued by the State Market Place for individuals who meet a coverage exemption during the year.

Relax

It's true: now, more than ever, it is vital to have the assistance of a qualified tax professional. Rest assured that you have a dedicated, well-trained, seasoned tax team helping you! It's our mission and goal to make your tax burden as little as legally possible. Your data security and confidentiality are a prime concern at our firm. We operate in a high security, highly confidential environment. All data is locked down when not in use. We guard your confidentiality and privacy as if the data were ours

The Preliminaries...

Your Name	SS#	Birthday	Occupation	Your email
Your Spouse's Name	SS#	Birthday	Occupation	Spouse's Email
Current address (to be used on tax return)		City,	St	Zip
Home phone	Work/cell phone	Spouse's phone		

Filing Status:

- Single** If you were unmarried or divorced at the end of the year and don't qualify for head of household status.
- Married Filing Jointly** Note: If your spouse died during the year, you may still file a joint return with that spouse for the year of death.
- Married Filing Separately** A married couple may elect to file their returns separately. The IRS disallows many deductions under this filing status, and when one spouse itemizes, the other must itemize also.
- Head of Household** If you were unmarried, and you paid more than half the cost of maintaining a home for you and a qualifying person (relative) who lived with you more than half of the year. You may qualify if you paid more than half the cost of keeping up a parent's home, even if that parent did not live with you, but you must also be able to claim an exemption for your parent in order to qualify.
- Qualifying Widower** If your spouse died during this year or last, you have a dependent child living with you, and have not remarried

Dependents: (Please see guidelines for dependents below.)

Name as it appears on SS Card	Birthday	SS#	Relation	Months In Home	Daycare Cost	Full time student	Earned Income

Are any of your dependents listed above permanently disabled? Y/N If yes, which dependent? _____

Are any of your dependents listed above 19 or older during 2018 and not a full-time student for at least 5 months during 2018? Y/N

If yes, which dependent? _____

If yes to above, what is that individual's gross income for 2018?

Guidelines for Dependents

- To qualify as a dependent, that person must be:
1. Unmarried, or if married, does not file a joint return
 2. A US Citizen, resident alien, or national, or a resident of Canada or Mexico
 3. Either a qualifying child **or** a qualifying relative

Qualifying Relative

- Must not be the taxpayer or anyone else's qualifying child
- Either have lived with the taxpayer all year OR be related to the taxpayer
- Have gross income less than \$4,300
- Provide less than half of own support

Qualifying Child

- Taxpayer’s child, stepchild, eligible foster child, brother, sister, stepbrother, descendant
- Either under 19, a full-time student under 24, or any age if totally disabled
- Lived with the taxpayer more than half the year
- They provide less than half their own support
- Not be a claimed qualifying child of another taxpayer

Dependent & Child Care Expenses

For dependents under age 14, or if dependent or spouse is physically or mentally incapable of caring for themselves

Name of provider	Address	Tax ID #	Amount Paid

Are you enrolled in your employer’s Cafeteria Plan? Usually it’s the best way to handle child care costs.

Please review the following questions. (they ensure we don’t miss something important)

Check if Yes

Change in marital status during the year? Explain:
Did you/spouse change names last year (re-: marriage or divorce)? Bring a copy of new social security card
Change in your residence during the year?
Any past due child support, student loans, etc. which may be taken from your refund?
Did taxpayer and spouse live apart for the entire last 6 months of the year or longer?
Legally blind or disabled? How about spouse?
Either you or your spouse reach or will reach age 70 ½ this year or the next?
Can anyone claim you as a dependent?
Any changes in dependents from prior years? Explain:
Any children under age 19 or college students under 24 with investment income over \$1,900?
Did you maintain a home for someone not claimed as a dependent?
Did you start or dispose of a business during the year?
Did you incorporate, or form a LLC during the year?
Are there separate business returns that need to be completed?
Any new K-1, new LLC, S Corp, investments, etc.?
Did you inherit assets last year?
Any foreign income or did you pay any foreign taxes? (other than from US mutual funds)
Foreign bank account, investment account, trust or retirement plan?
Signing rights, ownership or beneficial interest in a foreign account?
Foreign retirement income or other foreign income sources?
Employer-provided educational assistance or educational benefits for you or dependent?
Damage award for personal injury, sickness, or discrimination?
Unreimbursed casualty or theft greater than 10% of your income?
Were you issued a Identity Protection PIN from the IRS?
Did you work out of state during the year?
Have you started or finalized an adoption or incurred adoption expenses?
Gifts of more than \$15,000 to any individual?
Any bartering transactions?
Did you have a foreclosure, short sale, or forgiven loan in the last three years?
Letters, audit or tax notices from the federal, state, or local authorities? Please provide
Discover an error in a prior return or find out a prior return needs to be amended?
Did you pay a household employee over \$ 2000?
Do you expect significant changes in income, expenses, or dependents for next year?
Do you need a return prepared for your dependents?
Did you file bankruptcy or are planning to soon?
Did you have debt forgiven, a short sale, or foreclosure?
Legal issues or a lawsuit going on?

	Are there other matters we need to be aware of? If yes, explain
	None of these applied to me, except those which I have checked.

INCOME

Wages and Salaries Please provide all W-2 forms, and your last paycheck stub.

Interest & Dividend Income Received

Please provide all 1099 forms received, including mutual fund year-end reports. Even though exempt from tax, the IRS requires that you report non-taxable interest, such as that earned on municipal bonds, etc. **Bring all 1099s** received. If you are missing a 1099 – call payer for another copy

Capital Gains

Capital gains come from sales or redemptions of stocks, mutual funds, bonds, real estate or personal property. We need all 1099 forms, brokerage statements, or mutual fund statements. Many times the brokerage statements will contain this information. We don't need information on transactions in your tax – deferred accounts, such as 401k, pension or IRA accounts. Please fill in the form below, bring your brokerage statements, or make a list. It is very important that we have the information shown in the column headings of the table below!

Brokerage statements attached See list attached Here's the information we need:

Description	Date Acquired	Cost or Basis	Date Sold	Sales Proceeds

- Employee stock options were granted or exercised -- bring statements
- Stocks or securities became worthless, or money due you became uncollectible
- Participated in puts, calls, or "short the box" stock transactions
- Tax Free Exchange (Sec 1031 Exchange) last year: bring closing statements

Other Income

- State and local tax refunds received: MD:_____ Other:_____
- Distributions from Pension(s) IRAs or annuities – Provide 1099-R or W2-P forms
- Note: if you change jobs and have 401(k) loans, that's considered a distribution--- bring 1099R
- IRA or pension plans rolled over – bring any 1099-R forms received
- Social security received: bring SSA-1099 forms received
- Alimony received (do not include child support): _____
- Gambling winnings:_____ Gambling losses:_____ (be sure you have support) **Bring all W2G's**
- Partnerships, Sub-S Corps, Joint Ventures, Estate and Trusts -- Provide forms K-1
- Do you have a calculation of your "basis" in the entity?_____ Are you "at risk" for your investment?
- Self-employment income: (self-employed business or farm) – see worksheets enclosed
- Cashed in US savings bonds
- Prizes and awards (you/spouse) _____
- Jury duty (you/spouse) _____
- Scholarships / taxable fellowships (bring 1099 or W-2 forms) _____
- Unemployment compensation: bring 1099
- Other income: _____ You:_____ Spouse:_____
- 1099A or 1099C from Abandonment or Cancellation of Debt
- Was there a controversy over the amount of the debt owed, or was any of the debt contested?
- Income received from a prior year installment sale
- Cash or barter income for which you did not receive a 1099?

Adjustments to Income (Deductions)

- Educator expenses (for teachers – supplies, etc.) _____
- Student loan interest paid _____ (Benefit is subject to income limitations)
- Alimony paid (NOT child support): _____ - _____ - _____ \$ _____
Paid to SS # Amount
- Penalty for early withdrawal of savings from savings accounts and C.D.s. _____

Health Savings Account (HSA & MSA, but not a Employer Flex Spending Account)

These plans use a high deductible health insurance policy, coupled with an IRA-like savings account. They allow you to make tax deductible contributions to the savings account which can be used to pay for qualified medical expenses tax free. Did you make a contribution to one? Bring details!

Type of Plan: Family Plan Individual Plan Paid by Employer You

Amount you paid for High Deductible Insurance: _____

Contributions to HSA Savings Account: _____

Disbursed from HSA: Qualified Medical Expenses: _____ Other (non-qualified) _____

Self Employed Health Insurance

This applies to those who own their own business (sole proprietorship, S-Corp, LLC, etc., other than a C-Corp.)
 Self-employed: medical/health insurance premiums paid: _____ Includes long term care, dental, other health insurance
 Note that new laws make it mandatory that the premiums be paid or reimbursed by the business

Educational Savings – “529” Plans

A “529” Plan can net a deduction on your state taxes. For Kansas the “Learning Quest” plan is the state plan, but the recent changes allow any qualified plan to be deductible. For Missouri, the “Most” plan is used.

Plan name: _____ Total Contributions made: _____ Withdrawals: _____

Qualifying expenses for withdrawals _____ Non-qualifying withdrawals _____

Long-Term Care Adjustments to Income

Long term care insurance premiums paid for Taxpayer _____ for Spouse _____

Maryland has a special deduction for this with certain limitations. Have you taken this deduction on a Maryland return in the past?
 Yes No If yes in what year did you take the deduction

Educational Expenses

Did you pay for or incur a loan for college or vocational (post-secondary education) costs last year? There are several ways to deduct these costs, or get credits: (American Opportunity Credit or Lifetime Learning Credit)

	Parents	Student 1	Student 2
Tuition/fee			
Books and supplies			
Expenses paid by parents?	Yes/No	Yes/no	Yes/No

Deductions for IRA, SEP, SIMPLE, Keogh Plans and Other Retirement Plans

	You	Spouse
Covered by a retirement plan?	Yes/No	Yes/No
Contributions already made for IRA - deductible		

IRA - nondeductible		
Roth IRA		
SEP/Simple/Keogh		

(Cont.) Deductions for IRA, SEP, SIMPLE, Keogh Plans and Other Retirement Plans

If you or your spouse has a nondeductible IRA, be sure to provide statements showing the beginning and the ending value of all accounts

- Did you convert a regular IRA to a Roth IRA during the year?
 - Are you considering a Roth conversion?
 - Did you withdraw money from any retirement plan, such as an IRA or Roth? Bring details
 - Did you have a roll-over from one plan to another during the year? We need the details!
- " If you have a SEP, Keogh or other business retirement plan, you may have to file form 5500.

Tax Credits

- Purchased an electric auto - bring sales document
- Fuel tax credit (number of gallons of fuel used for off-road use, such as for boats) _____
- Historic preservation credit
- Adoption expenses
- Started new pension plan for your business

Sale, Refinance or Purchase of Residence

- Bring closing (settlement) statements for any house refinanced, sold or bought.
- If you sold your home during the year, did you live there for 2 years? Y/N
 If no, please give reason for moving _____

Estimated Taxes Paid for 2020

Please be careful: Incorrect data will result in notices and penalties from tax authorities.

Quarter	Due Date	Federal		MD		Other State	
		Date Paid	Amount	Date Paid	Amount	Date Paid	Amount
4 th 2020	1/15/21	NA	NA				
20 Extension	4/15/21	NA	NA				
With Return		NA	NA				
1 st 2020	7/15/20						
2 nd 2020	7/15/20						
3 rd 2020	9/15/20						
4 th 2020	1/15/21						
Extension	4/15/21						

- Did you have any other payments to tax authorities during the year? Please provide details
- My income and deductions will change materially for 2021. Details:

Medical Expenses

Hospital, health facility, nursing help		Sick room supplies, wheelchair, etc.	
Eye glasses, contacts, hearing aids		Prescription drugs	
Mileage to/from doctor, etc.		Home improvements for health	
Ambulance, parking, taxi/bus		Health Insurance	
Concierge Services		Long term care insurance premiums	

Show the amounts NET of insurance reimbursements and amounts paid by a cafeteria/125 benefits plan

Taxes Paid

Don't include withholding or estimated taxes here

Real estate taxes – home(s)		Auto/boat personal property tax	
Real estate taxes – land, etc.		Personal property taxes paid	

Sales Tax Paid - If you purchased a vehicle or have other large purchases you may be entitled to this deduction. It is taken in lieu of the State Income taxes paid, so you really have to have extraordinary purchases to qualify.

Interest Expense

First Mortgage		Investment Interest Paid	
Home Equity/2 nd /Other		Points paid – refinancing this year	
Other home interest		Other business interest	

Bring 1098 forms and /or mortgage statements. Bring settlement statement if you refinanced.

Consumer interest (credit cards, cars, etc) is not deductible, unless used for business, farm, or rental.

Were the combined total loan balances of all your home loans(not home equity) over \$750,000 during the year?

Were the combined total loan balances of your home equity loans ever over \$100,000 during the year?

If Yes to either of the above, we will need detailed loan history on all loans from the lenders/banks.

Charitable Contributions -- Cash and Checks

The law now requires that you have a receipt or cancelled check for all contributions, and for any contribution over \$250, you must have a written statement from the charity. If \$250 or more, a cancelled check is not enough.

Please note that due to the COVID CARES Acts, you are now eligible for an above the line charitable deduction of up to \$300.00 even if you do not itemize.

Church/Temple/house of worship			
Payroll deductions (United Way, etc.)			

Non-cash Charity (If total value is under \$500, the list below is not required) Value, if under \$500: _____

Name of charity		Name of charity	
Brief description of item		Brief description of item	
Date Given		Date Given	
Original cost \$	Value \$	Original cost \$	Value \$

If you have more gifts, use separate sheet. Combine gifts to the same charity. Detailed list attached
Value at market value, not garage sale value!

Costs incurred in connection with charitable activities or volunteering:

Name of Charity / description of costs / Miles driven / Amount

Impairment (disability) work related expenses

Hearing aid batteries, reading glasses, crutches, and other expenses necessary to allow you to work: _____

Miscellaneous Itemized Deductions

Investment Costs: The following are examples

Subscriptions, publications, supplies, phone, office, seminars, education, etc. fees and costs.

Job Hunting Costs:

Resume, stationary, postage, phone, fax, travel (airfare lodging) mileage, parking, publications, internet, fees paid

Employee Business Auto Expenses

If you used your car for your job, other than to commute to work, and you didn't get reimbursed you **MAY** be able to claim your employee business expenses under the following circumstances.

- No reimbursement received from employer
- Employer did not reimburse all expenses. Amount received: _____
- Employer pays monthly flat “allowance” or set amount. If so, you need to claim employee mileage, since a flat allowance is included as taxable income in your W-2.

Used by you/spouse	Y/S	Y/S	Y/S
Year Model of car			
Date began use			
Date ended use			
Business miles			
Commuting miles (yr)			
Other miles driven (yr)			
Total miles driven (yr)			

The following are for typical EMPLOYEE related expenses (Business owners use Schedule C)

Books, magazines, business entertainment, meals, business cards, cell phones (work related) computer used for work, dues, memberships, education cost related to work, insurance, internet access (work portion), union dues, professional license renewal, safety equipment, software, supplies for work, uniforms, uniform cleaning business travel expenses, work required medical exams.

These are expenses of employees related to their W2 jobs, don't include self-employment expenses or expenses for which you were reimbursed.

Office in home: for an **employee**, related to job:

Deductible only if required by employer, or necessary for health and safety of employee. Home office area must be used regularly and exclusively for business. Document your files with a picture and diagram, plus a letter from employer.

Total square footage of home	
Exclusive business use Sq. Ft.	
Home office for you/spouse	Y/S
Expenses: Rent/lease, payments	
House/yard repairs, cleaning, windows, carpets, etc.	
Utilities, water, trash, cable, etc.	
Association dues	

We will get mortgage interest and property taxes from your itemized deductions

Rental Income and Expense

Property 1: _____

Rented: all year Number of days rented _____

Personal use: _____ days

If bought, sold or refinanced: bring escrow papers

Improvements/capital expenditures:

Property 2: _____

Rented: all year Number of days rented: _____

Personal use: _____ days

If bought, sold or refinanced, bring escrow papers

Improvements/capital expenditures

Important Rental Considerations

The rental real estate loss allowance is a federal tax deduction available to taxpayers who own and rent property in the U.S. Up to \$25,000 may be deducted as a real estate loss per year as long as the individual's adjusted gross income is \$100,000 or less. The deduction phases out for individuals earning between \$100,000 and \$150,000. People with higher adjusted gross incomes are not eligible for the deduction. Note: losses can be limited if you are not "at risk" or if you spend less than 500 hrs. per year (9.6 hr/week) on rental activities. There are some exceptions: check with us.

I meet the "at risk" & "active participation" tests

I am a real estate professional

(Cont.) Important Rental Considerations

	Prop 1	Prop 2
Revenue/Rental received		
Expenses		
Advertising		
Auto miles to/from		
Cleaning/maintenance		
Pest control		
Gardening/yard		
Commissions		
Insurance		
Legal/eviction costs		
Management fees		
Mortgage interest		
Repairs		
Plumbing		
Painting		
Roof		
Supplies		
Taxes – licenses		
Travel		
Accounting		
Association Dues		
Publications		
Interest on credit cards used for rental expense*		
Office Expenses		
Utilities /trash/phone		
Wages paid		

*Should be a separate card used only for rental expenses not a card you use for other expenses.

Business Income and Expenses - Self Employed - Schedule C

Business Name: _____

Main activity: _____

Business address, if not your home:

Business belongs to You Spouse

Other things we'll need:

- P&L (income statement) from computer
- Balance sheet print out from computer (bring 12/31 and 1/1 balance sheets)
- Copies of payroll tax returns
4 quarterly 941, SUTA, 940, W3
- 1099's (1099's must be issued to any non-corp paid over \$600 last year.) They are due 1/31.

****Partnerships, Corporations or LLC with more than 1 owner, please call for a separate organizer**

Income Statement: Bring a print out from the computer instead of completing this page

Income (Receipts) Amount

Total Income	
Earned in MD	
Earned in ____	

- Individuals living in MD but working In VA or PA are considered as earning Income in MD

Advertising	
Commissions/Fees	
Contract Labor	
Employee benefits (health insurance)	
Insurance (not health)	
Interest Expense	
Legal/Professional	
Meals/Entertainment	
Office Expenses	
Pension/Benefit Plans	
Rent (office)	
Rent other (car etc.)	
Repairs/Maintenance	
Supplies	
Taxes and licenses	
Taxes[Payroll]	
Travel	

Cost of Goods Sold

Beginning Inventory*	
Purchases	
Production Labor	
Supplies/freight/other	
Ending Inventory*	
Cost of goods sold	

Utilities	
Bank Fees	
Business/Gifts/Promos	
Cell Phone	
Computers/software	
Dues and Subscriptions	
Freight/delivery/UPS	
Internet	
Outside Services	
Postage	
Seminars, Education	
Telephone	
Wages paid to children	
Wages paid to employees	
Other	

- Business gift deductions are limited to \$25 per person per year.
- Auto should be pro-rated based on percentage of use that is personal and percentage that is business use. In most cases, it isn't reasonable to expect that auto used 90-100% for business. These are items the IRS is scrutinizing more closely.
- Meals and Entertainment must have a clear business purpose. The entertainment must precede or follow a substantial business discussion. You must have an expectation of receiving income or a specific business benefit from the meal or entertainment. You should document the names of the people you dined with or entertained and what the business discussion involved for all meals and entertainment. Country Club dues are NOT deductible as a business expense.
- Note regarding QuickBooks files: If you provide us with computer files that you prepared, such as QuickBooks files, due to time constraints, cost considerations and the limited scope of our engagement, we do not review the contents of these files in detail. While we will make a very limited, cursory examination of the contents of the files, we cannot be held responsible for the contents.
- It is your responsibility to ascertain that items of income and expense are properly recorded and that you have adequate documentary evidence to prove the expenditure and its business purpose. We will print out relevant analyses and statements, and then delete the files from our computer system.
- If you have questions about the deductibility of expenses or recordkeeping procedures, please ask us.

Purchase or Sale of Business Assets during the Year

Date Purchase	Description of item	Purchase cost	Bought use	Date sold	Amount sold for

Please provide the sales document from the dealer on any new vehicle purchases.

Office-in-Home Deduction

Requirements: An office in home must be used regularly and exclusively for business tasks not performed at another office. Keep a diagram and a picture as support in your files. Allowable for rented or owned home.

Total square footage of home	
Total square footage of office	
Expenses	
Home rent/lease payments	
House/yard maintenance, cleaning windows, etc.	
Repairs	
Home Insurance	
Utilities: (gas/water trash, home Phone, cable, etc.	
Association dues	

Auto/Truck Expenses for Schedule C

Vehicle #	1	2	3
Description of Vehicle			
Date put in service			
Date removed from service			
Business Miles in year			
Commuting miles in year			
Other miles driven year			
Total miles derive in year			
Auto Cost			
Expenses: Gas oil			
Repairs Services			
Insurance			
Car wash/maintenance			
Registration			
Lease Payments			
Interest Paid			
Parking, tolls, auto club			

Here are the terms of our professional relationship.

1. We will prepare our work product based only on information which you give us. You represent that you will provide us with information, which is complete, true and correct, disclosing all relevant facts. We will restrict our services to those which are agreed upon with no continuing obligation to update or provide other services. We don't file extensions unless asked to do so.
2. You've reviewed our tax organizer and completed it as best you can. (We will review the tax organizer, and in some cases, we may assist in completing it by documenting things you tell us. This is to be construed as if you prepared it in your own handwriting.) The IRS says it is your responsibility that all items of income and expense are properly included and presented on your tax return. You promise to review the returns carefully before signing and /or submitting form 8879.
3. We will, if possible, e-file your returns upon receipt of a signed form 8879. It is possible your e-filing may be rejected; in which case we will prepare returns for paper filing. There will be no additional charge for re-compiling the returns for paper filing.
4. You're aware of IRS record keeping and documentation requirements and you represent that you have the necessary documentation. You understand we won't audit or verify your information. This engagement cannot be relied upon to detect fraud or illegal acts.
5. It is possible you may receive a notice for additional tax, or for clarification of items. You will contact us if you receive any communication from any taxing authority. Additional work required including responding to any inquiries from tax authorities, tax planning amended returns or audit work will be billed at our regular hourly rates.
6. There may be elections and decisions in your return which could be challenged by tax authorities. If we believe we see a grey area, we will discuss it with you. We are required by law to disclose any position on a return for which there is a reasonable probability of challenge. Tax law is ever-changing. It is possible that you may be assessed additional tax, interest, or penalties. While we try our best, we are human, and occasionally make mistakes. It's an imperfect world.
7. Penalties on underpayment, late filing or failure to file on time are interest on unpaid tax and are your responsibility. If you receive a penalty imposed as the result of our error, we will reimburse you for the penalty or credit your account at our option.
8. You understand what was involved in the preparation of your return, and acknowledge that the return was prepared with your informed consent. You agree to the reasonableness of our bill and terms of payment. (upon presentation)
9. We will return all the original source documents to you. We routinely scan and keep copies of some supporting documents, but we are not the custodian of your records, and so don't rely upon us to maintain support for your tax return: that is your responsibility. By accepting the return, you acknowledge the return of all original source documents.
10. Should there be any disagreement of any sort between us, you agree to mediation. If mediation is unsuccessful, you agree to binding arbitration under the rules of the American Arbitration Association. The limit of time for making a claim arising from our services is one year after the services are rendered.
11. Advice, suggestions and opinions which are given informally, orally or via email, do not have the same force and effect of a formal written opinion, and should not be relied upon to the same degree. The IRS says that any advice which you receive from us, either in writing or orally cannot be used as a defense against the assessment of a penalty.
12. In the case of work product covering more than one party, the undersigned enters into this agreement on behalf of all affected parties. (i.e., husband signing for both spouses)
13. If any provision herein is inoperative, the remainder of this agreement shall remain in full force and effect. This agreement is intended as the complete agreement, and can only be modified in writing signed by both of us.

Read, understood and agreed to on ___/___/____

Signature _____ Signature _____