# Individual Taxpayer Organizer

729 Hambrick Ave
Lexington KY 40508

Phone 859-715-0911
Fax 888-771-9141
https://12baraccounting.com

☐ I would like a paper copy of my tax return, I understand I need to pick this up at the office when completed.

| | | | |
|---|---|---|---|
| **Taxpayer** | | SSN | |
| *First Name* *M.I.* *Last Name* | Email | | IP PIN |
| Occupation | Date of birth | Are you new to our firm? Yes No | |
| Address | City | State | Zip |
| County | Home phone | Work or cell | |
| Driver's License *No.* | *State* *Issue Date* | *Exp. Date* | |
| **Spouse** | | SSN | |
| *First Name* *M.I.* *Last Name* | Email | | IP PIN |
| Occupation | Date of birth | Are you new to our firm? Yes No | |
| Address (If different from Taxpayer) | City | State | Zip |
| County | Home phone | Work or cell | |
| Driver's License *No.* | *State* *Issue Date* | *Exp. Date* | |
| If you moved during the year, enter your previous address. | | Date of move | |

Marital status at end of year: Single Married Separated Widow(er) Registered Domestic Partnership (RDP) Unsure

Were you divorced or separated during the year? Yes No Were there any deaths in the family? Yes No

Individuals who are in registered domestic partnerships (RDPs) and civil unions are not considered married for federal tax purposes.

Have you received any notice from the IRS or state revenue department within the past year? Yes No

| **Names of dependent children** *Child's full name* * | *Social Security #* | *IP PIN* | *Date of birth* | *Months lived in home in 2021* | *Relationship to taxpayer* | *College student?* |
|---|---|---|---|---|---|---|
| | | | | | | |
| | | | | | | |
| | | | | | | |

Did any of the children have unearned income above $1,100 for the year? Yes No Do any of the children have a disability? Yes No

Is it anticipated that a different taxpayer will seek to claim a child listed above as their dependent for tax year 2021? Yes No

**Other dependents or people who lived with you**

| *Name* | *Social Security #* | *IP PIN* | *Date of birth* | *Months lived in home during YR* | *Relationship* | *Income* |
|---|---|---|---|---|---|---|
| | | | | | | |
| | | | | | | |

| | | |
|---|---|---|
| Bank information: Use for Direct deposit of refund Direct debit of balance due *Name of bank* | | |
| *Checking* *Savings* | *Routing transit number* | *Account number* |

Ask your tax preparer for information about depositing a refund into an IRA account or splitting the deposit into more than one account.

*all TaxPayers claiming a dependent on tax return must also complete page 4- 2021 Due Diligence checklist

# Questions — All Taxpayers

*(Provide related statements or other documentation.)*

"You" refers to both taxpayer and spouse — enter "?" if unsure about a question.

| | | | | | |
|---|---|---|---|---|---|
| LIFESTYLE & TAXES | Yes | No | Are either you or your spouse legally blind? | | |
| | Yes | No | Did you pay or receive alimony ? *Paid* *Received* $ | *Recipient's SSN* | *Date of divorce or separation* |
| | Yes | No | Did you purchase health insurance through a public exchange? | | |
| | Yes | No | Will there be any significant changes in income or deductions next year, such as retirement? | | |
| | Yes | No | Did you pay anyone for domestic services in your home? | | |
| | Yes | No | Did you purchase a new energy-efficient car, truck, or van? | | |
| | Yes | No | Are you involved in bankruptcy, foreclosure, repossession, or had any debt (including credit cards) cancelled? | | |
| | Yes | No | Are you a member of the military? | State of residency | |
| | Yes | No | Were you a citizen of or lived in a foreign country? | Foreign country | |
| | Yes | No | Do you own or have financial interest in a foreign bank or financial account? Balance exceeds $50,000 Yes No | | |
| | Yes | No | Did you receive any economic impact payments (stimulus payments)? If yes, provide the amount(s) and dates received. | | |
| | Yes | No | Would you like to allow your tax preparer or another person to discuss your return with the IRS? *Designee's name* *Phone number* *PIN (any five digits)* | | |
| CHILDREN & EDUCATION | Yes | No | Were any children born or adopted? *(Provide statement for other expenses.)* | | |
| | Yes | No | Did you receive any advance Child Tax Credit payment? If yes, enter the amounts on last page. (Attach Letter 6149.) | | |
| | Yes | No | Were any children attending college? *Year in college* Paid by you: *Tuition* $ | *Student loan interest* $ | *Books* $ |
| | | | Paid by student: *Tuition* $ | *Student loan interest* $ | *Books* $ |
| | Yes | No | Did you pay any tuition for a private school for a dependent or take classes yourself? | | |
| | | | *Student* | *Amount paid* $ | |
| | | | *Name and address of school* | | |
| | Yes | No | Did you pay for child or dependent care so you could work or go to school? *(add statement if needed)* | | |
| | | | *Name of provider* | *EIN or SSN* | |
| | | | *Address* | *Amount paid* $ | |
| | Yes | No | Do you have any children who have unearned income of $1,100 or more? | | |
| | Yes | No | Did you make any contributions to a 529 plan? | | |
| INVESTMENTS | Yes | No | Did you, or will you, contribute any money to an IRA? | Traditional IRA | Roth IRA |
| | Yes | No | Did you roll over any amounts from a retirement account in? | | |
| | Yes | No | Did you sell or transfer any stock or sell rental or investment property? | | |
| | Yes | No | Did you receive any income from an installment sale? | | |
| | Yes | No | Did you have any investments become worthless or were you a victim of investment theft? | | |
| | Yes | No | Were you granted, or did you exercise, any employee stock options? | | |
| | Yes | No | Did you receive, sell, send, exchange, or otherwise dispose of any financial interest in any virtual currency? | | |
| DEDUCTIONS | Yes | No | Did you, or do you plan to, contribute money before April 18,to an HSA for PY? If yes, provide details. | | |
| | Yes | No | Did you pay any interest on a loan for a boat or RV that has living quarters? If yes, provide details. | | |
| | Yes | No | Did you pay sales taxes on a major purchase such as a vehicle, boat, or home? | | |
| | Yes | No | Did you make any charitable contributions? If yes, provide details. | | |
| BUSINESS | Yes | No | Did you work from a home office or use your car for business? | | |
| | Yes | No | Did you receive income from a sharing/gig economy activity (e.g. Airbnb, Uber, etc.)? | | |
| | Yes | No | Do you own a business or an interest in a partnership, corporation, LLC, farming activities, or other venture? | | |
| HOME | Yes | No | Did you purchase or sell a main home during the year? If yes, provide closing statement. | | |
| | Yes | No | If you sold a home, did you claim the First-Time Homebuyer Credit when it was purchased? If yes, provide details. | | |
| | Yes | No | Did you refinance a mortgage or take a home equity loan? | | |
| | Yes | No | Did you use any mortgage loan proceeds for purposes other than to buy, build, or substantially improve your home? | | |
| | Yes | No | Did you make any new energy-efficient improvements to your home? If yes, provide details. | | |

**State information** Full-year resident Part-year resident Nonresident School district

States of residence during 2021 and dates Do you rent or own your home? Rent Own

## Estimated Tax Payments — Tax Year

| *Installment* | *Date paid* | *Federal* | *Date paid* | *State* |
|---|---|---|---|---|
| First | | $ | | $ |
| Second | | $ | | $ |
| Third | | $ | | $ |
| Fourth | | $ | | $ |
| Amount applied from PY overpayment? | | $ | | $ |
| Total | | $ | | $ |

## Advance Child Tax Credit Payments Received *must provide IRS letter 6419 for each taxpayer

| *Payment date* | *Amount received* | *Payment date* | *Amount received* | *Payment date* | *Amount received* |
|---|---|---|---|---|---|
| July 15 | $ | Septebmer 15 | $ | November 15 | $ |
| August 15 | $ | October 15 | $ | December 15 | $ |

## Tax Preparation Checklist

Please provide the following documentation:

- ☐ All Forms W-2 (wages), 1099-INT (interest), 1099-DIV (dividends), 1099-B (proceeds from broker or barter transactions), 1099-R (pensions and IRA distributions), Schedules K-1 from partnerships, S corporations, estates and trusts, and other income reporting statements, including all copies provided from the payer.
- ☐ Form 1095-A (for health insurance purchased through a public exchange), Form 1095-B (for health insurance purchased outside of a public exchange), or Form 1095-C (for employer-provided health insurance coverage).
- ☐ If you are a new client, provide copies of last year's tax returns.
- ☐ The completed Individual Income Tax Organizer. ***Note:*** If you choose not to fill out the organizer, you must at least answer the "Yes" or "No" questions under "Questions — All Taxpayers."
- ☐ Copy of the closing statement if you bought or sold real estate.
- ☐ Mileage figures for any automobile expenses claimed, including total mileage, commuting mileage, and business mileage.
- ☐ Detail of estimated tax payments made, if any.
- ☐ Income and deductions categorized on a separate sheet for business or rental activities. Completed Sch C or Sch E
- ☐ List of itemized deductions categorized on a separate sheet for medical, taxes, interest, charitable, and miscellaneous deductions.
- ☐ Copy of all acknowledgement letters received from charitable organizations for contributions made in 2021.

## Taxpayer Responsibilities

- You agree to provide us all income and deductible expense information. If you receive additional information after we begin working on your return, you will contact us immediately to ensure your completed tax returns contain all relevant information.
- You affirm that all expenses or other deduction amounts are accurate and that you have all required supporting written records. In some cases, we will ask to review your documentation.
- You must be able to provide written records of all items included on your return if audited by either the IRS or state tax authority. We can provide guidance concerning what evidence is acceptable.
- You must review the return carefully before signing to make sure the information is correct.
- Fees must be paid before your tax return is delivered to you or filed for you. If you terminate this engagement before completion, you agree to pay a fee for work completed. A retainer is required for preparation of late returns.
- You should keep a copy of your tax return and any related tax documents. You may be assessed a fee if you request a copy in the future.

**Signatures.** By signing below, you acknowledge that you have read, understand, and accept your obligations and responsibilities. For a joint return, both taxpayers must sign.

*Taxpayer* *Spouse* *Date*

## Privacy Policy

The nature of our work requires us to collect certain nonpublic information. We collect financial and personal information from applications, worksheets, reporting statements, and other forms, as well as interviews and conversations with our clients and affiliates. We may also review banking and credit card information about our clients in the performance of receipt of payment. Under our policy, all information we obtain about you will be provided by you or obtained with your permission.

Our firm has procedures and policies in place to protect your confidential information. We restrict access to your confidential information to those within our firm who need to know in order to provide you with services. We will not disclose your personal information to a third party without your permission, except where required by law. We maintain physical, electronic, and procedural safeguards in compliance with federal regulations that protect your personal information from unauthorized access.

# Due Diligence Checklist

*all taxpayer with dependents complete this page

- Earned Income Credit (EIC)
- American Opportunity Credit (AOC)-Education Credits
- Child Tax Credit (CTC)-Complete if you have a dependent on your return
- Additional Child Tax Credit (ACTC)
- Credit for Other Dependents (ODC)
- Head of Household (HOH)

| | EIC | AOC | CTC/ACTC/ODC | HOH |
|---|---|---|---|---|
| Can you provide documentation, if required, to substantiate your eligibility for each credit and/or HOH filing status and the amount of each credit being claimed? (See below for examples of documentation.) | Yes No n/a | Yes No n/a | Yes No n/a | Yes No n/a |
| | **EIC** | **AOC** | **CTC/ACTC/ODC** | **HOH** |
| Were any of these credits disallowed or reduced in a prior year? | Yes No n/a | Yes No n/a | Yes No n/a | n/a |
| | **EIC** | **AOC** | **CTC/ACTC/ODC** | **HOH** |
| Is each qualifying person for whom you are claiming the Child Tax Credit, Additional Child Tax Credit, and Credit for Other Dependents a citizen, national, or resident of the United States? | n/a | n/a | Yes No n/a | n/a |
| Did all children for whom you are claiming the Child Tax Credit and/or Additional Child Tax Credit reside with you for more than half the year? | n/a | n/a | Yes No n/a | n/a |
| Is there an active Form 8332, *Release/Revocation of Release of Claim to Exemption for Child by Custodial Parent*, or a similar statement in place? | n/a | n/a | Yes No n/a | n/a |
| Did you release the claim for exemption to another person? | n/a | n/a | Yes No n/a | n/a |
| | **EIC** | **AOC** | **CTC/ACTC/ODC** | **HOH** |
| Have you provided documentation for the American Opportunity Credit, including Form 1098-T and/or receipts for qualified tuition and related expenses? | n/a | Yes No n/a | n/a | n/a |
| | **EIC** | **AOC** | **CTC/ACTC/ODC** | **HOH** |
| Were you unmarried or considered unmarried on the last day of the tax year and provided more than half of the cost of keeping up a home for the year for a qualifying person? | n/a | n/a | n/a | Yes No n/a |

## Documentation Examples *(list not all-inclusive)*

**Residency of a Qualifying Child**
- School records or statement.
- Landlord or a property management statement.
- Health care provider statement.
- Medical records.
- Child care provider records.
- Placement agency statement.
- Social service records or statement.
- Place of worship statement.
- Indian tribal official statement.

**Disability of Qualifying Child**
- Medical doctor’s statement.
- Other health care provider’s statement.
- Social services agency or program statement.

**Schedule C**
- Business license.
- Forms 1099.
- Records of gross receipts.
- Summary of income.
- Records of expenses.
- Summary of expenses.
- Bank statements to show income and expenses.

## Due Diligence: Additional Questions and Information *(list not all-inclusive)*

- Ask questions, contemporaneously document questions and client responses
- Must not know of any reason that the client’s information is false.
- Do not ignore the implications of any information provided by the client and make additional inquiries if information appears incorrect.
- Complete and submit Form 8867 for each credit claimed.
- Compute the credits.

*Taxpayer* *Spouse (if filing jointly)* *Date*

# Individual Income Tax Return Annual Engagement Letter

CLIENT NAME(s):_______________________________________________

**Subject: Preparation of Your Individual Tax Returns**

Thank you for selecting 12 Bar Accounting Services to assist you with your tax affairs. This letter confirms the terms of our engagement with you and the nature and extent of services we will provide.

We will prepare your federal and all state income tax returns you request using information you provide to us. We may ask for clarification of some items, but we will not audit or otherwise verify the data you submit. We've enclosed an "Organizer" to help you gather the information required for a complete return. If you use the Organizer, it will help you avoid overlooking important information and contribute to efficient preparation of your returns. That helps keep the cost of our services as low as possible.

It is your responsibility to provide information required for preparation of complete and accurate returns. You should keep all documents, canceled checks and other data that support your reported income and deductions. They may be necessary to prove accuracy and completeness of the returns to a taxing authority. You are responsible for the returns, so you should review them carefully before you sign them.

Our work will not include any procedures to discover defalcations or other irregularities. The only accounting or analysis work we will do is that which is necessary for preparation of your income tax returns.

We will use our judgment in resolving questions where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions. Unless you instruct us otherwise, we will apply the "realistic possibility of success" standard to resolve such issues in your favor where possible.

The law imposes penalties when taxpayers understate their tax liability. If you have concerns about such penalties, please call us.

Your returns may be selected for audit by a taxing authority. Any proposed adjustments are subject to appeal. In the event of a tax examination, we can arrange to be available to represent you. Such representation will be a separate engagement for which an engagement letter will be provided to you. Fees and expenses for defending the returns will be invoiced in accordance with terms we agree on for that engagement.

Over →

**We must receive all information for your return by **April 1** to ensure that it will be completed by **April 15. If we receive your information after April 1, and you want to file your return by April 15 (ie. no extension), you will be subject to an expedited fee from our office.** *These dates are **October 1 and October 15** respectively for extension filers.* We do not file tax extensions for clients unless specifically requested to do so with an additional fee. Tax extensions are only for an extension of time to file the return; tax payments are still due by the due date. If taxes are owed, we will attempt to accurately estimate these at the time of filing the extension; however, penalties and interest can still be assessed.

Our fee for preparation of your tax returns will be based on the Federal Tax Filing Price List provided plus out-of-pocket expenses. **Our invoices are due and payable at the time of service/pick-up. Tax returns will not be filed until payment is received.** Our fee does not include responding to inquires or examination by taxing authorities or third parties. However, we are available to represent you and our fees for such services are at our standard rates and would be covered under a separate engagement letter.

We will retain copies of records you supplied to us along with our work papers for your engagement for a period of seven years. After seven years, our work papers and engagement files will be destroyed. All of your original records will be returned to you at the end of this engagement. You should keep the original records in secure storage for possible future use, including potential examination by any government or regulatory agencies. We are not custodians of your records, therefore, **a fee will be charged for copies of any records you request from this office.**

We appreciate the opportunity to serve you. Please date and sign this letter to acknowledge your agreement with, and acceptance of your responsibilities, and the terms of this engagement. It is our policy to initiate services **after** we receive the executed engagement letter

Sincerely,

Paula J Wilcox, MBA
12 Bar Accounting Services

(Both husband and wife must sign for preparation of joint returns)

Accepted By:

Tax Payer ______________________________________Date: ________________________

Spouse ________________________________________Date: ________________________

# Tax Notice Service Letter

Client Name ____________________________________

The last several years has seen an epidemic of individual tax notices and inquiries from the IRS and the state tax authorities. These notices usually result from a mistake by the tax agency, income reported to the tax agency for which the taxpayer didn't receive the appropriate information documents, or incorrect estimated tax payments.

Should you receive a tax notice, it makes sense for you to forward it to us to check it out. We normally charge extra for this service. As you may be aware, the fees for these services are becoming quite expensive, occasionally greater than the cost of the actual tax return. This is not through the fault of our clients or us but, rather, is the nature of dealing with the "new" IRS and the state tax authorities.

In order to institute a more equitable process and spread the costs, we have initiated a policy under which we will charge every individual tax client a $25 fee for each tax year, which will cover any notices or inquiries for tax returns we have prepared. In this manner, nobody will be charged extra if and when a tax notice occurs.

Please note that the tax notice service fee does not apply to tax examinations, meetings with tax agents or collections officers, extensive phone calls, and appeals (which would be billed at our standard hourly rates of $100 per hour). Generally, our contact with you under the tax notice service would not include any meetings but would involve telephone, fax, or e-mail.

If you have any questions about this new policy, please call us.

If you do not wish to participate in our tax notice service, please sign the following waiver and return it to our office within 10 days.

Sincerely,

Paula J Wilcox, MBA

**ACKNOWLEDGEMENT OF DECLINING SERVICE**

☐ By checking this box I hereby acknowledge that I am declining the tax notice service. I understand that I will not be billed the $25 fee for this service with my tax return, but if I ask you to respond to a tax notice, I will be charged at your standard hourly rates of $100 per hour.

Name (please print)______________________

Signature________________________________ Date___________

# Communication Release

12 Bar Accounting Services respects your privacy and we will not sell your e-mail address, physical address, phone number, or any other personal and financial information with any outside source. In connection with this engagement, we may communicate with you via text or email transmission. We may also share your contact information with a third-party company hired by Alliance Financial & Income Tax to communicate with you regarding appointment times, open files, etc. As these can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails and texts from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us. All email attachments will be encrypted as much as our software allows.

**The current administration and the IRS require us to provide you a copy of form 9325 acknowledging the IRS's receipt and acceptance of your electronically filed tax return. By** NOT **providing your email address, you are declaring that you do not wish to receive this or any other documents electronically. Under current tax law your email is not required to be part of your tax return. Unless otherwise directed we are not providing your email as part of your tax return.**

Your signature below approves the noted email and designates that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmission including any consequential, incidental, direct, indirect or special damages, such as loss of revenues or anticipated profits or disclosure or communication of confidential or proprietary information. This agreement expires one year from the signature date. We appreciate your confidence in us. Please call if you have questions.

**By signing below, I (we) verify that the information contained in the client intake forms to be complete and accurate. I (we) also understand and agree to the terms and working relationship as outlined in these forms.**

**Primary Taxpayer** **Date**

**Spouse** **Date**

# 12 Bar Accounting Services

**Federal Tax Price List**
***Includes KY filing***

**Form 1040 Individual**

| | |
|---|---|
| *Standard Deductions* | 200.00 |
| or | |
| *Itemized Deductions including Sch 1,2 & A* | 300.00 |

| | |
|---|---|
| Add ons | |
| Sch C | 175.00 |
| Sch D | 125.00 |
| Sch E | 135.00 |
| Sch F | 175.00 |
| Sch SE | 50.00 |

| | |
|---|---|
| Form 1065 | 650.00 |
| Form 1120 | 825.00 |
| Form 1120S & K1s | 825.00 |
| Form 1041 | 485.00 |
| Form 990 | 750.00 |
| Form 940 | 70.00 |
| Form 706 | 1,565.00 |
| Form 709 | 425.00 |
| Form 8824 | 450.00 |
| Form 5500 | 550.00 |
| Form 3115 | 300.00 |
| Form 8995 | 50.00 |
| Form 8962 | 65.00 |
| Form 8965 | 55.00 |
| Form 1095-A | 65.00 |

Tax Preparation Add-ons
*rates are after the fact discovery

| | |
|---|---|
| Unorganized data sort | $150/hr |
| Tax Schedule creation | $100/hr |
| Financials Creation | $200/hr |

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