

Tax Deduction Locator & IRS Trouble Minimizer

SAVE TIME – READ THIS FIRST

This organizer is designed to assist and remind you of information that is needed to prepare your tax return. The goal is not to overlook anything so you can maximize your legal deductions, comply with government reporting requirements, and avoid problems with the IRS after the return is filed.

Taxes are complicated and the rules change constantly. This organizer was designed specifically for the 2010 tax year and certain items may not apply to other years. Although care has been taken to accommodate most taxpayers' needs, please note questions that are related to issues not included here under "Questions You May Have" in Section D5.

Section Categories – To help you collect your information quickly, this organizer is organized into four general areas. Information required from:

- everyone – Sections A1 – A13 (Pages 2 & 3)
- those who have relocated, sold their home, made home energy improvements or educational expenses – Sections D1 – D4 (Page 4)

The instructions provided in the header of each section will help you determine if you are required to complete the information in that section. Before proceeding, please take a moment to review the purpose of the SPECIAL MARKERS used throughout this organizer.



Your tax information from the prior year is automatically transferred to this year's tax return. Therefore, not all taxpayer data and contact info needs to be recorded. The marker signifies that returning clients need only enter data in that section if it has changed since the prior year or if there is new information.



This marker notes areas where the IRS can match the entry on their computer and incomplete or incorrect information can trigger government correspondence or, worse yet, an office audit. Pay particular attention to sections or individual entries with this symbol.



This flag symbol denotes areas where a deduction or item of income is to be treated differently when computing the alternative minimum tax (AMT). The AMT is another way of computing your tax liability, which applies more restrictive limits on certain deductions and preference income. If higher than the regular tax, the AMT applies.



This marker indicates payments that may require the issuance of a 1099 if the annual amount paid to an individual is \$600 or more. Failure to issue 1099s could lead to the loss of the deduction for that expense.

If you are a new client, be sure to provide a copy of last year's tax return.

Referrals are Always Appreciated.

If you know someone who would like a tax appointment, please have them call this office. Do not be concerned that your business, personal or financial matters will be discussed with clients whom you refer. All client information is treated in the utmost confidence.

TAXPAYER INFORMATION

The information on this page is required for every taxpayer. Please review each section on this page and report items that are applicable to you, your spouse or dependents.

A1 - TAXPAYER INFORMATION

Returning clients can skip this section except for changes.



Filer Name (Must Match SS Admin)		Birth Date / /	
Social Security No.		Occupation <input type="radio"/> If Legally Blind	
Contact Phone <input type="radio"/> Day <input type="radio"/> Evening		E-Mail Address	
Spouse Name (Must Match SS Admin)			
Social Security No.		Birth Date / /	
Occupation <input type="radio"/> If Legally Blind		Contact Phone <input type="radio"/> Day <input type="radio"/> Evening	
E-Mail Address			

A2 - ADDRESS

Returning clients can skip this section except for changes.



Street		Apt/Unit No	
City	State	Zip	
Home Phone Number			

A3 - STATUS CHANGES FOR 2010

Check any that apply and enter the effective date.

<input type="radio"/> Married /	<input type="radio"/> Moved /
<input type="radio"/> Separated /	<input type="radio"/> Home Sold /
<input type="radio"/> Divorced /	<input type="radio"/> Spouse Deceased /
<input type="radio"/> Retired /	<input type="radio"/> Dependent Deceased /

A4 - ESTIMATED TAXES PAID

This office cannot assume that all estimated taxes were paid as originally scheduled or on time. Therefore, please enter the amounts and dates of payment or provide proof of payments. Incorrect amounts will result in IRS correspondence after the return is filed.



Payment & Due Date	Date Paid	Federal	State
Applied from Last Year's Refund			
First Quarter April 15, 2010			
Second Quarter June 15, 2010			
Third Quarter Sept. 15, 2010			
Fourth Quarter Jan. 18, 2011			

A5 - REFUND DIRECT DEPOSIT

Complete this section to have your refund automatically deposited into your bank account. Doing so will speed up the refund and eliminate the danger of a check being lost or stolen. Direct deposit can be allocated to up to 3 separate accounts. Entries for only one account are provided below. If you wish to make multiple deposits, please provide the additional account information and how you wish to allocate the refund.

Bank Routing Number (Exactly 9 Digits)	<input type="text"/>
Account Number (include hyphens - omit spaces & special characters - 17 digits max)	<input type="text"/>
Account Type: <input type="radio"/> Checking <input type="radio"/> Savings	Allocation: <input type="text"/>

A6 - INCOME & ADJUSTMENTS



	You	Spouse
W-2 Wages - Please provide W-2 forms (retain copy "C" for your records)		
Partnership, Trust or S-Corporation K-1s (provide complete K-1 copies)		
Were you the beneficiary of an inheritance? <i>If so, please verify with executor or trustee if you will be receiving a K-1.</i>	<input type="radio"/> Yes	<input type="radio"/> Yes
State Tax Refund (provide 1099-G)		
Social Security or RR (provide SSA-1099 or RRB-1099)		
Pension Income (provide all 1099-Rs)		
Alimony Received (IRS matches with alimony paid)		
Alimony Paid (provide name and SSN below)		SS#:
Tips (not included in W-2)		
Unemployment Compensation (provide 1099-G)		
Gambling Winnings (provide W-2Gs)		

A7 - IRA & SE PLANS



	You	Spouse
Retirement Plan with your Employer?	<input type="radio"/> Yes	<input type="radio"/> Yes
Did you or your spouse convert a traditional into a Roth IRA during 2010?	<input type="radio"/> Yes	<input type="radio"/> Yes
Traditional IRA, Keogh & SEP Plans		
Contributions		
Withdrawals (1099-R) ⁽¹⁾		
Rollovers ^{(2) (3)}		
Roth IRA		
Contributions		
Withdrawals (1099-R) ⁽¹⁾		
Rollovers ^{(2) (3)}		

(1) Show reason if under age 59½ (2) Must be reported even if not taxable unless "transferred"
(3) Rollovers from Traditional to a Roth IRA may be taxable.

A8 - SPECIAL QUESTIONS & INFORMATION

Coverdell Education Account Contribution	
Coverdell Education Account Distribution (provide 1099-Q)	
Qualified Tuition Plan (Sec. 529) Distribution (provide 1099-Q)	
Student Loan Interest paid (provide 1098-E)	
Adoption Expenses <input type="radio"/> If "special needs child"	
CAUTION - Review the following questions carefully. There are severe penalties associated with failing to report an interest or signature authority over a foreign bank account. Please call our attention to any dealings related to foreign accounts and inheritances.	
<input checked="" type="checkbox"/> If you or your spouse have signature authority or are named as a co-owner on a bank account in a foreign country even if the funds are not yours.	<input type="radio"/>
<input checked="" type="checkbox"/> If you received an inheritance from a foreign country.	<input type="radio"/>
<input checked="" type="checkbox"/> If you or spouse have a foreign bank account (over \$10,000)	<input type="radio"/>
<input checked="" type="checkbox"/> If you or your spouse received a distribution from, or were the grantor, or transferor to, a foreign trust	<input type="radio"/>
<input checked="" type="checkbox"/> If you have been denied Earned Income Credit by the IRS	<input type="radio"/>
<input checked="" type="checkbox"/> If you have been re-certified for the Earned Income Credit	<input type="radio"/>
<input checked="" type="checkbox"/> If you bought, sold, or gifted real estate in 2010. <i>If you have, please call in advance to discuss what documents are needed.</i>	<input type="radio"/>
<input checked="" type="checkbox"/> If you made a gift of money or property to any individual in excess of \$13,000 (\$26,000 for joint gifts by a married couple)	<input type="radio"/>
<input checked="" type="checkbox"/> If you employ household workers	<input type="radio"/>
<input checked="" type="checkbox"/> If you wish to contribute to the Presidential campaign fund:	<input type="radio"/> You <input type="radio"/> Spouse

ADDITIONAL INFORMATION

The information on this page is required for every taxpayer. Please review each section on this page and report items that are applicable to you, your spouse or dependents.



A9 - DEPENDENTS

Returning clients can skip this section except for changes.



First Name	Last Name (If Different)	Social Security # (Mandatory)	Enter C for Child, R for Relative, O for Other		Birth Date	If over the age of 18 Income	If over the age of 18 if Student
			Months in Home (Your Home)	✓ if you are NOT the child's custodial parent			
				<input type="radio"/>	/ /		<input type="radio"/>
				<input type="radio"/>	/ /		<input type="radio"/>
				<input type="radio"/>	/ /		<input type="radio"/>

A10 - INTEREST INCOME

IRS matches payer and amount. Always use the payer name listed on 1099 even if not the original source.



Caution: All interest must be reported even if tax-free!

Name of Payer (Please provide all forms 1099INT and 1099OID)	Banks, Credit Union, Corp Bonds, etc.	Seller Financed Mortgages	Direct U.S. Obligations Savings Bonds, T-Bills, etc. (State Tax-Free)	Home State Municipal Bonds (Generally Tax-Free)	Other State (Federal Tax-Free)
		Note: Seller financed mortgages require the name, SS# and address of the payer. See the special line below.			
Payer Name:	SS#:		Address:		
	Forfeited Interest			Federal Tax Withholding on Interest & Dividends	

A11 - DIVIDEND INCOME

IRS matches payer and amount. Always use payer name listed on 1099 even if not the original source. Some institutions use substitute 1099s and caution must be used in separating the various types of dividends. Please bring broker statements.



Name of Payer (Please provide all forms 1099DIV)	Foreign Taxes Paid	Ordinary	Qualified Dividends ⁽¹⁾	Capital Gains	Source U.S. Obligations ⁽²⁾	Taxable to State Only	Non-Taxable State & Federal

(1) Qualified dividends receive special tax treatment and are included in the "Ordinary Dividends" total. (2) Includes income from savings bonds, T-Bills, etc., which are state tax-free.

A12 - INVESTMENT SALES

IRS matches gross proceeds from sales using the 1099-B. All transactions must be reported even if there is no profit. If broker provides a summary of transactions, bring it and skip this section. For home sales, see Section D1.



Description (Please provide all forms 1099B)	✓ If Inherited	Date Acquired	Date Sold	Selling Price	Cost or Other Basis ⁽¹⁾	Profit (Memo Only)
	<input type="radio"/>	/ /	/ /			
	<input type="radio"/>	/ /	/ /			
	<input type="radio"/>	/ /	/ /			
	<input type="radio"/>	/ /	/ /			
	<input type="radio"/>	/ /	/ /			

(1) The basis from which gain is determined may not be the original cost and must account for stock splits, reverse splits, mergers, reinvested dividends, wash sales, etc.

A13 - CHILD OR DEPENDENT CARE EXPENSES

Care must enable you to work (or search for work) or attend school FULL-TIME. Care must be for a child under age 13 or an individual who is physically or mentally incapable of self care. If you are a student, also see section C4. IRS matches employer provided care benefits and income reporting of care provider.



<input type="radio"/> ✓ If you have employer provided dependent care benefits	Provider's SSN or Employer ID# MANDATORY unless it is an exempt organization. Check circle if exempt.	Payments MUST Be Allocated By Child/Dependent		
		Child/Depnd.'s Name	Child/Depnd.'s Name	Child/Depnd.'s Name
<input type="radio"/>				
<input type="radio"/>				
<input type="radio"/>				



BUSINESS EXPENSES

The expenses included in these sections are auto, travel, home office and education expenses incurred for business.

C1 - BUSINESS VEHICLE EXPENSES

DO NOT complete this section or the Business Vehicle Expense section if your vehicle is used only for commuting to work and for personal travel.

MILES DRIVEN

This section **MUST** be completed for every vehicle that is used for business whether or not you use the actual expense or "standard mileage rate." IF THIS IS THE FIRST YEAR OF BUSINESS USE FOR THE VEHICLE, PROVIDE A COPY OF THE PURCHASE OR LEASE CONTRACT.

Vehicle#1	Vehicle#2
<input type="radio"/> You	<input type="radio"/> You
<input type="radio"/> Spouse	<input type="radio"/> Spouse

<input checked="" type="checkbox"/> If the vehicle is provided (owned) by your employer	<input type="radio"/>	<input type="radio"/>
Amount of reimbursement provided by the employer		
<input checked="" type="checkbox"/> If reimbursement is included in W-2 (Box 1) wages	<input type="radio"/>	<input type="radio"/>
<input checked="" type="checkbox"/> If this vehicle is available for personal use	<input type="radio"/>	<input type="radio"/>
<input checked="" type="checkbox"/> If you had another vehicle for personal use	<input type="radio"/>	<input type="radio"/>
<input checked="" type="checkbox"/> If you have written evidence to support your deduction	<input type="radio"/>	<input type="radio"/>
Parking (do not include at place of employment) & Tolls		
TOTAL MILES DRIVEN THIS YEAR		
<small>Include all mileage – personal, commuting and business</small>		
Business Miles	For Employer	
	To Professional or Union Meetings	
	Between First & Second Job	
	From Job to School	
	Investment & Tax Preparation	
	Rental	
	Self-Employed Business	
	Temporary Job Sites	
	Other	
	Average Round-Trip Distance to Work – Required	
Total Commuting Miles for the Year – Required		

VEHICLE OPERATING EXPENSES – This information is only required if you are using the actual expense method, or if you used the actual method the first year the vehicle was placed in service.

Fuel		
Maintenance, Tires, Batteries and Repairs		
Insurance (Do Not Duplicate Elsewhere)		
Licenses (Do Not Duplicate Elsewhere)		
Lease Payments		
Loan Interest (Not Deductible if Employee)		
Taxes (Do Not Duplicate Elsewhere)		
Wash & Wax		

C2 - AWAY FROM HOME EXPENSES

You	Spouse
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Airfare		
Auto Rental, Bus, Shuttle, Taxi, Train, Etc.		
Meals (Including tips)		
Lodging (Meals must be separated and included in the line above)		
Laundry		
Bellman, Skycap, Etc.		
Other:		
Other:		
Other:		

Business Expense Documentation

Business expense deductions must be based on a log and/or other receipts and records. Actual receipts are required for expenditures of \$75 or more and for all lodging expenses. The combination of records should document: the business purpose, date and time, place and amount. For business meals and entertainment, you must also document that **(1)** you discussed business during the meal, or **(2)** you had a substantial bona fide business discussion or activity before or after the meal/entertainment, or **(3)** you ate alone while out-of-town. You must also record the name and business relationship of each person entertained. **You may not deduct these expenses unless documented.**

C3 - HOME OFFICE EXPENSES

To qualify, an "office in the home" must be used exclusively and on a regular basis (a) as your principal place of business, or (b) by patients, clients, or customers in meeting and dealing with you in a normal course of business. A home office will qualify as your principal place of business if: 1) You use it exclusively and regularly for the administrative or management activities of your trade or business, and 2) You have no other fixed location where you conduct substantial administrative or management activities of your trade or business. If you are an employee, the home office use must also be for the convenience of the employer.

AREA (Sq Feet) of:	Entire Home	Office Area	Business Storage
EXPENSES: (Entire Home)	Rent ⁽¹⁾	Utilities	Insurance
	Repairs ⁽²⁾	Maintenance	Management Condo Fees
	Mortgage Interest	Property Taxes	
EXPENSES: (Office Portion Only)	Repairs	Maintenance	Other

(1) If you own your home leave this entry blank. If this is the first time to claim this office, provide the home purchase settlement closing statement, property tax statement and list of improvements to the office.
 (2) Roof, outside painting included, not lawn care, pool maintenance.

C4 - EDUCATION EXPENSES

CAUTION: These expenses may qualify for tax credits and deductions and are used to justify certain exclusions and tax or penalty-free distributions. Expenses must be segregated by student. Use a different column for each student in the family. Please provide forms 1098-T and/or 1099-Q if applicable.

STUDENT #1 Name:	<input type="radio"/> Taxpayer <input type="radio"/> Spouse <input type="radio"/> Dependent
STUDENT #2 Name:	<input type="radio"/> Taxpayer <input type="radio"/> Spouse <input type="radio"/> Dependent
STUDENT #3 Name:	<input type="radio"/> Taxpayer <input type="radio"/> Spouse <input type="radio"/> Dependent

FOR TUITION CREDIT	STUDENT #1	STUDENT #2	STUDENT #3
<input checked="" type="checkbox"/> If a Full-Time Student	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Post-Secondary Tuition – First Four Years			
Post-Secondary Tuition – After Four Years			
Enrollment Fees & Course Materials			

FOR CONTINUING EDUCATION

Tuition & Fees			
Seminar Fees, Etc.			
Books & Supplies			
Travel Expenses	List in Sections C1 and/or C2		

FOR EDUCATION PLANS – Certain expenses, although not deductible, must be reported to justify tax-free distributions from Coverdell Accounts, Qualified Tuition (Sec. 529) Plans and Savings Bond Exclusions. If you did not have distributions from one of those, you can skip the entries below.

Tuition K – 12th Grade (Coverdell Only)			
Tuition – Post Secondary			
Books & Supplies			
Room & Board			

BUSINESS INCOME



This marker indicates payments that may require the issuance of a 1099 if the annual amount you paid to an individual is \$600 or more. Failure to issue 1099s could lead to the loss of the deduction for that expense and/or monetary penalties.

C5 – REAL ESTATE RENTAL INCOME & EXPENSES

For property purchased or converted to rental use this year, provide purchase documents and property tax statement. List business vehicle expenses and travel expenses under "Rental Mileage", Section C1. Enter equipment rental business activities in Section C7 below. Copy this page if you have more than two rental activities or purchased more than four business assets or property improvements.

Property Number	Enter R for Residential C for Commercial	Address or Description	Rental Income	Percent Ownership if not 100%	IF A VACATION HOME Days Used Personally	Number of Rental Days
#1						
#2						
Expenses	Property #1	Property #2	Expenses	Property #1	Property #2	
Advertising			Supplies, Hardware, Etc.			
Cleaning & Maintenance			Taxes – Property			
Commissions			Taxes – Payroll (Do not include amounts withheld from employees)			
Insurance			Utilities (electric, gas, water, garbage collection, etc.)			
Legal & Professional Fees			Wages (W-2) (Generally the amount from line 1 of the 2010 form W-3)			
Management Fees			Condo or Management Fees			
Mortgage Interest Paid to Banks			Telephone (toll calls only)			
Other Interest			Improvements & Replacements	These include cost of furnishings, appliances, drapes and major repairs. Enter these expenses in Section C6.		
Repairs			Other:			

C6 – BUSINESS ASSET PURCHASES & IMPROVEMENTS

Date Purchased	Description	Used for Rental#	Business#	Cost	Date Purchased	Description	Used for Rental#	Business#	Cost
/ /					/ /				
/ /					/ /				

C7 – SELF-EMPLOYED BUSINESS

List business vehicle expenses and travel expenses in Sections C1 and C2. Enter home office expenses in Section C3. Copy this page if you have more than two business activities.

Business Number	Enter F for Filer, S for Spouse Self-Employed Health Insurance Cost	Business Name	Employer ID Number (if applicable)	Gross Income	Returns & Allowances	Beginning Inventory	Ending Inventory
#1							
#2							
Expenses	Business #1	Business #2	Expenses	Business #1	Business #2		
Advertising			Licenses (list multi-year licenses & permits under "other")				
Commissions and Fees			Office Expense				
Contract Labor			Pension Plan Fees				
Dues & Publications			Rent – Equipment				
Entertainment & Business Meals (100%)			Rent – Other				
Employee Benefit Programs			Repairs				
Employee Health Benefit Plans			Supplies				
Equipment – less than \$100 per item			Taxes – Payroll (Do not include amounts withheld from employees)				
Equipment – \$100 or more per item	Enter these expenses in Section C6.		Taxes – Sales				
Freight			Taxes – Property				
Gifts (Limited to \$25 per person)			Telephone				
Insurance (Not Health)			Utilities				
Interest – Mortgage (other than home)			Wages (W-2) (Generally the amount from line 1 of the 2010 form W-3)				
Interest – Other			Other Expenses				
Internet Service			Other:				
Lease Improvements	Enter these expenses in Section C6.		Other:				
Legal & Professional			Other:				

RELOCATION, HOME SALE, DEBT RELIEF, ENERGY CREDITS

D1 – HOME SALE

If you sold your home, abandoned it, or lost it to foreclosure, the disposition may need to be reported. If you received a 1099-S, it is very important that you provide it. If you abandoned the home or lost it to foreclosure, see Section D4.

Address of Home Sold	
Date Purchased	/ /
Purchase Price (including purchase escrow costs)	
Gain Deferred from a Home Sale made prior to 5/7/1997 This generally does not apply to individuals who have previously sold a home after 5/6/1997. If it applies, bring the Form 2119 for the year of the last home sale prior to 5/7/97.	
Improvements to Home Sold (not maintenance)	
Date of Sale	/ /
(Please bring closing escrow statement. This document will have the information needed for these entries.)	
Sales Price	
Sales Expenses	
<input checked="" type="checkbox"/> If you owned and used the home as your primary residence for two of the prior five years (counting back from the sale date)	<input type="checkbox"/>
<input checked="" type="checkbox"/> If your spouse (if married) owned and used the home as his/her primary residence for two of the prior five years	<input type="checkbox"/>
If owned and used less than two years, give reason:	
<input checked="" type="checkbox"/> If the home was ever used for business (such as a rental, home office or day care center)	<input type="checkbox"/>
<input checked="" type="checkbox"/> If any of the business use in the prior question was before 5/7/97	<input type="checkbox"/>
<input checked="" type="checkbox"/> If the home was acquired by tax-deferred (Sec 1031) exchange after 10/22/04	<input type="checkbox"/>
<input checked="" type="checkbox"/> If you (and spouse if married) have excluded gain from the sale of a prior residence within two years of the date of sale of this residence	<input type="checkbox"/>
<input checked="" type="checkbox"/> If the home was inherited (including from a deceased spouse)	<input type="checkbox"/>
<input checked="" type="checkbox"/> If the home was not used as your primary residence for any period after 2008	<input type="checkbox"/>

D2 – HOME ENERGY CREDITS

Enter only items certified by the manufacturer to meet Government energy standards.

Energy-Efficient Improvements – QUALIFIED insulation, roofing, windows, skylights, exterior doors, heating and air conditioning systems for the PRIMARY RESIDENCE OF THE TAXPAYER LOCATED WITHIN THE U.S.	
Description of Improvement	Cost
Energy-Efficient Property – QUALIFIED solar electric generation, solar water heating systems, fuel cell property, wind energy property, and geothermal heat pumps for a RESIDENCE OF THE TAXPAYER LOCATED WITHIN THE U.S. <input type="checkbox"/> <input checked="" type="checkbox"/> If primary residence	
Description of Property	Cost

D3 – MOVING DEDUCTIONS

To qualify for a moving expenses deduction, the distance to the new job from the old home must be at least 50 miles farther than to the old job from the old home.

If employer reimbursed any amount of moving expense or home sale assistance and provide the reimbursement statement from the employer (Form 3903 or a substitute statement)

A - Miles from Old Residence to New Job	miles
B - Miles from Old Residence to Old Job	miles
A minus B – if less than 50 miles, stop: no deduction allowed	miles
Commercial Mover Costs	
Truck and/or Trailer Rental	
Highway Tolls	
Lodging (no meals) en route	
Auto Travel	miles
Other:	
Other:	

D4 – DEBT RELIEF & FORECLOSURE

If you had debt totally or partially forgiven, you may be required to report debt relief income. This includes real estate mortgages, credit card debt, vehicle loans, etc. Debts discharged in bankruptcy are not included. Please call the office in advance to discuss what additional documentation may be required.

If you had any amount of credit card debt forgiven and provide a copy of the 1099-C you received from the financial institution

If you abandoned your home and provide a copy of the 1099-A and/or the 1099-C you received from the financial institution (also complete Section D1 home sale information)

If your home was foreclosed upon or you sold it under a “short sale” agreement with the lender and provide a copy of the 1099-A and/or the 1099-C you received from the financial institution (also complete Section D1 home sale information)

D5 – QUESTIONS YOU MAY HAVE

D6 - SIGNATURE

To the best of my knowledge, all the information contained within this document is true, correct and complete.

_____ Filer's Signature	_____ Date	_____ Spouse's Signature	_____ Date
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