



Subject: Preparation of Your Tax Returns

Thank you for choosing Trustway tax & Accounting to assist you with your taxes. This letter confirms the terms of our engagement with you and outlines the nature and extent of the services we will provide.

We will prepare your federal and state income tax returns. We will depend on you to provide the information we need to prepare complete and accurate returns. We may ask you to clarify some items but will not audit or verify the data you submit. An organizer is enclosed to help you collect the data required for your return. By using it, you will contribute to the efficient preparation of your returns and help minimize the cost of services.

We will perform accounting services only as needed to prepare your tax returns. Our work will not include procedures to find defalcations or other irregularities. Accordingly, our engagement should not be relied upon to disclose errors, fraud or other illegal acts, though it may be necessary for you to clarify some of the information you submit. We will, of course, inform you of any material errors, fraud or other illegal acts we discover.

The law imposes penalties when taxpayers underestimate their tax liability. Please call us if you have concerns about such penalties. Should we encounter instances of unclear tax law or of potential conflicts in the interpretation of the law, we will outline the reasonable courses of action and the risks and consequences of each. We will ultimately adopt, on your behalf, the alternative you select.

Our fee will be based on the number and types of forms necessary to complete your tax return. However, any accounting or organization services provided will be billed according to time required at standard billing rates plus out-of-pocket expenses. Invoices are due and payable upon presentation. To the extent permitted by state law, an interest charge may be added to all accounts not paid within thirty (30) days. The fee for filing your tax return does not include any audit assistance or follow-up after tax returns are filed. If you need assistance with these services, we are happy to provide them as needed for a fee.

We will return your original records to you at the end of this engagement. You should securely store these records, along with all supporting documents, canceled checks, etc., as these items may later be needed to prove accuracy and completeness of a return. We will retain copies of your records and our work papers.

Our engagement to prepare your tax returns will conclude with the delivery of completed returns to you (if paper-filing), or your signature and our subsequent submittal of your tax return (if e-filing). If you have not selected to e-file your returns with our office, you will be solely responsible to file the returns with the appropriate taxing authorities. Review all tax-return documents carefully before signing them.

To affirm that this letter correctly summarizes your understanding of the arrangements for this work, please sign below. We appreciate your confidence in us. Please call if you have questions.

Sincerely,

Trustway Tax & Accounting

(Both Spouses must sign for preparation of joint returns.) Accepted By:

Taxpayer

Spouse

Date

Tax Intake Form



FILING STATUS

Single
 Married Filing Joint
 Married Filing Single
 Head of Household
 Qualifying Widower

ADDRESS

TAXPAYER

Social Security Number _____
 First _____ MI ____ Last _____
 Email _____
 Work Ph _____ Cell/Other Ph _____
 Date of Birth _____ Date of Death _____
 Occupation _____
 Legally Blind? Y / N Dependent of Other? Y / N

SPOUSE

Social Security Number _____
 First _____ MI ____ Last _____
 Email _____
 Work Ph _____ Cell/Other Ph _____
 Date of Birth _____ Date of Death _____
 Occupation _____
 Legally Blind? Y / N Dependent of Other? Y / N

DEPENDENTS

<u>First, Middle Initial, Last Name</u>	<u>D.O.B</u>	<u>Social Security Number</u>	<u>Relationship</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

EMPLOYMENT & RETIREMENT INFORMATION:

A.) Are You Employed?
 B.) Is Your Spouse Employed?
 C.) Are you contributing to a 401k, 403b or other pre-tax account?
 D.) Have you ever opened any form of pretax account in the past?
 E.) Have you considered a ROTH conversion of pretax accounts?

AFFORDABLE CARE ACT

Did **everyone** on this tax return have health insurance coverage **all 12 months** last year? Y / N If **no**, were you exempt?
 If **yes**, you had coverage, please provide documentation of coverage.
If not covered for all 12 months, complete Intake Pages 8 and 9.

Tax Client Income and Expense Questions

Please Note: The following Worksheets are to assist the taxpayer in gathering the information necessary for the preparer to complete an accurate tax return. For each area the taxpayer has checked a box below, there should be corresponding back-up provided. It is very important that the taxpayer provide complete information upon the first submission of these documents.

The below checklist provides basic information. There very well could be more information needed to be supplied. For situations that are beyond the information provided below, please make sure detailed notes are provided to assist the preparer in determining the proper way to account for the situation. Missing information will delay the processing of the return. Please do not leave any Worksheet blank. If not applicable write "N/A" on that page.

BASIC QUESTIONS

Please check the box to the left for any of the following that apply. If not leave blank. If checked, please provide a brief explanation below if the information will assist the preparer in any way. (Note: Please check for you AND your spouse)

- 1 Did your marital status change from the prior year?
- 2 Did you change your address from last year?
- 3 Any change in your dependents from last year?
- 4 Did you have children under 19 (or 24 if a full time student) who had more than \$2,100 in unearned income?
- 5 Are all your dependents either US Residents or Citizens?
- 6 Did you pay any adoption expenses?
- 7 Did you provide over half the support for someone you aren't claiming as a dependent?
- 8 Are you being claimed or eligible to be claimed as a dependent of someone else's return?
- 9 Were either you or your spouse in the military or National Guard?
- 10 Did you purchase or sell your primary residence? Or did you refinance your primary residence?
- 11 Have you been notified by the IRS of changes to a previously submitted tax return? Or have you received any other IRS or State Notices?
- 12 Did you make any gifts over \$14,000 to any individuals?

Comments/Description:

INCOME

Please check any of the following that you and/or your spouse received

- 1 W-2 Income
- 2 Interest and/or Dividends
- 3 Tax Exempt Interest and/or Dividends
- 4 Taxable refunds, credits or offsets? (including prior year State refunds)
- 5 Business income (Self Employment Income)
* If "yes" please fill out Schedule C Worksheet and provide financials
- 6 Stock Sales (Capital Gains)- **(MAKE SURE ALL BASIS INFO IS PROVIDED)**
Amount of any Capital Loss Carryforward \$ _____
- 7 Any other Assets Sold or any other Gains or Losses
- 8 Rental Real Estate Income
* If "yes" please fill out Schedule E Worksheet
Amount of any Passive Activity Loss Carryforward \$ _____
- 9 K-1's (1120S, 1065, 1041)
- 10 Unemployment
- 11 Social Security Income
- 12 Foreign Income
- 13 Alimony Received \$ _____ (If yes, rcvd from whom?)
Name/SS# _____
- 14 Other Income: Please list: _____

ADJUSTMENTS TO INCOME

Please check any of the following that apply to you and/or your spouse

- 1 Educator Expenses (Teaching Expenses)
- 2 Health Savings Account Deductions
- 3 Moving Expenses
- 4 Contributions to SEP, SIMPLE and other Qualified Plans
- 5 Self Employed Health Insurance
- 6 IRA Contributions
- 7 Student Loan Information
- 8 Tuition and Fees Deduction (you or your dependents)
- 9 Alimony Paid \$ _____ (If yes, paid to whom?)
Name/SS# _____

TAX DEDUCTIONS AND CREDITS

For the following, please check any of the following that apply

- 1 Itemized Deductions
* If "yes" please fill out Schedule A Worksheet
- 2 Energy Efficiency Related Upgrades/Repairs
- 3 Oil & Gas Investment credits
- 4 Other tax shelters or credits
- 5 Child Care Expenses Paid \$ _____
Provider Name: _____
Address: _____
Provider EIN: _____

ESTIMATED PAYMENTS (Please fill in if Estimates were made or refunds from a prior year were applied)

- 1 Estimated Payments made:

\$ _____	Federal	Date _____	Qtr 1
\$ _____	Federal	Date _____	Qtr 2
\$ _____	Federal	Date _____	Qtr 3
\$ _____	Federal	Date _____	Qtr 4
\$ _____	State	Date _____	Qtr 1
\$ _____	State	Date _____	Qtr 2
\$ _____	State	Date _____	Qtr 3
\$ _____	State	Date _____	Qtr 4

E-FILE / FILING INFO -- REFUND / PMT INFO

Now mandatory, return will be E-Filed!

- 1 How do you want any refund sent to you? Must check one
 - Direct Deposit (takes a few days)
 - Refund Advance Payment
 - Paper Check in the Mail (could take several weeks)
- 2 Any taxes due will be paid by check along with Voucher provided by tax preparer. It is the taxpayer's responsibility to mail payments before tax due dates.

Two Forms of ID Required For ALL Returns! At Least One MUST Be Photo!

Taxpayer Name _____

Social Security Number _____

Spouse Name _____

Social Security Number _____

Photo ID #1-Required

1 Other Form of ID-Required

Photo ID #1-Required

1 Other Form of ID-Required

Place Voided Check Here if Client Wants Direct Deposit

Tax Client Schedule A Info

Fill out COMPLETELY or mark "N/A". DO NOT leave blank. Include any back-up documents under Scan Coversheet.

Medical Expenses	Current Year	
Medical & Dental Expenses	\$	
Medical Insurance Premiums Paid	\$	(Other than Medicare Premiums)
Long Term Care Premiums	\$	
Prescription Drugs and Medications	\$	
Medical Miles Driven		

Tax Expenses	Current Year	
State and Local Income Taxes Paid (Other than those on W-2s, 1099s, etc...)	\$	
Prior Year Income Taxes Paid	\$	
Real Estate Taxes	\$	
Personal Property Taxes	\$	
Other Taxes:		
_____	\$	
Qualified New Vehicle Taxes	\$	
Additional State or Local/Taxes	\$	

Interest Expense	Current Year	
Home Mortgage Interest reported on Form 1098	\$	
Home Mortgage Interest paid to others	\$	
Refinancing Points Paid	\$	
Investment Interest (other than K-1)	\$	

Contributions	Current Year	
Cash Contributions	\$	
Please see page 10 for further guidance.		
Non Cash Contributions	\$	
Please see page 10 for further guidance.		
Volunteer Mileage Driven _____		

Miscellaneous	Current Year	
Unreimbursed Business Expenses	\$	
Union Dues	\$	
Tax Preparation Fees (paid for previous return)	\$	
Other Expenses:		
_____	\$	
_____	\$	
Safe Deposit Rental	\$	
Investment Expenses (other than K-1)	\$	
Gambling Losses (to the extent of winnings)	\$	

Casualty & Theft Losses
If you had any casualty or theft losses during the year, please provide detail below, including date, description, amount of casualty or loss, any insurance reimbursement & basis in the property.

Tax Client Schedule C Info-One Form Per Business

Fill out COMPLETELY or mark "N/A". DO NOT leave blank. Use a separate Worksheet for EACH Sch C

** Please Note: If possible, it is preferred a Trial Balance, P&L and Balance Sheet be provided by the client. If available, write "See next xx pages" below and stack under this page. If not available, please use the input sheet below.

Business Info: (Required for all)

Taxpayer <input type="checkbox"/>	or Spouse <input type="checkbox"/>	Address of Business _____
Name of Business _____		Business Code _____
EIN Number (If any) _____		Date Business Started _____
Accounting Method <input type="checkbox"/>	Cash	Do you do your own books/accounting? Y N Would you consider outsourcing to us? Y N
<input type="checkbox"/>	Accrual	
<input type="checkbox"/>	Other _____ (Specify)	

General Questions: (Required for all)

1.) Are you claiming use of a home office? *If yes...please include Home Office Deduction Worksheet*

2.) Do you have depreciable assets? *If yes...please provide a detailed depreciation schedule.*
The schedule should include: (Prior year detail is preferred)

- a. Asset Description
- b. Date Placed in Service
- c. Cost
- d. Accumulated Depreciation
- e. Method of Depreciation and Years

3.) Vehicle Information Year/Make/Model: _____ Date Placed in Service: _____

Total Miles Driven: _____ Business Miles: _____ Commuting Miles: _____

4.) Self Insured Health Insurance Deduction? *If yes...how much did you pay? \$ _____*

Income Questions: (Required if no P&L or Trial Balance Available)

Total Sales _____

Other Income _____

Cost of Goods Sold: (Required if no P&L or Trial Balance Available)

Beginning Inventory _____	Do you have employees other than yourself? _____
Purchases _____	Do you use subcontractors? _____
Cost of Labor _____	Do you do your own payroll? _____
Materials and Supplies _____	Would you consider outsourcing payroll to us? _____
Ending Inventory _____	

General Expenses: (Required if no P&L or Trial Balance Available)

Advertising \$ _____	Rent or Lease	
Auto Expenses \$ _____	a.) Vehicles, Machinery	\$ _____
(other than Mileage) \$ _____	b.) Other	\$ _____
Commissions \$ _____	Repairs & Maintenance	\$ _____
Contract Labor \$ _____	Supplies	\$ _____
Depletion \$ _____	Taxes & Licenses	\$ _____
Depreciation (Need Sched) \$ _____	Travel	\$ _____
Employee Benefit Programs \$ _____	Meals (Total)	\$ _____
Insurance (Other than Health) \$ _____	Utilities	\$ _____
Interest \$ _____	Wages	\$ _____
a.) Mortgage \$ _____	Other:	\$ _____
b.) Other \$ _____		\$ _____
Legal & Professional \$ _____		\$ _____
Office Expense \$ _____		\$ _____
Payroll to Self \$ _____		\$ _____
Payroll to Children \$ _____		\$ _____
		\$ _____
Pension & Profit Sharing Plans \$ _____		\$ _____

Tax Client Home Office Deduction Info

Fill out COMPLETELY or mark "N/A". DO NOT leave blank.

General

Date home was first used for Business? _____

Square Footage of Area Used for Home Business _____

Total Square Footage of the Home _____

Simplified Option

The IRS now allows an optional standard \$5 per square foot deduction (maximum 300 square ft)
 If you would like to choose this option rather than the Standard Option, enter the necessary info below
 Otherwise, skip this section and complete the Standard Option section below.

I would like to use the "Simplified Option" to claim my Home Office Deduction

("Simplified Option" cannot exceed 300 sq ft)

See: <https://www.irs.gov/businesses/small-businesses-self-employed/simplified-option-for-home-office-deduction>
 for further information regarding Home Office Deduction

Standard Option - Deduction Expenses:	Current Year
Casualty Losses	\$ _____
Deductible Mortgage Interest	\$ _____
Real Estate Taxes	\$ _____
Insurance	\$ _____
Rent	\$ _____
Repairs and Maintenance	\$ _____
Utilities	\$ _____
Other:	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

Depreciation:
 Do you have depreciable assets?
 If yes, describe:

Tax Client Schedule E Info (Rental Property)-One Page Per Property

Fill out COMPLETELY or mark "N/A". DO NOT leave blank. Use a separate Worksheet for EACH property

Taxpayer Name _____

Social Security Number _____

Spouse Name _____

Social Security Number _____

General: (Required for all)

Property Description _____

Address _____

City _____ State _____ Zip _____

Owner of Property Taxpayer

Spouse

Joint

General Questions:

1. Enter "X" for Active Participant.

2. Enter "X" if Property was used for personal use by you or your family for more than 14 days or 10% of the total rented days.

If Checked, enter the number of days for personal use _____

If Checked, enter the number of days rented _____

3. Do you have depreciable assets?

If yes...please provide a detailed depreciation schedule.

The schedule should include: (Prior year detail is preferred)

a. Asset Description

b. Date Placed in Service

c. Cost

d. Accumulated Depreciation

e. Method of Depreciation and Years

Income:

Current Year

Rents Received

\$ _____

Royalties

\$ _____

Property Expense:

Current Year

Advertising

\$ _____

Cleaning/Maintenance

\$ _____

Commissions

\$ _____

Insurance

\$ _____

Legal and Other Professional

\$ _____

Management Fees

\$ _____

Qualified Mortgage Interest

\$ _____

Other Interest

\$ _____

Repairs

\$ _____

Supplies

\$ _____

Real Estate Taxes

\$ _____

Other Taxes

\$ _____

Utilities

\$ _____

Other:

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

Note: If printed material is received from client which CLEARLY indicates all info needed, fill in address above, stack printed material below this page and write "See next xx pages" in large print below. No need to re-write here as long as info is easily readable by tax preparer

* Use a separate Worksheet for EACH property

Assets

Depreciation (Please provide detailed schedule - see above)

New Assets Placed in Service This Year:

	<u>Description</u>	<u>Date Placed in Service</u>	<u>Purchase Amount</u>
1	_____	_____	\$ _____
2	_____	_____	\$ _____
3	_____	_____	\$ _____
4	_____	_____	\$ _____
5	_____	_____	\$ _____

ACA Healthcare Details

If you didn't have coverage for part or all of the year, answer YES below for any household member

Was your previous insurance policy cancelled?

Do you have an exemption from the Marketplace/Exchange? **Must provide Certificate**

Was coverage offered by taxpayer's or spouse's employer?

Are you a member of a federally recognized Indian tribe?

Are you eligible for services through an Indian health care provider?

Are you a member of a health care sharing ministry?

Did you live outside the United States for any part of the year?

Are you enrolled in TRICARE, or did you apply for CHIP?

Do any of the following apply to you? Do **NOT** indicate which one: Became homeless; evicted in the past 6 months; facing eviction or foreclosure; received utility shutoff notice; recently experienced domestic violence; recently experienced death of close family member; filed for bankruptcy in last 6 months; unexpected increases in essential expenses due to caring for an ill, disabled or aging family member; incurred unreimbursed medical expenses in the last 24 months that resulted in substantial debt; recently experienced fire, flood or other natural or human caused disaster that resulted in substantial damage to your property (deep breath here :))

Charitable Contributions Policy

By law all charitable contributions claimed as a deduction on your tax return must be substantiated by keeping a written record of the contribution. Acceptable written records used to substantiate each contribution include a cancelled check or bank record that supports the donation, or a written receipt or similar statement that includes (1) the name of the donee organization and (2) the date and amount of the contribution and (3) if any goods or services were received in exchange for the contribution. Contributions of \$250 or more require a statement from the charitable organization. If the resulting returns are examined by the IRS, requests may be made for the written record of the contribution. It is recommended that for any charitable contributions claimed, you retain the written records for at least seven years.

The substantiation rules for non-cash contributions require the donated property's fair market value (FMV) to be determined. FMV is the depreciated, or used, value of the donated property. It is not the purchase price of a similar "new" item. The following methods can be used to determine FMV:

~ Valuation guides available from organizations such as the Salvation Army or Goodwill. Many guides include a value range that can be used to determine FMV based upon location and condition of property. Keep any guides used to determine FMV with your tax records.

~ Compare prices at area thrift stores for items in comparable condition. Visit a few stores to determine price and demand for property.

~ Search on line auctions or classified ads for comparable items. Keep printouts of such listings used to determine FMV of the donated property.

~ For donated items with a FMV of more than \$5,000, valuation by a qualified appraiser will be required in most cases. Keep the appraiser's report with your tax documents.

To further substantiate your non-cash contribution, keep any acknowledgment letters, receipts, or similar statements from the organization. Consider keeping a picture of the donated item(s) with your tax documents. See IRS Publication 561, Determining the Value of Donated Property for further information. (<https://www.irs.gov/pub/irs-pdf/p561.pdf>).

I have read and understand the Charitable Contributions Policy and have the supporting documentation necessary to substantiate my (our) charitable cash and non-cash contributions.

Taxpayer _____ Date _____

Spouse _____ Date _____

For assistance in pricing your Charitable Contribution:

You can go to:

<http://www.goodwillpeo.org/sites/default/files/documents/DonationValueGuide.pdf>

These are only guidelines and may vary by condition of the items being donated.

Decline Participation in Protection Plus Program

By signing below, you are declining participation in the Protection Plus Program available through Trustway.

The Protection Plus Program provides protection for you, the Taxpayer, against miscalculations, omissions and certain mistakes by covering all tax preparer labor and amended return preparation expenses in the event you are audited at any time in the future for the covered tax year. The cost of this program is \$54.95.

Protection Plus will help your audit by:

- Reviewing the notice or inquiry and explaining the meaning
- Researching the issues involved
- Assisting you in assembling the documents and records required for the audit
- Covers up to \$2,500 for legitimate errors
- Identity Theft Restoration
- Tax Debt Relief Assistance

By declining the protection under the Protection Plus Program, you are only entitled to Standard Limited Protection. Consequently, in the event of a federal tax audit or assessment, which results in additional taxes, penalties or interest due, you, the taxpayer accept responsibility for such amounts, but only to the extent that you are otherwise legally liable, and not for any other item or expense. Trustway assumes no liability whatsoever except to the extent that it is otherwise legally liable, and not for any other item or expense or your additional tax liabilities.

I/we accept the standard limited protection and decline the Protection Plus Program described above.

Return Year: _____

Taxpayer Name _____ SSN _____

Spouse Name _____ SSN _____

Taxpayer Signature(s)

_____ Date _____

_____ Date _____