

Tax Organizer

S-Corporations



I T ' S A N U M B E R S T H I N G !

**If you have any questions or concerns, you may reach
Tosha at (520) 200-8175 or (812) 287-4440.**

**900 Wabash Ave, Ste. 102, Box 7
Terre Haute, IN 47807**

Tax Preparation Engagement Letter

Name: _____

Name of Company: _____

Last 4 of EIN: _____

Thank you for choosing T. Rose Accounting, LLC 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.

Our engagement is limited to performing the following services:

Tax Year: _____

Type of Tax Return(Choose only 1) ☐ 1065 ☐ 1120-S

☐ 1041 ☐ 1120-C

This engagement pertains only to the year listed above, and our responsibilities do not include preparation of any other tax return years that may be due to any taxing authority. We are responsible for preparing only the returns referenced above. If you have taxable activity in a state or local municipality other than that referenced, you are responsible for providing our firm with all the information necessary to prepare any additional applicable state and local income tax returns as well as informing us of the applicable states and local municipalities. If you have income tax filing requirements in a given state or local municipality but do not file that return, there could be possible adverse ramifications such as an unlimited statute of limitations, penalties, etc. This engagement letter does not cover the preparation of any financial statements sales and use tax, or gift tax returns, which, if we are to provide, will be covered under a separate engagement letter.

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 otherwise verify the data you submit. We have a tax organizer available to help you collect the data required for your return. The Organizer will help you avoid overlooking vital information. By using it, you will contribute to efficient preparation of your returns and help minimize the cost of our 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.

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.

You have the final responsibility for the income tax returns and, therefore, you should review them carefully before you sign them. We are not responsible for the disallowance of doubtful deductions or inadequately supported documentation, nor for resulting taxes, penalties and interest.

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. In order to ensure an understanding of our mutual responsibilities, we ask all clients for whom we prepare tax returns to confirm the following arrangements.

Federal, state, and local taxing authorities impose various penalties and interest charges for non-compliance with tax law, including for example, failure to file or late filing of tax returns and underpayment of taxes. You as the taxpayer remain responsible for the payment of all taxes, penalties and interest charges imposed by taxing authorities. If we determine, at our sole discretion, that we may be subject to a preparer penalty due to a tax position on your return, you agree to either adequately disclose that position on your return or change the position to one that we confirm would not subject us to penalty. If you choose not to change your position or adequately disclose the tax position so as to eliminate, at our sole discretion, our exposure to the preparer penalty, we, at our sole discretion and at any time, may withdraw from the engagement without completing or delivering tax returns to you. Such withdrawal will complete our engagement and you will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenses incurred through the date of our withdrawal.

Federal, State, and local taxing authorities also impose various penalties and interest charges for noncompliance with tax law, including for example, failure to file or late filing of tax returns and underpayment of taxes. You as the taxpayer remain responsible for the payment of all taxes, penalties and interest charges imposed by taxing authorities.

The Affordable Care Act (ACA) has added various new health insurance mandates, penalties and credits. You acknowledge and T. Rose Accounting, LLC agrees, that we will rely solely on information provided by you for the purposes of preparing your tax returns listed above and have provided no advice regarding your eligibility for any credits, estimates of any payments or estimates of any penalties under the ACA.

Confidentiality. All information you provide to us in connection with this engagement will be maintained by us on a strictly confidential basis. In the event we receive a subpoena or summons requesting that we produce documents from this engagement or testify about the engagement we will notify you prior to responding to it if we are legally permitted to do so. You may, within the time permitted for our firm to respond to any request, initiate such legal action as you deem appropriate to protect information from discovery. If you take no action with the time permitted for us to respond or if your action does not result in a judicial order protecting us from supplying requested information, we may construe your inaction or failure as consent to comply with the request. Time incurred in connection with subpoenas, and/or other related legal matters involving you, and or your account(s), will be billed at our normal hourly billing rates.

Internet Communication. In the interest of facilitating our services to you, we may communicate by facsimile transmission or send electronic mail over the Internet. This often involves sending data, documents and other information, including sensitive tax and financial information. Such communications may include information that is confidential to you. Our firm employs measures in the use of facsimile machines and computer technology designed to maintain data security. While we will use reasonable efforts to keep such communications secure in accordance with our obligations under applicable laws and professional standards, you recognize and accept that we have no control over the unauthorized interception of these communications once they have been sent and consent to our use of these electronic devices during this engagement. You should ensure that your email server and the information stored on your system is secure. We are not responsible for any transmission problems or for the failure of you or any authorized recipient of the information to receive files. You are solely responsible for (i) notifying the firm of the failure to receive files containing your information so that we may provide a copy in an alternate form; (ii) securing your email server and restricting access to your email in order to maintain confidentiality of the information transmitted; (iii) storing the electronic files containing the information; and (iv) acquiring and maintaining the software needed to open and access the files containing the information.

Our fee for services will be based upon the complexity of the return(s) and the extent of the tax forms required for us to properly file your tax return(s). If a federal, state, or qualified dependent return is requested, but actual preparation determines that there is no filing requirement, we will waive our fee for the no filing determination. We do reserve the right to charge based on our standard charges if there is extensive research required to make the "no filing" determination. 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.

You agree that our firm's liability for any and all claims, damages, losses and costs of any nature arising from this engagement is limited to the total amount of fees paid by you to our firm for the services rendered under this agreement.

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 for your engagement for seven years, after which these documents will be destroyed.

Our engagement to prepare your tax returns will conclude with the delivery of the 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.

To affirm that this letter correctly summarizes your understanding of the arrangements for this work, please sign where indicated and submit to our office. Your tax return(s) cannot be prepared until this engagement letter is signed and we receive it in our office.

We appreciate your confidence in us. Please call Tosha at (520) 200-8175 or (812) 287-4440 if you have questions.

Sincerely,

Tosha Rose

Tosha Rose
T. Rose Accounting, LLC

Accepted By:

Signature

Title

Date

S-Corporation Tax Organizer

S-Corporation: _____

EIN	Name	Date Incorporated	Date of S-Election
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Address: _____

Mailing Address	Suite #	City	State	Zip Code
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Contact Name: _____ Email: _____

Contact Phones: _____ (Office) _____ (Home) _____ (Mobile)

Contact Mailing Address	Suite #	City	State	Zip Code
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This Organizer is provided to help you gather and organize information relating to preparation of your corporate income tax returns. Please provide us with a copy of the corporation's tax returns for the last year filed if you are a first-time client of T. Rose Accounting, LLC.

If you maintain your organization's books using a bookkeeping system such as QuickBooks, Quicken or Excel, you can provide us with a profit and loss statement and balance sheet rather than completing the income and expense and balance sheet sections of this organizer.

If you would like our accounting staff to prepare organizational income and expense reports for you, there will be an additional fee to do so. If you prefer this option, please provide us with the following documents:

- Business bank statements for all months of the year
- Credit card statements (for business-use credit cards)
- Receipts for cash purchases not shown on bank or credit card statements
- Checkbook register
 - Identify all checks by entering an expense category in the memo section
 - Identify a personal withdrawal of funds from your business account as “Shareholder Distribution
 - Identify a deposit of personal funds to your business account as “Shareholder Contribution.” If contributions and distributions were made for more than one shareholder during the year, provide separate information for each shareholder.

Filing Information. Please answer "Yes" or "No" to ALL of the following questions.		Y	No
Is this the Corporation's first year as an s corporation?		<input type="checkbox"/>	<input type="checkbox"/>
What is the state of incorporation? _____ What is the Corporation's state of residence? _____			
What date was the Corporation first authorized to do business in the resident state?			
Did the Corporation have a change of business name during the year?		<input type="checkbox"/>	<input type="checkbox"/>
Was the Corporation's s-election terminated or revoked during the year?		<input type="checkbox"/>	<input type="checkbox"/>
Is there a change of address for the year?		<input type="checkbox"/>	<input type="checkbox"/>
What is the principal business activity of the Corporation?			
What accounting method does the Corporation use? Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other <input type="checkbox"/> (describe) _____			
Does the Corporation file under a calendar year? (If not, what is the fiscal year?)		<input type="checkbox"/>	<input type="checkbox"/>

Shareholder Information

First Name—Last Name <i>(Enter information for all shareholders who owned shares at any time during the year)</i>	Social Security Number	Shareholder Mailing Address Street Address City, State, Zip	% of shares owned at start of year	% of shares owned at end of year	Dates of share ownership change (if any)

How many shareholders were there on the last day of the year? _____

Provide the following information for any shareholder who was an officer or 2% or more owner of the Corporation during the year.

Shareholder/officer name	Wages paid to the shareholder or officer	Health insurance premiums paid for shareholder during the year	Capital contributions made by the shareholder during the year	Distributions made to the shareholder during the year	Shareholder loans to the Corporation during the year	Loans repaid by the Corporation to the shareholder during the year

Business income from other statesDid the Corporation conduct business in more than one state? Yes ☐ No ☐

If yes, please apportion income by state.

State name _____ Income apportionment \$ _____ Payroll apportionment \$ _____

State name _____ Income apportionment \$ _____ Payroll apportionment \$ _____

State name _____ Income apportionment \$ _____ Payroll apportionment \$ _____

State name _____ Income apportionment \$ _____ Payroll apportionment \$ _____

Income

What were the business gross receipts or sales for the year? \$ _____

What portion of receipts were reported on Form 1099-K? \$ _____

What portion of gross sales listed above was refunded or returned? \$ _____

What were the gross receipts from rental property owned by the Corporation
(Do not include rental income in gross receipts for the business activity) \$ _____Did the Corporation have any other income from this business activity not included in gross receipts above?
(If the Corporation had investment or capital gain income for the year, complete the Interest/Dividend and/or Capital Gains Worksheets in this Organizer) Yes ☐ No ☐

Describe any other income of the Corporation not included elsewhere in this Organizer.

Cost of Goods Sold (COGS)

Businesses such as restaurants, retail sellers and manufacturers generally must account for COGS. COGS include all costs associated with manufacturing a product or purchasing a product for resale.

Do you manufacture or produce a product for sale to customers? Yes ☐ No ☐Do you operate a wholesale or retail business where you maintain an inventory of goods? Yes ☐ No ☐

What was the opening cost of inventory on the first day of the year? \$ _____

What was the cost of purchases of product (less cost of items withdrawn for personal use)? \$ _____

Cost of labor related to sale or production of goods held for sale \$ _____

Materials and supplies used in manufacture or sales production \$ _____

Other costs of goods not listed above (list these on separate detail worksheet) \$ _____

Closing inventory at end of year \$ _____

Business Expenses**Advertising** \$ _____**Auto** (Complete [auto worksheet](#)) \$ _____**Bank fees and charges** \$ _____**Cell phone** (100% of cost) \$ _____ (x
Business use _____%) = \$ _____**Commissions and fees** \$ _____**Computers, equipment, furniture**
(Complete the Asset Depreciation Worksheet) \$ _____**Contract labor**
(You must issue a 1099 Misc. to any unincorporated entity to whom you paid \$600 or more for the year) \$ _____**Business Expenses****Professional education & training** \$ _____**Rent** (office, leasehold, storage)
(1099-MISC to unincorporated payees required) \$ _____**Rent or lease**
(vehicles, machinery, and equipment) \$ _____**Repairs and maintenance** \$ _____**Software** (Enter on depreciation worksheet) \$ _____**Supplies and small tools**
(Do not include equipment purchases – use Asset Depreciation Worksheet below) \$ _____**Taxes - Local & business licenses** \$ _____**Taxes - Payroll** (941, 940 & State) \$ _____

Dues and Subscriptions	\$	Taxes - State	\$
Employee benefit programs	\$	Annual corporation fees	\$
Health Insurance (employee)	\$	Telephone expense <i>(Do not include cost of main home phone line)</i>	\$
Health Insurance (shareholder)	\$		
Insurance <i>(other than health)</i>	\$	Travel <i>(Complete Travel Expense Worksheet on Page 5 of this organizer)</i>	
Internet service	\$		
Interest – Mortgage (business)	\$	Utilities (Do not include home office)	\$
Interest – Business credit cards	\$	Wages <i>(W-2s issued to employees)</i>	\$
Interest – Business loans/credit line	\$		
Laundry/cleaning/janitorial	\$	Other Expenses	
Legal and professional services	\$		\$
Local (in-town) meals	\$		\$
Entertainment	\$		\$
Merchant credit card fees	\$		\$
Office expense <i>(Do not include equipment purchases – use Asset Depreciation Worksheet below)</i>	\$		\$
			\$
Parking & tolls	\$		\$
Postage & shipping	\$		\$

Asset Depreciation Worksheet

You must report the purchase and disposition of all assets you used in your business. For each asset bought or sold, provide the following information:

Assets purchased during the year			Assets sold or disposed of during the year		
Description	Date Bought	Cost	Description	Disposition date	Sales price

Travel Expense Worksheet

Meal Per Diem (Important facts)

- For each day a 2% shareholder of the company traveled away from home for business outside the metro area, the Corporation may claim the actual cost of shareholder lodging and meals. For meals only, the Corporation may reimburse the shareholder a daily per diem amount instead of actual costs.
- For each day a non-shareholder employee of the company traveled away from home for business outside the metro area, the Corporation may choose between claiming the actual cost of employee meals and lodging; or it can reimburse the employee a daily per diem amount for meals and lodging.
- The daily per diem amount varies depending on the city and country the employee traveled to. To calculate the per diem, amount the Corporation is entitled to reimburse, provide a detailing of each city the employee travelled to for business during the year and the number of days in each city.
- The Corporation can alternate between actual expenses and the per diem method for each business trip; however, it may not use both per diem and actual for the same business trip.
- The Corporation may reimburse a partial per diem if an employee or shareholder traveled outside metro area for less than a full day.

City visited (for per diem)	# of days in city	City visited (for per diem)	# of days in city

Travel Expenses		Travel Expenses	
Airfare	\$	Lodging	\$
Bus, train, taxi	\$	Parking & tolls	\$
Entertainment	\$	Other travel <i>(describe below)</i>	
Meals - actual receipts <i>(Do not include cost of meals where you are claiming the daily per diem rate)</i>	\$		\$
			\$
			\$

Information relating to deductions and credits the Corporation may qualify for. Answer "Yes" or "No" and provide information as applicable.

	Yes	No	Details
Did the Corporation purchase a plug-in electric vehicle this year?	<input type="checkbox"/>	<input type="checkbox"/>	
Did the Corporation pay wages to any employees who were members of a targeted group?	<input type="checkbox"/>	<input type="checkbox"/>	
Did the Corporation initiate a new 401K plan during the year?	<input type="checkbox"/>	<input type="checkbox"/>	
Did the Corporation pay for disabled access equipment or improvements during the year?	<input type="checkbox"/>	<input type="checkbox"/>	
Did the Corporation provide for or reimburse employees for childcare expenses during the year?	<input type="checkbox"/>	<input type="checkbox"/>	
Did the Corporation make energy-efficiency improvements?	<input type="checkbox"/>	<input type="checkbox"/>	
Did the Corporation manufacture or build a product inside the United States? If so, the following additional information will be needed to complete the Corporation's return: <ul style="list-style-type: none"> • Gross receipts from sales of domestically produced product • Cost of domestically produced goods • Expenses, deductions or losses directly allocable to the domestic product • Expenses, deductions or losses indirectly allocable to the domestic product. • Wages paid for the year. 	<input type="checkbox"/>	<input type="checkbox"/>	

Business Use of Automobile

Documentation must be kept proving business use of Corporation-owned or shareholder-owned vehicles.

- If a shareholder or an employee used his or her automobile for active conduct of Corporation business:
 - The Corporation can provide reimbursement for actual operational expenses of the vehicle or it can reimburse using an allowable standard mileage rate.
 - A written log or other record must be maintained and submitted to the Corporation.
 - For each shareholder or employee for whom the Corporation paid auto-expense reimbursements during the year, the Corporation should maintain a written record of the expenses incurred and the reimbursements paid.
- The Corporation may claim actual operational expenses incurred for vehicles that are owned by the Corporation.
 - Proof of business use in the form of a mileage log or a written calendar must be maintained unless it can be shown the vehicle was 100% business use.
 - If the business provided a vehicle for employee use, complete Section B below.

For any vehicle that was used by a 5% or more owner of the business, additional information must be reported to IRS.

Complete Section A shown below.

Section A

Provide the following information for each vehicle used by a 5% or more owner of the business

Purchase price of vehicle	\$
Description (<i>Model and year of vehicle</i>)	
Date vehicle was first used in your business	
For this tax year only, enter the number of miles your vehicle was used for:	
Business miles (<i>not including commute miles</i>)	
Commuting miles	
All other personal-use miles	
Interest paid on auto loan used to purchase this vehicle	\$
Was the vehicle available for personal use? Yes <input type="checkbox"/> No <input type="checkbox"/>	
Was the vehicle used primarily by a 5% or more owner of the Corporation? Yes <input type="checkbox"/> No <input type="checkbox"/>	
Is another personal-use auto available? Yes <input type="checkbox"/> No <input type="checkbox"/>	
Was the standard mileage rate used last year? Yes <input type="checkbox"/> No <input type="checkbox"/>	

Section B

Additional Questions for Corporations Providing Vehicles for Use by Employees

Does the Corporation maintain a written policy prohibiting all personal use of company vehicles?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Does the Corporation maintain a written policy prohibiting all use except commuting?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Does the Corporation treat all use of vehicles by employee as personal use?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Does the Corporation provide more than five vehicles to employees and keep records?	Yes <input type="checkbox"/> No <input type="checkbox"/>

Automobile Expenses

Mileage reimbursement amount paid to shareholders and employees for the year \$ _____			
Garage rent	\$	Repairs	\$
Gas	\$	Tires	\$
Insurance	\$	Tolls	\$
Licenses	\$	Registration fees	\$
Oil	\$	Other expenses (list):	\$
Parking fees	\$		\$
Lease payments	\$		\$

Interest and Dividend Income Worksheet

- Please attach copies of all interest and dividend statements the Corporation received for the year.
- If the Corporation received interest payments under a seller financed mortgage, we will need the name, address, and SSN or EIN of the party making payments.
- For each payer of interest or dividends, enter the total interest or dividend amount received.

Do you have money in or ownership over a bank account in a foreign country? Yes ☐ No ☐

Name of bank or other payer	Interest Received	Name of corporation or other payer	Dividends Received
	\$		\$
	\$		\$
	\$		\$
	\$		\$

Does the Corporation have ownership or control over a foreign financial account or trust? Yes ☐ No ☐

If yes, provide the name(s) of the foreign country and maximum account values for the year \$ _____

Sale of stock, real estate or other property

- 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

Corporation Balance Sheet

If the Corporation gross receipts and/or assets at the end of the year were greater than \$250,000 the following information must be provided to the IRS. Even if the Corporation is not required to provide this information, we request you provide it if possible.

Assets at year end		Debts and Equity at year-end	
Bank account end of year balance	\$	Accounts payable at year end	\$
Accounts receivable at end of year	\$	Payables less than 1 year	\$
Loans to Shareholders	\$	Payables more than 1 year	\$
Mortgages and loans held by Corp.	\$	Capital Stock	\$
Stocks, bonds and securities	\$	Loans from shareholders	\$
Other current assets (describe)	\$	Retained Earnings	\$

I affirm that the information contained in this tax organizer, submitted to Tax Pros LLC for preparing tax returns, is true, correct, and complete to the best of my knowledge. I further affirm that I have documentation/receipts to support this information.

Signature

Print Name

Title

Date