

TREESTONE ACCOUNTING GROUP LLC

'Your Trusted Business Strategist'

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2011 Individual Tax Organizer

This 2011 Tax Organizer contains important information that can reduce your taxes. There are many 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.

YOUR APPOINTMENT

- Please call the office to set an appointment.
- If you are mailing your tax information, please make sure you send us copies of your filled out organizer and other documents being mailed.
- Be sure to call at least 24 hours in advance if you are unable to keep your appointment.

GETTING TO OUR OFFICE

Directions:

*We are off of Scottsdale Road between Greenway-Hayden Loop and Frank Lloyd Wright Blvd

*Go West at the East Paradise Lane light

*Go South on 71st Street

*We are located in the 'Kierland Business Center' Complex- on the East Side of 71st Street

PREPARING FOR YOUR TAX APPOINTMENT

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

- Bring the information/documents shown on the appearing on the next page
- Review and sign the work agreement on the last page
- Complete the organizer as best as you can 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 are looking forward to helping you with your taxes.

THE SHORT LIST

Documents and items we need to see from you to complete your tax return

- ✓ All W-2 Forms
- ✓ All 1099 forms, including those from:
 - Banks
 - Credit Unions
 - Stock Brokerages
 - Social Security
 - Any Miscellaneous Income
- ✓ 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 cards for any new dependents
- ✓ K1's from any/all entities that you have ownership interest in
- ✓ If you are a new client, you need to provide last 3 years of tax returns

FOR YOU TO DO

To ensure minimum taxes

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

AN IMPORTANT NOTE ABOUT THE IRS

The IRS has vastly expanded its audit programs as it has been directed by Congress to "close" the tax gap. As a result, more audits and spot checks are to be expected. **Protect yourself: keep good records, and keep them for at least 7 years.** Never ignore correspondence from tax authorities, but always be skeptical. The IRS has an annoying tendency to arbitrarily bill for taxes and penalties without first checking the facts.

IMPORTANT NEW TAX LAW CHANGES

As a result of the implementation of the new 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. If a section does not apply to you, just cross it out.

RELAX

It is true now, more than ever, that 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 is our mission and goal to minimize your taxes!

You data security and confidentiality are a prime concern for our firm. We operate in a highly secure and confidential environment. All data is locked when not in use. We guard your privacy as if the data were our own

THE PRELIMINARIES

Your Name SSI# DOB Occupation Email

Spouse's Name SSI# DOB Occupation Email

Current Address City State Zip
(to be used on tax return)

Home Phone Work/Cell Phone Spouse's Phone

List the state(s) where you have lived in the last year: _____

List the state(s) where you have worked in the last year: _____

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 you spouse died during that year, you may 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 of 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 also qualify if you paid more than half of the cost of keeping up on 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 2008 or 2009, you have a dependent child living with you, and have not remarried.

DEPENDENTS

Please see guidelines below

Name as it appears on SS Card	DOB	SS#	Relation	Months in Home	Daycare Costs	Full Time Student	Income Earned

- 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 2011 and not a full-time student for at least 5 months during 2011? Y/N If yes, which dependent?_____
- If yes to above, what is that individual’s gross income for 2011?_____
- Any children under the age of 18 (24 if college student) have any have income? If yes, give details.

GUIDELINES FOR DEPENDENTS

NOTE: New Law – divorced parents claiming non-custodial dependents MUST have form 8332 (Release Of Claim To Exemption)

To qualify as a dependent, that person must be:

1. Unmarried, or if married, does not file a 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 (see chart below)

<p>Qualifying Relative</p> <ul style="list-style-type: none"> • 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 \$3,700 • Provide less than half of own support 	<p>Qualifying Child</p> <ul style="list-style-type: none"> • Taxpayer’s child, stepchild, eligible foster child, brother, sister, stepsibling, 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 provided less than half of their own support • Not to be a claimed qualifying child of another taxpayer
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DEPENDENT & CHILD CARE EXPENSES

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

Name of Provider	Address	Tax ID# or SS#	Amount Paid

Can anyone else claim you or your spouse as a dependent? Y or N

Do you have any dependents living with you or are you supporting anyone not living with you? Give Details.

If a divorced parent is claiming a non-custodial dependent please include a signed 8332 form. (From custodial parent)

QUESTIONS

Please review the following questions and check box if applies: (These questions are to ensure we don't miss something important.)

- Change in marital status during the year? Explain:
- Did you/your spouse change names last year (remarriage or divorce)? Bring a copy of new SS card.
- Did you and your spouse live apart for the entire last 6 months of the year or longer?
- Do you wish to have \$3 (\$6 joint return) of your taxes applied to the Presidential Campaign Fund?
- Are you or your spouse legally blind or disabled?
- Did you and/or your spouse reach or will reach 70½ this year or next year?
- 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 make any larger purchases or home improvements? If yes, provide details of each purchase including the date of purchase, amount of purchase and amount of sales tax paid.
- Are there separate business returns that need to be completed?
- Any new K-1, new LLC, S Corp, Investments, etc.?
- Did you inherit assets in 2011?
- Any foreign income or did you pay any foreign taxes?
- Do you and/or your spouse have a foreign bank account or trust, signing rights on a foreign account, or ownership or beneficial interest in a foreign bank account?
- Did you or your spouse receive a damage award for personal injury, sickness, or discrimination?
- Do you have unreimbursed casualty or theft greater than 10% of your income?
- Were you or your husband a victim of an investment Ponzi scheme?
- Did you pay cobra insurance and receive a premium reduction?
- Did you or your spouse work out of town during 2011?
- Have you started or finalized an adoption or incurred adoption expenses?
- Did you contribute to a 529 plan?
- Did you give a monetary gift of more than \$13,000 to any individual?
- Were you apart of any bartering transactions?
- Have you received any letters, audit/tax notices from federal, state or local authorities? Please provide.
- Did you discover an error in a previous return or find out a prior return needs to be amended or filed?
- Did you pay a household employee in 2011? If yes, have payroll returns been filed? Over \$1700
- Do you expect significant changes in income, expenses, or dependents for 2012?
- Did you file for bankruptcy in 2011 or are you planning to soon?
- Did you have debt forgiven, a short sale, or foreclosure?
- Do you have any legal issues or lawsuits going on?
- Are there any other matters we need to be aware of? If yes, explain below.
- Were you the recipient of or did you make a "below-market" or "interest-free" loan?
- Have you paid alternative minimum tax (AMT) in previous year?
- None of these apply to me, or I don't know if any of these apply to me.

INCOME

WAGES & 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 if you are able to claim exempt from tax, the IRS requires that you report non-taxable interest, such as that earned on municipal bonds, etc. Bring all 1099's received.

If you are missing a 1099 – call payer for another copy

CAPTIAL GAINS

Capital gains come from sales or redemptions of stocks, mutual funds, bonds, real estate or personal property. We need any 1099 forms, brokerage statements, or mutual fund statements. Many times the brokerage statements will contain this information. We don't need 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
- Employee stock options exercised – attached statements
- Stocks or securities became worthless, or money due to you became uncollectible
- Participated in puts, calls, or "short the box" stock transactions
- Tax free exchange (Section 1031 Exchange) last year – attached closing statements

HEALTH SAVINGS ACCOUNT (HSA & MSA)

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 contributions to one? Please provide details.

Type of Plan: Family Plan Individual Plan

	<i>Employer</i>	<i>You</i>
Amount paid for High Deductible Insurance:	_____	_____
Contributions to HSA Savings Account:	_____	_____
Amount Disbursed from HSA:	Qualified Medical Expenses: _____	Other (non-qualified): _____
HSA Medical Expenses carried forward: _____		

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, and other health insurance)

If self-employed, did you pay any health or long-term care premiums? If yes, were either you or your spouse eligible to participate in an employer-sponsored health or long-term care insurance plan? Yes or No

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. ***(Answer below Y/N)***

	You	Spouse
Covered by a retirement plan?		
Contributions already made for:		
IRA-Deductible		
IRA-Non-Deductible		
Roth IRA		
SEP/Simple/Keogh		

- Did you convert a regular IRA to a Roth IRA during the year?
- Did you withdraw money from an IRA or Roth? Please provide details.
- Did you have a rollover from one plan to another during the year? Please provide details.
If you have an SEP, Keogh or other business retirement plan you may have to file form 5500.
- Are you interested in contributing to an IRA, Roth IRA, SEP (self-employment plan) for the current tax year once your taxes are calculated? IRA and Roth IRA contributions must be deposited by 4/15, SEP contributions must be deposited no later than 10/15 if valid extension is filed.

SALE, REFINANCE OR PURCHASE OF RESIDENCE

- Please provide closing (settlement) statements for any house refinanced, sold or bought.
- If you sold your home during 2011, did you live there for at least 2 out of the 5 years? Y/N _____
- If no, please give reason for moving: _____
- Did you purchase a home and qualify as a 1st time homebuyer? Y/N _____
- Did you claim the 1st time homebuyer credit when it was purchased? If yes, provide date.
- Are you a homeowner who has lived in their home as a principal residence for 5 out of the last 8 years and purchased a different principal residence after November 6, 2009? Y/N _____
- If you refinanced your residence, how many years is the new loan? _____

ESTIMATED TAXES PAID FOR 2011

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

Quarter	Due Date	Federal		State of Residence: _____		Other State: _____	
		Date Paid	Amount	Date Paid	Amount	Date Paid	Amount
With '10 return							
1 st 2011	04/15/11						
2 nd 2011	06/15/11						
3 rd 2011	09/15/11						
4 th 2011	01/16/12						
'11 Extension	04/16/12						

- Did you have any other payments to tax authorities during the year? Please provide details.
- If you have a refund from '11 return, do you want us to applied it to your '12 return?

ITEMIZED DEDUCTIONS

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	
Other:		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 taxes	
Real estate taxes – land, etc.		Personal property taxes paid	
Other:			

SALES TAX PAID ON USED VEHICLES, BOATS, RV's

Provide purchase paperwork. See adjustments to income section if you purchased a NEW vehicle or RV in 2011.

INTEREST EXPENSE

Mortgage Interest	Amount	Interest Expense	Amount
First Mortgage		Investment Interest Paid	
Home Equity/2 nd /Other		Points paid-refinancing this year	
Other home interest		Interest paid on partnership buy-in loan	

- 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 over \$1 million during the year?
- Were the combined total loan balances of your home equity loans ever over \$100,000 during the years?
- If yes to either of the above, we will need detailed loan history on all loans or home from the lenders/banks.
- Was the Fair Market Value of your house less than the total of debt owed ("underwater")?

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.

Charity	Amount	Charity	Amount
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 the items		Brief description of the items	
Date given		Date given	
Original cost:	Value:	Original cost:	Value:

If you have more gifts, use separate sheet. Combine Gifts to the same charity.

Value at market value, not garage sale value! Detailed list attached

Costs incurred in connection with charitable or volunteering:

Name of Charity	Description of Costs	Miles Driven (.14¢/mi)	Amount

IMPAIRMENT (DISABILITY) WORK RELATED EXPENSES

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

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 claim your employee business auto expenses.

Check the boxes that apply to you:

- No reimbursement received from employer.
- Employer did not reimburse all expenses.
- 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.
- Reimbursement received not on W-2

Car Info	Car 1		Car 2	
	Before 7/1	After 6/30	Before 7/1	After 6/30
Used By (you/spouse)				
Year/Model of Car				
Date began use				
Date ended use				
Business miles				
Commuting miles/yr				
Other miles driven in yr				
Total miles driven in yr				

*Commuting mileage must not be added to business mileage

In order to deduct mileage for auto expenses in a tax return, a log must be kept which details mileage driven for business purposes. This log, or something which keeps track of mileage, would be needed to justify the write off for the expense in the event of an audit.

MISCELLANEOUS ITEMIZED DEDUCTIONS

Ignore this page unless the total of all expenses is greater than 2% of your total income.

Investment Cost	You	Spouse	Unreimbursed Expenses	You	Spouse
Subscriptions, publications			Books/Magazines		
Supplies, phone, office			Business gifts, cards		
Seminars, education, etc.			Cell phone (work portion)		
Fees & costs			Insurance E and O/Liability		
Job Hunting Costs	You	Spouse	Computer used for work		
Resume, stationary, postage			Dues, memberships – re: work		
Phone/Fax			Education cost related to work		
Travel (airfare, lodging)			Work related Internet Access		
Mileage (# of miles)	mi.	mi.	Prof. dues/union dues		
Parking			Professional license renewal		
Publications			Safety equipment		
Internet			Software		
Fees paid			Supplies for work		
Other	You	Spouse	Tools, calculator, briefcase		
Accounting/tax prep			Uniforms, uniform cleaning		
Legal			Business travel: airfare		
Estate tax planning			Cabs, tips, tolls, parking		
Safe deposit box			Lodging, rental car, gas		
			Work required medical exam		

*These are expenses of employees related to their W2 job.

*Don't include self-employment expenses, or expenses for which you were reimbursed.

OFFICE IN HOME

For an employee, related to job:

A deductible is only 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.

See separate worksheet

Total square footage of home	
Exclusive business us Sq. Ft.	
Home office is for you or spouse	
Expenses: Rent/lease payments	
House/yard repairs, maintenance, cleaning, windows, carpets, etc.	
Home insurance	
Utilities: gas, electric, water/trash, home phone, cable, etc.	
Association dues	

Ask about depreciation on your home!
We will get mortgage interest and property taxes from itemized deductions.

EDUCATIONAL EXPENSES

Did you pay for or incur a loan for college or vocational (post-secondary education) cost last year?

There are several ways to deduct these costs, or get credits.

(American Opportunity Credit, Lifetime Learning Credit, Tuition and Fees Deductions)

	Parents	Student 1	Student 2
Tuition/Fees			
Computer			
Internet Access			
Books & Supplies			
Expenses paid by parents? (Y/N)			

TAX CREDITS

- New first-time homebuyer’s credit; purchased first home (Provide escrow closing statement.)
- Did you claim the first-time homebuyer’s credit for a home purchased before January 1, 2009
- Current homeowner credit for next primary residence
- Mortgage interest credit certificate (Provide documents.)
- Purchased a Hybrid vehicle (Provide sales document.)
- Purchased an electric vehicle (Provide sales document.)
- Disabled access credit
- Adoption expenses
- Started new pension plan for your business
- AZ Public, Private School, Working Poor

Description	Amount	RESIDENTIAL	Description	Amount
Windows, exterior doors, skylights			Geothermal Heat Pumps	
Storm doors/windows			Wind Turbines	
Air circulation fans			Solar Panels	
Furnace and/or Air Conditioner			Fuel Cell Property	
Insulation				
Water Heater				
Electric Heat Pump				
Metal roofs or Asphalt roofs with cooling granules				

RENTAL INCOME AND EXPENSE

Revenues/Rentals Received:

Expenses	Prop #1	Prop #2
Advertising		
Auto mileage to/from		
Cleaning/Maintenance		
Carpet cleaning		
Pest control		
Gardening/yard		
Commissions		
Insurance		
Legal/eviction fees		
Licenses		
Management fees		
Mortgage Interest		
Repairs		
Plumbing		
Painting		
Roofing repairs		
Supplies		
Taxes – property		
Travel		
Utilities/trash/telephone		
Accounting		
Association Dues		
Dues, Publications		
Interest on credit cards used for rental expenses		
Office Expense		
Wages Paid		

Property 1: _____

Rented: All Year

Number of days rented: _____

Personal use: _____ days

If bought, sold or refinanced: provide escrow documents

Improvements/capital expenditures

Property 2: _____

Rented: All Year

Number of days rented: _____

Personal use: _____ days

If bought, sold or refinanced: provide escrow documents

Improvements/capital expenditures

Important Rental Considerations

In general, rental losses are limited to \$25,000 per year. If your adjusted gross income is over \$125,000 (married filing jointly), they are phased out entirely, except for real estate professionals.

Note: Losses can be limited if you are not “at risk” or if you spend less than 500 hours per year (9.6 hrs/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

ROYALTY INCOME & EXPENSE

Active/Passive Activity

- Did you actively manage this activity?
- Hours per year _____
- Active participation in this activity
- This activity is passive

Type of Royalty	#1	#2
Location or State Source		
Income		
Expenses		
Auto and Truck	mi.	mi.
Insurance		
Management Fees		
Interest Expense		
Production Expense		
Taxes - Severance		

BUSINESS INCOME & EXPENSES – 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
- Copies of payroll tax returns, W2, W3, 1099's must be issued to any non-corp paid
4 quarterly 941, SUTA, 940, and state return \$600 or more last year. They are due 1/31.

****Do NOT complete the portion below if you have computer print-outs for these figures****

Income (Receipts)		Amount
Total Income		
	Earned in AZ	
	Earned in	
	Earned in	

Cost of Goods Sold		Amount
*Beginning Inventory		
	Purchases +	
	Production Labor +	
	Supplies/freight/other +	
*Ending Inventory -		
Cost of Goods Sold =		
*Inventory should be listed at your cost to purchase		

Operating Expenses			
Description	Amount	Description	Amount
Advertising		Utilities (separate business office)	
Commissions/Fees		Wages paid – Employees	
Contract Labor		Wages paid to children	
Employee benefits (health insurance)		Banks Fees	
Insurance (not health)		Business Gifts/Promos	
Interest Expense paid		Cell Phone	
Legal/Professional		Computer/Software	
Office Expense		Dues & Subscriptions	
Pension/Benefit Plans		Freight/Delivery/UPS	
Rent – Office		Internet	
Rent – Other (ex. Car lease)		Outside Services	
Repairs/Maintenance		Postage	
Supplies		Seminars, Continuing Education	
Taxes & Licenses		Small Tools	
Taxes – Payroll		Telephone	
Travel		Other:	
Meals/Entertainment		Other:	

BUSINESS INCOME & EXPENSES – SCHEDULE C (continued)

- Business gift deductions are limited to \$25 per person per year.
- Auto and cell phone 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 either of these are 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 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 the 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 files from our computer system.
- If you have any questions about the deductibility of expenses or recordkeeping procedure, please ask us!

PURCHASE OR SALE OF BUSINESS ASSETS DURING THE YEAR

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

Date of Purchase	Description of Item	Purchase Cost	Check here if bought used	Date Sold	Amount sold for

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. This is allowable for a rented or owned home. Note: We will get mortgage interest and property taxes from itemized deductions. Ask about depreciation of your home.

Total square footage	
Office use Sq. Ft.	
Expenses:	
House rent/lease payments	
House/yard maintenance, cleaning, windows, etc.	
Home insurance	
Utilities: gas/water/electric, trash, home phone, cable, etc.	
Association dues	

Auto/Truck Expenses – Schedule C	Vehicle #1		Vehicle #2	
Description of Vehicle				
Date put in service				
Date out of service				
	Before 7/1	After 6/30	Before 7/1	After 6/30
Business miles in yr				
Commuting miles in yr				
Other miles driven				
Total Miles driven in yr				
Auto cost:				
	Expenses: Gas, oil			
	Repairs, service			
	Insurance			
	Car wash/Maint.			
	Registration			
	Lease Payments			
	Interest paid			

Keep receipts for all expenditures, plus proof of payment (cancelled checks) for 7 years. Don't rely upon your bank account to furnish checks online. Typically they are off loaded after 3 to 6 months.

Our Work Agreement

Thank you for engaging us to assist you.

We will provide you with the following kinds of services: *(as checked)*

- Individual Tax Preparation: 2011 _____ Federal AZ _____
 Business Tax Preparation: Tax Planning '12 Estimates
 QuickBooks Help Compiling Tax Data Payroll Tax Compliance
 Financial Statements Financial Planning Consulting Services

Here are the terms of our professional relationship:

1. We will prepare our work product based only on information which you have given 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 shown above 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 as you can. (We will review the tax organizer, and in some cases, we may assist in completing it by documenting things that 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 for 8879 (E-filing forms).
3. We will, if possible, e-file your returns upon receipt of a signed 8879 forms. It is possible your e-filing may be rejected, in which case we will prepare returns for paper filing. There will be an additional charge for re-compiling the returns for paper filing.
4. You are 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.
5. It is possible you may receive a notice for additional tax, or for clarification of items. You promise 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 rate.
6. There may be elections and decisions in your return which could be challenged by tax authorities. If we believe we see a gray 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. We will try our best, we are human, and occasionally make mistakes.
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 a 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 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 original source documents provided to us. We routinely scan and keep some copies of some supporting documents, but we are not the custodian of your records, and you cannot 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

Spouse's Signature