2017 Individual Tax Information Questionnaire

Name:

A IMPORTANT INFORMATION – EVERYONE MUST COMPLETE			
Do you need your return by a certain date, **other than** IRS due dates? For example: For loan documentation or Financial Aid for Education. If yes, please indicate below: Reason: ________________________ Due Date ___/___/___	☐YES	☐NO	☐ UNSURE
Do you have time periods in which you will be unavailable for questions from this office (i.e. vacation)? If yes, please indicate them below: Start Date ___/___/___ End Date ___/___/___	☐YES	☐NO	☐UNSURE
Please list any estimated payments made to the **IRS** for **2017** during the tax year. This does not include amounts paid for your 2016 tax liability (paid with tax return). Voucher 1 Due 4/18/2017: Amount paid:_________ Voucher 3 Due 9/15/2017:_________ Voucher 2 Due 6/15/2017: Amount paid:_________ Voucher 4 Due 1/16/2018:_________			
Please list any estimated payments made to the **State** for **2017** during the tax year. This does not include amounts paid for your 2016 tax liability (paid with tax return). Voucher 1 Due 4/18/2017: Amount paid:_________ Voucher 3 Due 9/15/2017:_________ Voucher 2 Due 6/15/2017: Amount paid:_________ Voucher 4 Due 1/16/2018:_________			
If eligible for a refund:			
Would you like to apply it to next year's estimated payments? **OR**	☐YES	☐NO	☐UNSURE
Would you like to use direct deposit? If so, do you want it deposited to the same account as last year? ☐**Yes** If different, please provide a voided check.	☐YES	☐NO	☐UNSURE
In the event there are any questions regarding your current or past tax returns and you need us to contact the IRS or other taxing agency on your behalf, we will need a Power of Attorney Form on file. Would you like us to prepare one for you to sign when your tax return is completed?	☐YES	☐NO	☐UNSURE
Has the IRS/State/Local taxing authority made you aware, or are you aware of, any changes to your tax liability for any prior year tax returns? If yes, please provide copies of notice(s).	☐YES	☐NO	☐UNSURE

B PERSONAL INFORMATION – EVERYONE MUST COMPLETE

Verify **e-mail** address:

Verify **mailing** address you want shown on return:

Verify **telephone #s**:

Please show the names **exactly** as shown on the Social Security Cards. As another safeguard against identity theft, more and more states are requiring Driver's License Information. Please complete this section whether you are a returning client or a new client.

Primary taxpayer's name:______________________________
Date of birth:__________ SSN:________________ Occupation:____________________
Driver's License#:___________ Issuing State:______ Issuing Date:__________ Expiration Date:___________

Spouse's name:______________________________
Date of birth:__________ SSN:________________ Occupation:____________________
Driver's License#:___________ Issuing State:______ Issuing Date:__________ Expiration Date:___________

All dependents:
Full name: ________________________ Date of birth: __________________ SSN: _____________
Full name: ________________________ Date of birth: __________________ SSN: _____________
Full name: ________________________ Date of birth: __________________ SSN: _____________
Full name: Date of birth: SSN:

Do you wish to have $3 (or $6 on a joint return) of your taxes applied to the Presidential Election Campaign Fund?	☐YES	☐NO	☐UNSURE

Indicate if any of the following occurred in your immediate family in 2017. **Please provide dates for any boxes checked below. If there is a new spouse or child, please also provide an SSN and birth date. For divorces or separations, please provide court documents. For deaths, please provide a death certificate:**

[ ] Births [ ] Adoptions [ ] Marriages[ ] Became a Domestic Registered Partner [ ] Deaths [ ] Divorces [ ] Separation

If your **spouse** died in 2017, please check "YES" so we can discuss "portability".	☐YES	☐NO	☐UNSURE
Can **you** be claimed as a dependent on another person's tax return for 2017?	☐YES	☐NO	☐UNSURE
Were you a resident of, or did you have income in, more than one state during 2017?	☐YES	☐NO	☐UNSURE
Do you anticipate that we will need to file an **Extension**? Please let us know by March 31st. Any estimated balance due must be paid by April 17th, or there will be interest and penalties charged on any outstanding balance reported when the return is filed later in the year.	☐YES	☐NO	☐UNSURE

C DEPENDENTS

☐ If you do not have any dependents or changes in dependents, check box on left and skip this section.

Did you have any dependents last year whom you believe **may no longer qualify** as a dependent for 2017? If so, please tell us which ones.	☐YES	☐NO	☐UNSURE
Did you adopt or care for foster children during 2017? If so, we will need several documents from you. Please request the list.	☐YES	☐NO	☐UNSURE
Are all of your dependents citizens or residents of the U.S., Canada, or Mexico?	☐YES	☐NO	☐UNSURE
Do you have children under age 19 at the end of the year (24 if full-time students)?	☐YES	☐NO	☐UNSURE
Did any child receive earned income including scholarships? If so, how much?	☐YES	☐NO	☐UNSURE
Did any dependent child of yours under the age of 19 at the end of the year (or under age 24 if a full-time student) have investment income in excess of $2100 in 2017?	☐YES	☐NO	☐UNSURE
Do you have any dependent children who are filing their own tax returns? If yes, please tell us which ones. Do you want us to prepare the return(s)? ☐**YES**	☐YES	☐NO	☐UNSURE
Have you been granted or have you been given the dependency exemption in a divorce decree for a child? If so, the custodial parent needs to provide a waiver of dependency (Form 8332).	☐YES	☐NO	☐UNSURE

D HEALTHCARE INFORMATION – EVERYONE MUST COMPLETE

Did you and/or your spouse participate in a Health Savings Account?	☐YES	☐NO	☐UNSURE
Did you receive any COBRA health insurance premium assistance during 2017?	☐YES	☐NO	☐UNSURE
Did you make any Marketplace/Affordable Healthcare Act insurance payments in 2017?	☐YES	☐NO	☐UNSURE
Did you receive a Form 1095-A, B, C, 1099-H, or any other document for Health Care Insurance payments? If yes, please provide them so we may calculate any credits or dues.	☐YES	☐NO	☐UNSURE
Was everyone on your tax return covered for health insurance (not limited to Affordable Healthcare Act plans) during the entire year?	☐YES	☐NO	☐UNSURE

E INCOME ITEMS – EVERYONE MUST COMPLETE

Provide any W-2s, 1099s,K-1s from all partnerships, LLCs, Trusts or Estates, or any other documents describing any income you received in 2017. Also bring information regarding any income you received even if no documents were received, including those for the following items: (Check where applicable; only one copy necessary.) **Please make sure all copies are legible. Please do not use a highlighter or staples.**

[ ] Wages (W-2) [ ] Interest/Dividends (1099-INT/1099-DIV) [ ] Stock Sales (1099-B) [ ] Prizes or Awards [ ] Jury Fees

[ ] Stock Option Exercises/RSUs [ ] Self Employment (1099-MISC) [ ] Rental Income [ ] Farms [ ] Hobby Income

[ ] Royalties [ ] Social Security (1099-SSA) [ ] Pensions (1099-R) [ ] IRA Distributions (1099-R) [ ] Trustee Fees

[ ] Unemployment [ ] Estate income [ ] Trusts (K-1) [ ] S Corporations (K-1) [ ] Income derived from illegal sources

[ ] Partnerships (K-1) [ ] Judgment awards [ ] Gambling (W-2G)) [ ] Foreign Income [ ] Lottery [ ] Alimony

[ ] Barter [ ] Foreclosures (1099-A) [ ] Abandonments (1099-A) [ ] Debt Cancellation (1099-C)

[ ] Crypto Currency Transactions [ ] Any other income of any kind

[ ] Latest paystub(s) if you want us to calculate a 2018 W-4

Did you receive any inheritances or gifts totaling more than $14,000 in 2017?	☐YES	☐NO	☐UNSURE
Was any part of your **home rented** out or used for business? If yes, see additional information required under **Business Income and Expenses.**	☐YES	☐NO	☐UNSURE
Did you **sell** your **Personal Residence,** Investment or rental property this year? This includes properties that have been foreclosed or abandoned. If yes, we will need the following: **Final** Escrow/Settlement Statement from **Sale**; **Final** Escrow/Settlement Statement from **Original Purchase**; List of all improvements ever made to property if not previously disclosed on depreciation schedule. For foreclosures or abandonments, please bring all 1099-As or 1099-Cs. **If California tax withheld through escrow, please provide all 592s and 593s.**	☐YES	☐NO	☐UNSURE
Did you start ( ), purchase ( ), or acquire ( ) an interest in a **Partnership, S-Corporation or Trust** during 2017? If yes, you will receive a Form K-1 from the entity for this and subsequent years. Please make sure you provide us with a copy of both the Federal and State K-1s, as your return cannot be finalized without them. Also, please provide the purchase date and purchase amount (or capital contributed).	☐YES	☐NO	☐UNSURE
Did you sell any interest you have in a **Partnership, C-Corporation, S-Corporation or Limited Liability Company (LLC)** in 2017? If yes, please bring all relevant documents, including your **basis** in the company.	☐YES	☐NO	☐UNSURE
Did you inherit any stocks or property? If yes, please provide the value(s) at date of death.	☐YES	☐NO	☐UNSURE

F ☐ STOCK OPTIONS & EMPLOYEE STOCK PURCHASE PLANS – If none, check box.

Please note that stock option exercises are very complicated tax transactions. It is important to have all the relevant documents from which to enter these on your tax return. We cannot complete your return without these documents, and not having them when you come in will cause delay in our preparation and may increase necessary communication with you and possibly substantially increase the preparation cost.

Have you **exercised** any of your stock options or Restricted Stock Units (RSUs) in 2017? **If yes, please bring a copy of an exercise report for each exercise. You will probably have to ask your employer for this. We will not be able to complete your return without it.**	☐YES	☐NO	☐UNSURE
Have you made an early exercise election ((83b) election) during 2017? If yes, please bring a copy of that election. This is very important!	☐YES	☐NO	☐UNSURE

Do you participate in an employers' Employee Stock Purchase Plan (ESPP)? An ESPP is a plan whereby an employee can buy the stock at a 15% discount. The purchase of the stock usually occurs via a deduction from your paycheck. We will need to know your exercise price and the Fair Market Value of the stock on the date of exercise.	☐YES	☐NO	☐UNSURE

G ☐ Sale or Trade of Stocks, Bonds, Mutual Funds, Commodities, Investment Real Estate and Other Assets- If you did not sell anything, check box on left.

Did you have any stocks that became worthless in 2017? If so, we will need to know details.	☐YES	☐NO	☐UNSURE
Did you buy or **sell** any **stocks, bonds or other items through a broker?** Please provide all **1099-B forms** and year-end summary statements provided by brokers and **be sure to provide information on purchase dates and amounts.** If stocks have split since purchase, provide split dates and amounts. If you have several stock transactions, you can ask your broker for a "Tax Report" for the year (this is in addition to the 1099-B).	☐YES	☐NO	☐UNSURE
Did you have any other purchases or sales of other investment property or collectibles such as coins, stamps, artwork or gems, not shown on 1099 forms or other year-end statements provided to us? Examples include income related to "puts" and "calls", futures contracts, commodities and regulated stock options. If so provide dates sold, purchase amounts paid, and net realized on sale.	☐YES	☐NO	☐UNSURE
Did you trade any like-kind property for another? If yes, please provide all details and documents.	☐YES	☐NO	☐UNSURE

H ☐ Business Income & Expenses (including Farms) If none, check box on left.

Business mileage for 2017 = 53.5

Did you start, [ ], purchase [ ] or operate [ ] **a business or farm** during 2017? If yes, we will need a complete list of income and expenses related to that business. Each business must be listed separately. If you started a business in 2017, please provide the exact date.	☐YES	☐NO	☐UNSURE
Did you receive any **1099s or 1099-Ks**? If so, please make sure we have these.	☐YES	☐NO	☐UNSURE
Did you **purchase** any **business assets** (furniture, equipment, vehicles, real estate, etc.)? If so, provide descriptions, dates acquired, and amounts paid for those assets. If there is a related escrow settlement document or bill of sale, we will need to see it.	☐YES	☐NO	☐UNSURE
Did you **dispose** of any **business assets** (furniture, equipment, vehicles, real estate, etc.)? If yes, please provide the date sold, sales price, and any commissions paid for each item. If there is a related escrow settlement document or bill of sale, we will need to see it.	☐YES	☐NO	☐UNSURE
Did you **convert** any personal assets to business use? If yes, please provide date of conversion and the **lower** of original cost or current fair market value (FMV).	☐YES	☐NO	☐UNSURE
If any of the above items were cars or trucks, we will need to see purchase or lease contracts or bills of sale. **You will also need to provide for each business vehicle the total miles driven for any purpose, and of those miles, the business miles driven. We need this information regardless of which auto expense method you use.**			
Did you use any part of your home **exclusively** for business purposes? If yes, provide details for square feet used for business, total square feet of the home, expenses related to the business portion, and general expenses for the interior of the home such as utilities, insurance and maintenance.	☐YES	☐NO	☐UNSURE
If you have self-employment income, did you also pay for **medical insurance or long-term care insurance on a policy issued to the business or individual (not through an employer)?** Please provide amounts.	☐YES	☐NO	☐UNSURE
Did you provide any health care insurance for any employee? If so, we will need to know how much you paid, for how many employees, and your total gross wages paid to covered employees.	☐YES	☐NO	☐UNSURE
Did you pay wages to any child of yours, under the age of 18, during 2017? If so, have you reported that child's wages on your payroll tax returns and W2s?	☐YES	☐NO	☐UNSURE
Did you keep appropriate records for that child's work?	☐YES	☐NO	☐UNSURE
Did you **sell** your business? If so, please provide all documents and details.	☐YES	☐NO	☐UNSURE

Were you required to file Forms 1099?	☐YES	☐NO	☐UNSURE
If yes, did your bookkeeper file the Forms 1099? **These are due January 31, 2018. Please be aware there will be penalties if filed late**.	☐YES	☐NO	☐UNSURE
If no, would you like us to obtain Form W-9 and prepare the Forms 1099 and Form 1096 for you?	☐YES	☐NO	☐UNSURE

I ☐ RENTAL INCOME & EXPENSES If none, check box on the left.

Please provide full details of all repairs and improvements. Most repairs may be considered improvements and we will need to depreciate them over specified time periods. We will need purchase dates for all work done.			
Did you purchase a property ( ) or, convert one from personal use ( ), that was used as a rental in 2017? If so, we will need a list of your income and expenses, as well as the escrow statement from when this property was purchased (even if before 2017 unless you are a returning client.)	☐YES	☐NO	☐UNSURE
Periods of time in which a rental is taken off the market for repairs and/or remodeling are considered non-rental time. Expenses must be allocated between rental and non-rental periods. Please provide this information.			
Did you make improvements to a rental property in 2017? If so, provide description, approximate date and amount for each improvement. Improvements include original landscaping, patios, room remodels, etc.	☐YES	☐NO	☐UNSURE
Did you travel to your rental property in 2017 to manage, make repairs or improvements? If so, we need to know round-trip miles (total), any air travel expenses and the number of days spent for this purpose. Days are broken down into quarter days (6 hours) beginning at 12:01 a.m.	☐YES	☐NO	☐UNSURE
Did you purchase any assets used primarily for rental property such as a lawnmower, furniture, appliance, etc.? If so, provide description, approximate date and amount for each improvement.	☐YES	☐NO	☐UNSURE

*****Information must be provided for each rental separately, including a room in your home. The organizer provides a great place to put this information for returning clients. Please request a customized organizer from us, and we will be happy to provide it.**			
Did you refinance your rental property in 2017? We must have the closing statement for the loan and an explanation of use of any "cash out."	☐YES	☐NO	☐UNSURE
ALL CLIENTS WHO HAVE RENTAL INCOME & EXPENSES WILL BE REQUIRED TO COMPLETE A SCHEDULE E ORGANIZER WORKSHEET. (Please be sure to request this document if it has not arrived in your tax packet.)			

J DEDUCTIBLE LOSSES AND ADJUSTMENTS TO INCOME – EVERYONE MUST COMPLETE

Did you have property or money stolen, damaged or destroyed during 2017 due to an accident, storm, flood, fire, fraudulent investment scheme, etc.? If so, please provide details, such as description of event, date occurred, amount(s) involved and insurance reimbursement, if any.	☐YES	☐NO	☐UNSURE
Did any non-relative owe you money which became uncollectible in 2017? If so, how much?	☐YES	☐NO	☐UNSURE
Did you, or do you plan to contribute to any of the following retirement plans for tax year 2017? [ ] 401K [ ] solo 401K [ ] 403b, TSA [ ] 457 [ ] SIMPLE Pension Plan [ ] SEP [ ] KEOGH [ ] Traditional IRA [ ] Roth IRA **Please provide paperwork.**	☐YES	☐NO	☐UNSURE
Did you and/or your spouse rollover any retirement funds?	☐YES	☐NO	☐UNSURE
Did you and /or your spouse convert any IRA funds to a Roth IRA?	☐YES	☐NO	☐UNSURE
Prior to becoming a client, have you made any non-deductible contributions to an IRA, Roth IRA or other retirement plan? Please provide total amounts per year as these contributions must be accounted for separately, so they will not be taxed when distributed. If you've given this to us before, never mind!	☐YES	☐NO	☐UNSURE
Did you have any combat zone pay in 2017?	☐YES	☐NO	☐UNSURE

Did you pay or receive any alimony, spousal support, or family support? **If you paid, we will need the name and social security number of the person you paid.** (If we have this information from a previous year you will not need to provide this again.) If this is the year of a court order requiring such payments, or if you are a new client, we will need a copy of the marital settlement agreement and court order. If you received alimony, we will need to report it as taxable income. **Note: Alimony is not child support.**	☐YES	☐NO	☐UNSURE
Did you pay interest on student loans? If so, please provide the document given to you by your lender.	☐YES	☐NO	☐UNSURE
Did you pay for any **college or trade school education expenses** for yourself **or a dependent** you are entitled to claim as an exemption? Allowed expenses include tuition and required fees and equipment paid directly to the institution as a condition of enrollment, as well as books.	☐YES	☐NO	☐UNSURE

K ☐ ITEMIZED DEDUCTIONS – If you do not itemize, check the box on the left.

Note - Medical Expenses are deductible to the extent they exceed 10% of your adjusted gross income (7.5% if you're 65 or over), if you itemize. Almost every medical expense, including medical insurance, long-term care insurance, and Medicare insurance, counseling, etc., counts. Do not include non-prescription medications, vitamins or supplies.			
Did you pay any significant amounts of medical expenses (over 10% of total income or 7.5% if 65 or over)? Don't forget doctors, dentists, home care by medical practitioner, psychiatrists, psychologists, chiropractors, home improvements for medical care, but only to the extent they increase the value of your home, marriage and family counseling, etc. Also include medical travel (airfare, hotels, etc.) at actual cost or miles driven, if driving. Medical mileage for 2017 =.17	☐YES	☐NO	☐UNSURE
Were you on a "Physician Prescribed" Weight Loss Program?	☐YES	☐NO	☐UNSURE
Did you pay any city, county or state property tax in 2017? Please provide a record of payments made. Tax paid on any real estate is deductible.	☐YES	☐NO	☐UNSURE
Did you pay sales tax on big-ticket items like cars or boats? If so, we'll need to see the purchase document.	☐YES	☐NO	☐UNSURE
CA RESIDENTS ONLY: Don't forget your car/boat/RV license fees. You must bring in the statement from the department or the DMV. Only the VLF (Vehicle License Fee) is deductible, not the part that is registration, personalized plates, etc.	☐YES	☐NO	☐UNSURE
Note - Interest Paid: Personal interest (credit cards, unless used exclusively for business, etc.) is never deductible (well, almost never). Mortgage, investment and business interest is. **Bring all your 1098s and <u>make sure the property is identified on the face</u> (write on it; that's ok).**			
Did you purchase or refinance your principal residence or second home? (This includes Equity Lines of Credit or Home Equity Loans.) **Please provide final escrow, settlement or closing statements for each and a list of what you did with any cash-outs from the loan. (Improvements, bought a car, invested, paid off credit cards, etc.)**	☐YES	☐NO	☐UNSURE
Do you own a second home, such as a motor home or boat or timeshare? If so, we need interest paid on loans and property taxes paid on timeshares. Note: A boat must have cooking, sleeping, and toilet facilities in order to qualify as a second home for interest expense deduction purposes.	☐YES	☐NO	☐UNSURE
Did you **pay** any **interest** on margin debt? If so, please bring supporting documents. This should be on your 1099 form supplied by your broker.	☐YES	☐NO	☐UNSURE
Did you **pay interest** on any loans or credit card debt where the amount borrowed was used to purchase or sustain investments? Examples of this would include purchase of land, or using loan proceeds to invest in the stock market, mutual funds, or CDs. If so, give us amounts and use for each item.	☐YES	☐NO	☐UNSURE
Note - Contributions: The law states if you have no receipt, we cannot take the deduction. **We CANNOT deduct any contribution for which you do not have proof.** Contributions by check or credit card must be provable by cancelled check or line item on credit card statements. If you gave over $250 at one time, or more than $250 to any one organization, a **qualified** contribution letter by the organization is required.			

Did you use your car for charitable work? If yes, we will need to know how many miles were driven for that purpose. You get to deduct a whopping 14 cents per mile.	☐YES	☐NO	☐UNSURE
Did you have volunteer expenses? For example, did you buy supplies for your church activity or travel on its behalf? If you traveled on behalf of a "non-profit, tax-exempt organization" you need a letter from them that says you did.	☐YES	☐NO	☐UNSURE
Did you donate a vehicle to a charitable organization? We must have a copy of that letter, as well the 1098-C the organization issued to you. **Without these documents, we will not be able to deduct the car on your tax return.**	☐YES	☐NO	☐UNSURE
Note - Non-Cash Contributions: You know those things you give to Goodwill, Salvation Army, etc. and assign values that defy imagination? You must write down the detailed list of the stuff you gave, the value at the time of donation, the condition (new, good, lousy) and attach it to the receipt. If it's "lousy" it's not deductible.			
Did you donate non-cash items? If so, we need the receipts. Make sure to include the name of the organization(s) and their address(es). You must now also provide to us a detailed list of everything you donated.	☐YES	☐NO	☐UNSURE
Note - Miscellaneous: These are deductible only to the extent they exceed 2% of your adjusted gross income. They include union dues, tax preparation fees, uniforms (not suits, no matter what you do), professional subscriptions, agency fees and continuing education for your job (must maintain or improve your skills in your present trade or business), and job search expenses. Also, Internet expense allocated between personal and job use; computers and cell phone costs for work.	☐YES	☐NO	☐UNSURE
Did you **work out of town** any part of the year? If so, and your employer did not reimburse you in full for your expenses, please bring in information related to number of days, lodging, meals and incidental expenses incurred. Include taxi, tips, laundry and telephone calls. If you are self-employed, you need to provide us with this information as well.	☐YES	☐NO	☐UNSURE
As an employee, did you have any business expenses that were not reimbursed by your employer? **Be sure to get a copy of the reimbursement policy of the company for your files.**	☐YES	☐NO	☐UNSURE
Did you use your car, bus or taxi to travel between **two different jobs** on the same day? If so, we need the total miles driven, and of that, the miles driven for business.	☐YES	☐NO	☐UNSURE
Did you have any expenses for **special licenses**, permits or certificates, educational courses, seminars, or fees for professional societies relating to your employment? If so, please provide that information.	☐YES	☐NO	☐UNSURE
Did you use the **Internet** primarily for investment, employment, or business use? If yes, any related online fees may be deductible. We need the business portion only. Yes, you must allocate.	☐YES	☐NO	☐UNSURE
Did you incur any **job search expenses, including auto mileage**, last year? All costs to find another job, even if you flew to Outer Mongolia, are potentially deductible.	☐YES	☐NO	☐UNSURE
Did you pay any fees or expenses for the management of investments? This amount can usually be found on your 1099 from your broker. We'll find it if it's there.	☐YES	☐NO	☐UNSURE
L ☐ **MOVING EXPENSES & GAMBLING EXPENSES -** If none, check box on left.			
Note - Moving Expense: You must have moved a minimum of 50 miles from your previous home or from your previous job location to your new home, whichever is shorter.			
Did you incur **moving expenses** due to a change of employment? If so, bring information related to the cost of moving your household goods and autos, and the cost of traveling to your new location. Also provide mileage from former residence to former place of work and mileage from former residence to new location. Nothing else is deductible. Please provide the exact date of your move. ______________	☐YES	☐NO	☐UNSURE
Note - Gambling Expense: Gambling expense is deductible only to the extent of gambling income. This includes money put in the slot machine, poker stakes, roulette, etc. and your cost of getting there (bus, airplane), but not your food. You must have some proof, so make sure you're prepared. The IRS wins nearly every time they audit this item because of lack of proof.	☐YES	☐NO	☐UNSURE

M USE OF VEHICLE DEDUCTIONS - Everyone should read; then skip if not relevant to you.			
During 2017, did you purchase a vehicle? Please provide a copy of the purchase documents.	☐YES	☐NO	☐UNSURE
Did you travel at least 100 miles, or otherwise pay any related traveling expenses to perform duties as a member of the National Guard or the Reserve?	☐YES	☐NO	☐UNSURE
Did you use your car on the job (other than to and from work)? If so, and your employer did not reimburse you, please bring information related to total mileage, business mileage, commute mileage and total expense incurred, by type (gas and oil, maintenance, insurance, tires, parking, tolls, lease payments, license fees, etc.) **for each vehicle** during the year. If we used mileage last year or you choose to use mileage this year, we don't need the actual expenses.	☐YES	☐NO	☐UNSURE
Have you maintained a log, diary or calendar for each vehicle that you used in business or for employment for which you are taking a deduction? **Guessing the mileage is not allowed.** We will not require you to show us your log, diary or calendar, but **if you are audited the IRS will require this information. The IRS is still locked into the last century and likes to see pen/pencil entries on a log.**	☐YES	☐NO	☐UNSURE
Did you sell a vehicle that you previously used in business or for employment related expenses? If you did, we will need to know what you sold it for, what you bought it for and how many miles you deducted. If we've been doing your return since you bought that car, no problem. We always recommend you give away a vehicle so used to a charitable organization or family member to avoid this problem unless it is worth more than you care to donate.	☐YES	☐NO	☐UNSURE

N TAX CREDITS – EVERYONE MUST READ AND COMPLETE			
Did you or your employer pay **child care** expenses, including before and after school, during 2017? If so, bring information related to day care providers: amounts paid, names, addresses, telephone numbers, Social Security and Taxpayer ID numbers. (This includes amounts reimbursed by your employer under cafeteria or other plans.) Please note that you cannot deduct private school tuition for K-12.	☐YES	☐NO	☐UNSURE
Did you pay tuition and/or pay for books, supplies and/or equipment for your dependent college student in 2017? Please provide the 1098-T for each qualified student.	☐YES	☐NO	☐UNSURE
Did you pay for the installation of energy-efficient property in your home, business or rental in 2017? If so, we need copies of receipts, contracts, etc.	☐YES	☐NO	☐UNSURE
Did you pay any income taxes to foreign governments during 2017? Please provide records of any amounts and dates paid in US denominations, as well as the gross income so earned.	☐YES	☐NO	☐UNSURE
Is your mortgage certified under a "Qualified Mortgage Credit Certificate" program? If you don't know, it probably isn't.	☐YES	☐NO	☐UNSURE
If you are a California resident, did you pay rent in 2017? If so, for how many months? ________	☐YES	☐NO	☐UNSURE

O MISCELLANEOUS INFORMATION – EVERYONE MUST COMPLETE			
<u>Did you have an interest in, signature or other authority (such as being a board member) over a financial account in a foreign country, such as a bank account, securities account, or other financial account?</u> If so, bring account information and year-end statement if your aggregate balance in such accounts, at any time of the year, exceeded $10,000. **<u>This is a special interest item with huge penalties – including prison! -- if you fail to report these.</u>**	☐YES	☐NO	☐UNSURE
Did you make gifts of more than $14,000 to any individual in 2017? If so, a gift tax return may need to be filed. Adding a child to the title of a home, bank account or securities account, even for convenience purposes, may be considered a gift of half the equity (ask your preparer about this). Not a good idea. You will, no doubt, avoid gift tax but the return must be filed anyway.	☐YES	☐NO	☐UNSURE
Were any Gift Tax Returns filed in **previous years**? If "yes", and they were not prepared by us, please bring copies of the returns.	☐YES	☐NO	☐UNSURE
If your spouse died in 2017 and you want to increase your estate tax exclusion by filing a Form 706, please discuss with your preparer. This is very time-sensitive, so please discuss.	☐YES	☐NO	☐UNSURE

Did you engage the services of any **household employees** during the year to whom you paid more than $2,000? Do not include household employees who operate their own businesses.	☐YES	☐NO	☐UNSURE
Were you a first-time homebuyer in 2008? If so, did you receive a $7500 credit for first time homebuyer purchase?	☐YES	☐NO	☐UNSURE
Were you a first-time homebuyer in 2009 or 2010? If so, have you sold the home or converted it to non-primary residence status? If so, please provide dates and details. You may have to return some of the credit you received.	☐YES	☐NO	☐UNSURE
Did you file for bankruptcy in 2017? Please provide court documents and orders.	☐YES	☐NO	☐UNSURE
California Residents only: Do you want to pay sales tax on your out-of-state purchased goods on your CA tax return? If yes, please provide us with an itemized list of items, purchase price of each item and amount of sales tax paid to the other state(s) on each item. Or, if you prefer, you may satisfy requirements by filing a separate form with the Board of Equalization.	☐YES	☐NO	☐UNSURE
Were you **audited**, including correspondence audits, by either the Internal Revenue Service or a State taxing agency? If yes, please bring in copies of all correspondence.	☐YES	☐NO	☐UNSURE
You may be required to pay your taxes through the government's electronic pay system known as EFTPS. If you have large tax liability, we will be discussing this issue with you.			

ADDITIONAL NOTES/QUESTIONS FOR TAX RETURN PREPARER

davis | financial
tax and bookkeeping services
www.davisfinancialgroupllc.com

January 2018 **RE: 2017 FORM 1040 DUE 4/17/2018 - TAX PREPARATION ENGAGEMENT LETTER**

Print your name & sign on page 2 and return to our office.

We are pleased to confirm our understanding of the arrangements to prepare your income tax return. This letter will confirm the terms of our engagement with you and the nature and extent of the services we will provide.

The Internal Revenue Service imposes penalties on taxpayers, and on us as return preparers, for failure to observe due care in reporting for income tax returns. To ensure an understanding of our mutual responsibilities, we ask all clients for whom we prepare tax returns to confirm the following arrangements.

We will prepare your Federal Form 1040 – 2017 Individual Tax Return and any State returns, as needed.

We will prepare these returns using the information you provide to us. Our work will not include any procedures to discover falsifications or other irregularities. The only accounting or analysis work we will do is that which is necessary for preparation of your income tax return.

If applicable, we will prepare 2018 estimated tax vouchers based upon your income and withholding for 2017. You agree to contact us if you experience a significant change in your income or withholding during 2017, so we can determine if your vouchers need to be adjusted for the year.

Client Responsibility
It is your responsibility to provide us with all the information required for preparing complete and accurate returns. We've enclosed a Questionnaire to help you gather the information required for a complete return. If you use the Questionnaire, it will help you avoid overlooking important information and contribute to the efficient preparation of your returns. We may ask for clarification of some items, but we will not audit or otherwise verify the data you submit. You should retain all the documents, canceled checks, and other data that support your reported income and deductions. These documents may be necessary to prove the accuracy and completeness of the returns to a taxing authority. Please call if you have questions regarding these requirements. After your tax return has been prepared, we will return all original records you supplied. **You have the final responsibility for your income tax returns and you should review them carefully before you sign them.**

Your returns may be selected for audit by a taxing authority for cause or by random selection. Any proposed adjustments are subject to appeal. In the event of a tax examination, we can arrange to be available to represent you. Such representation will be a separate engagement. Fees and expenses for defending the returns will be invoiced separately.

Due Date
The timeliness of your cooperation is essential to our ability to complete your return. We must have sufficient information from which to prepare your return within a reasonable period prior to the filing deadline of **Tuesday, April 17, 2018.** Accordingly, if we do not receive all information from you in a timely manner, it may be necessary for us to file an extension of your filing date. If we do not hear from you prior to the deadline, it is our policy to extend your return to provide you with the additional time you may need. You understand that extensions do not give you an extension of time to pay the tax that may be owed. If we deem it necessary or you request it, we will complete an estimation of the amount due based on the documents currently provided and/or prior year findings.

Mail: P.O. Box 846 Physical: 19301 8th Ave. NE, Suite D Poulsbo, WA 98370
(360) 779-3506 fax (360) 779-3860 toll free 1-(866)-273-4889

Fees and Payment Terms
Our fees are based upon the amount of time required to prepare your tax return. The time involved with the preparation of your return depends on the complexity of work, and the availability, quality and completeness of your records. **Your invoice will be enclosed with your copy of the return and paperwork. The invoice is due and payable upon receipt of your completed tax return, unless previous arrangements have been made and an installment plan signed.** An interest charge of 1.0% per month may be added to all accounts not paid within thirty (30) days. If we are forced to send an account to collections, you agree to reimburse us for our costs of collection, including court and attorneys' fees. We reserve the right to suspend our services or to withdraw from this engagement in the event an invoice is deemed delinquent or unpaid. If we elect to terminate our services for non-responsiveness, our engagement will be deemed to have been completed upon written notice of termination, even if we have not completed the return. You will be obligated to compensate us through the date of termination.
Any tax planning done outside of the preparation of your return may also be subject to separate invoicing.

Record Retention
Your records are the primary records to support your income and deductions. They comprise the backup and support for your financial reports and tax returns. We destroy client files and work papers after six (6) years. Catastrophic events or physical deterioration may result in our records being unavailable; therefore, our records and files are not a substitute for yours. You should keep the original records in secure storage.

Privacy Notice
As your tax preparation firm, we collect information provided by you from your tax organizer, worksheets, documents, and discussions. We develop information as part of your tax preparation engagement. We keep all information about you and your engagement confidential and we will not disclose any information about you unless we have your approval or are required by law. This applies even if you are no longer a client. We are committed to the safekeeping of your confidential information and we maintain physical, electronic, and procedural safeguards to protect your information. We assure you that we do not use tax processing services, either foreign or domestic to prepare your return. All returns are processed by our office staff.
In addition, certain states have issued a new requirement that we must have written permission to send you any return(s) by mail. In signing this letter, you hereby grant us permission to send your return(s) to you by mail if you request us to do so by phone, e-mail or in person.

We and the IRS also require written and signed notification and approval by you if someone other than yourself is receiving a copy or will be picking up your return. This includes any relatives, even if we do their returns as well, (exception: minor children's return may be picked up by their parents). An IRS approved form will be provided for your signature should you wish to have your return sent to or with a third party.

Your Approval
If the above is in accordance with your understanding of the terms and conditions of this engagement, **please sign and return the original letter with your tax information.** A copy has been provided for your files. Please call us if you have questions or would like to discuss the contents of this engagement letter.

Sincerely,

DAVIS FINANCIAL

Read and accepted by: **PLEASE PRINT YOUR NAME(S) AND SIGN BELOW**

____ ______________
Taxpayer Date

____ ______________
Taxpayer Date