

Organizer for Fiduciary Estate and Trust Tax Returns

Estate/Trust: _____

EIN Name

Address: _____

Mailing Address Suite # City State Zip Code

Fiduciary contact name: _____ Email: _____

Contact Phones: _____

(Office) (Home) (Mobile)

Contact Mailing Address Suite # City State Zip Code

This Organizer is provided to help you gather and organize information relating to preparation of your fiduciary income tax return. Where indicated, we have provided additional worksheets and other specialized organizers where you can provide additional important information. Please complete this Organizer and bring the following information to your tax interview:

- A copy of your prior-year 1041 Fiduciary Tax Return if you are a first-time customer of Fisher Tax and Accounting.
- A copy of the Will or Trust document
- All 1099s, K1s and other income statements issued to the estate, trust or to the decedent in the year of death

| Filing Information. Please answer "Yes" or "No" to ALL of the following questions. | Yes | No |
|--|--------------------------|--------------------------|
| Is this tax return for an Estate ? If yes, please provide the following information: Decedent's date of death: _____ Decedent's SSN: _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| Is this tax return for a Trust ? If yes, please provide the following information: Trust type: <input type="checkbox"/> Simple <input type="checkbox"/> Complex <input type="checkbox"/> Grantor <input type="checkbox"/> Other (describe): _____ Date Trust was created: _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| Is this a qualified revocable trust filing an original return that wishes to make a \$645 Election to be taxed as an estate? <i>This election allows a qualified revocable trust to be treated and taxed (for income tax purposes) as part of its related estate during the election period. Once the election is made, it cannot be revoked.</i> | <input type="checkbox"/> | <input type="checkbox"/> |
| What is the Estate/Trust state of residence ? (Should be the same as executor /administrator) | | |
| Is there a change in address or fiduciary name ? If yes, describe: _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| Did the estate or trust receive tax-exempt income? If yes, \$ _____ | | |
| Did the estate or trust receive all or any part of the earnings of a person? If yes, describe: _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| Did the estate or trust receive or pay seller-financed mortgage? If yes, describe: _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| Did the estate or trust receive income from self-employed small business? If yes, complete the Self-Employed Organizer | <input type="checkbox"/> | <input type="checkbox"/> |
| Did the estate or trust receive income from rental real estate? If yes, complete Rental Organizer . | <input type="checkbox"/> | <input type="checkbox"/> |
| Did the estate or trust receive income from a partnership, S-corporation, trust or estate? If yes, Provide K-1 for each entity that issued income. | <input type="checkbox"/> | <input type="checkbox"/> |
| Did the estate or trust receive income from an installment sale? If yes, describe: _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| Did the estate or trust receive income from any state other than Oregon? If yes, name the state and describe the income _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| Did the estate or trust receive income from the sale of stocks or bonds? If yes, complete the Sale of Stock Organizer . | <input type="checkbox"/> | <input type="checkbox"/> |
| Did the estate or trust receive income from interest or dividends? If yes, complete the interest and dividends section on Page 4 . | <input type="checkbox"/> | <input type="checkbox"/> |
| Did the estate or trust sell property? If yes, complete the property sale section on Page 4 . | <input type="checkbox"/> | <input type="checkbox"/> |

Important Information that Applies to Estates

Information on this page is provided to assist you with gathering documents and other information we need when preparing the fiduciary tax return of an estate.

An estate comes into existence on the date of death of the decedent. The estate ends when all assets held by the estate have been distributed.

- All income earned by the decedent prior to death is reported on the final Individual 1040 return of the decedent. All income earned by the estate is reported on the estate Fiduciary 1041 return.
- For the year of death, it is therefore necessary to file two short-year tax returns:
 - One for the decedent, and
 - One for the estate.
- After the year of death, Fiduciary 1041 tax returns are filed for the estate until the estate is closed and all remaining assets of the estate are distributed to beneficiaries, heirs, or charity.

The executor or administrator of an estate is responsible for performing the following duties relating to tax matters of the estate:

1. Obtaining an employer identification number (EIN)
2. Filing necessary income and estate-tax returns including:
 - a. The estate's income tax return (both federal and state),
 - b. The federal estate-tax return (if required),
 - c. The state death tax return (if required)
 - d. The deceased's final income tax return (federal and state).
3. Payment of debts owed by the estate. Taxes usually must be paid before other debts.
4. Paying all death taxes (i.e., estate and inheritance). Often it is necessary to hire an appraiser to value certain assets of the estate, such as a business, pension, or real estate, since estate taxes are based on the "fair market" value of the assets. After the filing of the returns and payment of taxes, the Internal Revenue Service will generally send some type of estate closing letter accepting the return. Occasionally, the return will be audited.

The executor of an estate should keep meticulous bookkeeping records which detail all income and expenditures of the estate. Depending on circumstances and upon the stipulations set forth within the will, beneficiaries of the estate may receive partial distributions of their inheritance prior to the closing of the estate.

Tax laws and rulings governing administration of estates, particularly with respect to taxes, are complex. Therefore, an executor can be in charge for two or three years before the estate administration is completed. During the period of time the estate continues to exist, the executor is required to pay necessary expenses relating to administration of the estate from the estate's assets.

If the estate sold or disposed of assets during the year, the sale of these items must be reported on the tax return of the estate. The following information should be maintained by the estate:

- An inventory of the items sold,
- The fair market value of these items on the date of death,
- Costs related to maintaining, repairing, improving, holding and selling assets,
- The date of sale, and
- Sales price

Examples of the kinds of assets the estate or trust may have sold include:

- Home
- Rental property
- Stocks and bonds
- Personal property such as furniture, jewelry and vehicles.

| Beneficiary Information First Name–Last Name <i>(Enter information for all Partner/Members who owned shares at any time during the year)</i> | Social Security Number | Beneficiary Mailing Address Street Address City, State, Zip | Beneficiary's share of Income, Deductions etc. |
|--|-------------------------------|--|---|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

| Distributions of money or property to beneficiaries during the year | |
|---|----|
| Please describe the amount and type of distributions made to beneficiaries during the year. | |
| Income required to be distributed during the year | \$ |
| Other amounts paid, credited, or otherwise required to be distributed | \$ |
| Use this space to provide additional information about distributions made to beneficiaries. | |

Sale of stock, home, land, automobiles and other property belonging to the Estate or Trust

- Please attach copies of year-end brokerage statements relating to stock sales
- If real estate was sold during the year, provide copies of closing papers

| Description of property sold | Date purchased | Purchase Price | Date Sold | Sales Price |
|------------------------------|----------------|----------------|-----------|-------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Interest and Dividend Income Worksheet

- Please attach copies of all interest and dividend statements the Partnership/LLC received for the year.
- If you are receiving interest payments under a seller financed mortgage, we will need the name, address and SSN of the person making payments to you.
- For each payer of interest or dividends, enter the total payment received.

Did the trust/estate have ownership or control over a financial account in a foreign country? Yes No If yes, complete the **Foreign Income and Asset Holdings Organizer**.

If yes, what was the maximum value of the foreign financial accounts during the year?

Do you wish to nominee any interest to a secondary account holder? Yes No

| Name of bank or other payer | Interest Received | Name of Partnership/LLC or other payer | Dividends Received |
|-----------------------------|-------------------|--|--------------------|
| | \$ | | \$ |
| | \$ | | \$ |
| | \$ | | \$ |
| | | | |

| Expenses | | Expenses | |
|--|----|---|----|
| Fiduciary fees | \$ | Attorney fees | \$ |
| Accounting | \$ | Tax preparer | \$ |
| Expenses for maintaining property held by the estate | \$ | Qualified residence interest (interest paid by the estate on | \$ |
| Investment interest | \$ | Investment advisory fees | \$ |
| Subscriptions to investment advisory magazines | \$ | Safe deposit box | |
| Amounts permanently set aside for charitable purposes | \$ | Wages (W2s must be issued) | |
| Mortgage interest (paid to banks etc.) | \$ | Cell phone (100% of charges) | \$ |
| Other interest (do not include auto or home loan interest) | \$ | Business use % | % |
| Legal and professional services | \$ | Telephone expense (Do not include cost of main home phone line) | \$ |
| Office expense (Do not include equipment purchases – see Depreciation Worksheet below) | \$ | Professional continuing education | \$ |
| Pension and profit-sharing plans | \$ | Internet service | \$ |
| Rent or lease (vehicles, machinery, and equipment) | \$ | Parking & tolls | \$ |
| Rent (office, leasehold, storage) | \$ | Other expenses (List below): | \$ |
| Repairs and maintenance | \$ | | \$ |

TERMS OF ENGAGEMENT

Thank you for choosing Fisher Tax and Accounting, LLC to assist with preparation of tax year _____ returns for the Fiduciary. This letter confirms the terms of our engagement and outlines the nature and extent of the services we will provide.

We will prepare tax year _____ federal and state Fiduciary 1041 for the entity. We will depend on the Fiduciary or Executor, hereinafter described as the Representative to provide the information we need to prepare complete and accurate returns. We may ask Representative to clarify some items but will not audit or otherwise verify the data submitted.

If Representative is using QuickBooks (desktop or Online) or Excel to track income and expenses, please provide us with a backup copy of these records or access to QB online. If Representative is using another accounting program, please provide us with copies of company financials including P&L, and balance sheets for 2 prior years.

Tax Return Preparation Procedures

To help ensure we deliver you with the best possible service, it is important that you understand the procedures involved in the preparation of your return which are as follows:

Step 1. Information collection: We will collect required information from you telephone interview, email correspondence, and from documents you provide to us. You may deliver documents to us by dropping them off at our office, by uploading them to our ShareFile portal system or by mail/delivery service.

Step 2. Analysis and preparation: If you send us your information prior to your appointment, we will review and analyze the tax documents and other information you have provided to us. Our staff will contact you via email or phone to request additional information or documentation that we need, and to ask questions to clarify information we already have.

Step 3. Tax Return Appointment: Your tax return interview will provide you and your tax preparer the opportunity to:

- Ask and receive answers to any questions either of you might have.
- Review your return. Your preparer will upload a draft copy of your return to your secure portal for you to review. If you prefer to review a paper copy of your draft return, you can request one and then stop by our offices to pick it up at a later time.
- If your return is ready to finalize, your preparer may send you signature documents and invoice to you electronically.

Step 4. Signing Your Return: After your appointment, you should **carefully review your draft return** and notify your preparer of any required changes you believe should be made. It is especially important to advise your preparer of incorrect names, addresses

tax identification numbers, or bank routing and account numbers. You should also ensure that income and deduction amounts seem accurate.

Both you (and your spouse if filing jointly) must sign the following forms before we can electronically file your return:

1. Form **8879** (*E-File Authorization Form*).
2. Fisher Tax and Accounting, LLC **Engagement Letter**.
3. State other e-sign authorizations may also need to be signed for certain state returns.

Signing at our offices

You may sign paper forms at our offices if you prefer vs email signature request. Your tax preparer will print the required forms and have them made available to you.

Step 5. Payment of Tax Preparation Fee.

Your tax preparation bill must be paid before we finalize and electronically file your return. We currently only accept cash or check.

Paying by check

We do accept payments via check however we wait for your check to clear before we e-file your return.

Step 6. Tax Consultant Review and Error Check: Before you have sign Form 8879 and pay your tax preparation fees, your return will be reviewed by our CPAs for errors.

Step 7. E-filing and Finalization of Return: When review of your return is completed, your return will be electronically filed with the IRS and applicable state(s). After your return(s) are accepted by the IRS and applicable state(s), we will notify you if requested that it has been delivered and accepted by the taxing agencies

Step 8: Delivery of tax return & return of original documents: Unless you request otherwise, we will provide you with either an electronic and/or paper copy of your tax return. In addition, if you delivered paper tax documents to our offices, these will be returned to you when you pick up the paper copy of your tax return. You can stop by our offices during normal business hours to pick up your documents. Any documents not picked up within 4 years will be archived.

Accounting services

Fisher Tax and Accounting, LLC offers bookkeeping, accounting and payroll services for small business. These services are offered separately from our tax preparation services and are not included in the tax return preparation price. The hourly rate for bookkeeping and payroll is \$45/hour outside of tax season and \$50/hour during the tax season. Complex accounting services performed by our CPA are billed at a rate of \$150/hour. 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 Representative to clarify some of the information submitted. We will, of course, inform Representative of any material errors, fraud, or other illegal acts we discover

Unclear law

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 the reasonable alternative that Representative selects.

Filing deadline and extensions

The filing deadline for the Fiduciary's return(s) is April 15. Representative may apply for an extension of time to file by filing Form 7004 on or before April 15. IMPORTANT: An extension of time to file does not allow more time to pay tax. Representative is solely responsible for paying the S-Corporation tax on time. Representative should remit any amount owed by April 15.

Price Schedule

We generally charge a flat fee for each form and worksheet that is included with the preparation of a tax return. A time charge may apply for additional bookkeeping or consulting services

Return and retention of original documents

We will return original records to Representative at the end of this engagement. Representative should securely store these records along with all supporting documents, canceled checks, credit card statements, etc., as these items may later be needed to prove completeness or accuracy of the return(s). We will retain copies of returns, balance sheet and profit and loss for a minimum of 4 years, after which these documents will be destroyed.

Our engagement to prepare the Fiduciary's tax returns for tax year _____ will conclude with the delivery of the completed returns to Representative (if paper -filing), or Representative signature on Form 8879P and our subsequent submittal of tax return (if e-filing). If Representative chooses not to e-file returns or is not able to e-file returns with our office, Representative will be solely responsible to file the returns with the appropriate taxing authorities. We will not mail paper returns to the government. Review all tax-return documents carefully before signing them.

Identity theft alert and use of secure portal

The IRS strongly advises all taxpayers to avoid sending valuable personal information via email. Cyberthieves routinely target tax return preparers, banks, medical offices and other businesses that store confidential information that can be used to steal identity. We are committed to the protection of client information and therefore maintain the following policies for security reasons:

1. We will not email copies of tax returns and we strongly advise that Representative not to use email for sending valuable information to your tax preparer.
2. Instead, we request that Representative use our ShareFile cloud-based portal. The portal allows information to be sent and received in a secure environment. Your tax preparer will set up Portal access upon request.

We do not mail copies of returns however we will arrange for signature delivery via UPS or FedEx for an additional charge of \$50

Affirmation and acceptance of terms

To affirm that this letter correctly summarizes your understanding of the arrangements for this work, please sign this letter in the space indicated and return it to us.

Thank you for your confidence in Fisher Tax and Accounting, LLC.

Accepted By:

Executor/Administrator/Trustee of the Fiduciary

Date