Keystone Financial Solutions, Inc.
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(610) 594-2601
www.keysolutions.us; www.taxexpertblog.com; www.stopmytaxproblems.com

2019 Form 1040 Tax Organizer

We continue to revise our tax organizer in response to suggestions made by our clients and to address changes to the tax laws.

To prepare your tax returns, we request that you send us the following four items. The first 3 items can be found on our website (www.keysolutions.us) using the Forms menu option:

1. Completed Tax Organizer – send only the pages for which you have input
2. Signed and dated Letter of Understanding
3. Signed and dated Consent to Use Form
4. Your 2019 tax documents. Remember that we do NOT retain ANY tax documents that you send us. **ALL** your tax documents are returned to you.

We look forward to working with you again this year. Please call us if you have any questions.

Bryan & Frank Haarlander

THE PROCESS

When preparing your returns, our primary objectives are to make sure that you (1) pay the lowest income taxes allowed by law, (2) minimize the likelihood of the IRS selecting your return for audit, (3) identify tax savings opportunities or financial suggestions that increase your net worth, and (4) keep our fees to a minimum.

You can minimize our fees by carefully following our instructions. It is very important that you read the instructions included herein. When completing the tax organizer, please **READ THE NOTES** on the organizer pages and only send us the pages that you have completed. Do not send us blank organizer pages. Failure to read the notes and follow the instructions could result in you losing a valuable tax deduction or increasing your odds of being audited by the IRS . . . two very undesirable results.

Understanding the Tax Preparation Process: Here are some important dates and considerations for us to help manage your expectations:

WHEN to send us your tax information: The simple answer is ASAP!!! We request that you have all of your tax information to us **by March 14,** and all open items addressed by **March 31** for us to ***guarantee*** an on-time filing (we routinely receive documentation well into April and still complete the tax returns on time - we just can't promise it.)

Turn-around Time: We normally begin preparing your return within **4-9** days after receiving all of your tax documents. The later we receive your tax documents the longer the turn-around time. After reviewing your tax information, we will email you with any questions we have. It is your responsibility to respond to those questions ASAP.

Draft Returns: Immediately after your return is prepared, we will send you a draft of your return for you to review, along with an invoice for our services.

E-File authorization forms: Once you have reviewed your draft return and remitted payment, we will send you the e-file authorization forms for you to sign, date, and return to us.

HOW to send us your tax information: We prefer that you mail, hand deliver, or upload to us all your 2019 tax documents at one time. If you have all your tax information except for a single item or two, please send us the information you have and include a note or send us an email about the missing information. This allows us to immediately begin to prepare your return.

If you choose to use the **SEND FILES** 256-bit encrypted file transfer system found on our website to send us your tax documents, we request that you send these as **ONE SINGLE PDF FILE** or send all of your documents in a zipped file. **We do NOT accept jpg or other image software**.

Creating a PDF file – most operating systems have a PDF printer already installed. If not, search the Internet for "free PDF printers" (we use Cute PDF ourselves). There is also a site called www.pdfmerge.com which will merge most PDFs into one big PDF file – and it is free.

Due to the volume of tax returns we process during the tax filing season, it is not practical for us to send confirmations that we have received your tax documents. If you desire a confirmation that your tax information was received by us, we suggest that you send your information by U.S. Certified mail with a return receipt requested, U.S. Priority Mail with a tracking number that you can follow, or use a private carrier such as UPS or Fedex.

If you recently experienced significant changes in your life and/or have a financial situation or tax event that you feel warrants a personal meeting with us, please call us at (610) 594-2601 to schedule an appointment.

Housekeeping Items:

- **Print legibly & Use Whole Dollars Only**. It is important that you diligently complete this organizer. If you don't understand something, don't ignore it. Instead, call us for an explanation. Your diligence will assist us in preparing a complete and accurate return for you to minimize your tax liabilities.

- If we need additional information from you or clarification, we will contact you by email. Be sure to check your email daily after sending us your tax information. It would be appreciated, to keep our fees to a minimum, if you responded to our emails for additional information when you have **ALL** of the requested information rather than send separate responses for each question.

- If you received any **correspondence from a tax authority** during the past year, enclose a copy.

- Do **NOT** send us any voucher forms or estimated income tax voucher payments forms as we will generate these for you.

DATA INPUT PAGES
RETURN THESE PAGES TO KEYSTONE FINANCIAL SOLUTIONS

NEW Clients: Complete this page. RETURNING Clients: ONLY complete those items that have changed from last year.

Taxpayer Name: ______________________________ Occupation: ___________________
(As per Social Security Records)

Date of Birth: ________________________ Social Security # _____________________

Is Taxpayer Blind/Disabled? Circle Yes or No Day Time Phone: _____________________

Evening Phone: _____________________ Cell Phone: _____________________

Personal E-mail address (husband)*: ____
****

Spouse Name: _______________________________ Occupation: _______________________

(As per Social Security Records)

Date of Birth: ________________________ Social Security # _____________________

Is Spouse Blind/Disabled? Circle Yes or No Day Time Phone: _____________________

Evening Phone: _____________________ Cell Phone: _____________________

Personal E-mail address (spousal wife)*: ____

***Note**: We do not recommend using your business email address for privacy issues.

****

Mailing Address: ____

____

____

Please place a check mark **(√)** on the appropriate line below regarding your desired filing status. Your actual tax status will be determined according to the tax law.

_____ Single

_____ Married Joint

_____ Surviving Widow / Widower

_____ Head of Household (requires a dependent) – Complete HOH Checklist – New 2019 Requirement

_____ Married Filing Separately (enter spouse's full name & SS #) ___________________________________ .

____
(TAXPAYER NAME)

ALL CLIENTS MUST COMPLETE THIS FORM

Direct Deposit of Refunds or Direct Debit of Balance Due

	Yes	No
Do you want to have your tax payments due and/or your refunds directly debited or deposited into your checking account?		

This is a nice feature as you do not have to worry about sending a check to a tax authority if a balance is due and will accelerate your receipt of any refund check. This is a particularly nice feature for those who find themselves filing at the very last minute or will be away on vacation.

If you wish to use this feature, attach a voided check from your **checking** account. We will automatically direct the tax jurisdiction to withdraw any balance due from your checking account **on the statutory due date of the return**.

Local Return (Paper return that we prepare for you to mail to tax authority)

	Yes	No
Do you want KFS to prepare this return for you?		

If you answerered "yes", insert name of your county and school district
____.

NOTE: If you require more than one local return or a Philadelphia return, there will be an additional charge.

If you moved during the year, provide us with the dates (XX/XX/XXXX) that you resided at each residence. ___________________________________ and the address of your former residence
____

NOTE: If you do not have sufficient taxes withheld during the tax year, the local tax authorities likely require that you remit quarterly voucher payments. You need to check with your local tax collector.

Copies of your Tax Returns

Every client will be sent an electronic (pdf) copy of all tax returns prepared by us. These returns will be sent to you via our encrypted file transfer system. Remember that this system is **not** a storage system. Thus, it is your responsibility to download these returns from our website to your computer upon notification by the system that your returns have been uploaded. If you misplace your electronic copy and request that we make you another copy, there will be a $50.00 charge to do so.

	Yes	No
Do you want us to print out and and send you paper copies of your tax returns for your files? There will be a **$65** additional charge if you check the "Yes" box. Don’t forget that you can print your own paper return from the electronic copy you will be sent.		

Mailing/Pickup of Return(s) & Tax Docs

	Yes	No
I wish to pick up my tax documents at KFS's office when my returns are completed. Do not mail my tax documents to me.		

	Yes	No
I hereby authorize Keystone Financial Solutions to mail my tax documents and tax forms to me using the USPS postal system and hold KFS harmless for doing so.		

REPORTING SOURCES OF INCOME. Enter a "√" mark under the appropriate Yes or No column to indicate that you are including with the information you are sending us the indicated document.

	Yes	No	Comments
W-2 Wage Income from an employer?			Provide W-2 statements
Last pay stub received in December of 2019.			Requested, not required.
Interest income from bank or credit union (1099 INT)			Provide 1099-INT statements.
Did you receive any dividend income?			Provide 1099-DIV statements
Did you receive any alimony income? Enter amount received: $			If yes, provide copy of alimony agreement.
Did you have any self employment or 1099 misc. Income?			Complete Page 19
Did you sell any stocks or bonds?			Send us brokerage statements
Did you exercise any employer stock options?			**Provide employer stock option statement(s) & brokerage statements if stock was sold.**
Did you receive any Pension, Annuity, or IRA distributions?			Provide 1099-R statements
Did you receive a K-1 form from a Partnership, S-Corporation, Trust or Estate Income			Provide K-1s and **ALL literature received from partnerships**
Do you own a rental property?			Complete Page 17
Did you have cancelled debt?			Provide 1099 or other details.
Did you receive any Unemployment Income			Provide 1099-G
Did you receive any Social Security Retirement Income?			Provide SSA-1099s
Lotto or gambling winnings (W-2G)			Be sure to include proof of any gambling losses.
Did you purchase real estate?			Provide HUD settlement sheet.
Did you sell real estate?			Provide HUD settlement sheet for the sale AND the original purchase of the property.
Did you re-finance a home?			Provide HUD settlement sheet & **Enter # of months of RE-FI:**
Do you own or trade any crypto-currency, e.g., Bitcoin?			If yes, immediately contact us.
Did you have any other form of income not listed above (jury duty)?			If so, be sure to provide details on a separate schedule.

Provide KFS with the appropriate Health Insurance Statement(s) you received:

- **Form 1095-A Health Insurance Marketplace Statement**
- **Form 1095-B** (Provided by your Health Insurance Company)
- **Form 1095-C Employer-Provided Health Insurance Offer & Coverage**

TAX DEDUCTIONS & CREDITS you may be able to claim. Enter a "√" mark under the appropriate Yes or No column to indicate you have this type of expense. Where indicated, provide statements or receipts.

	Yes	No	Details & Amounts
Did you make any out-of-state or Internet purchases of property that would be subject to sales tax if purchased in your state of residence? **Note: if you fail to check the "No" box, you will be assessed your state's default amount.**			If Yes box is checked, you must enter the amount of purchases made here →
Did you make contributions to a Health Savings Account other than amounts shown on your W-2?			If yes, include copy of 2019 HSA statement
Did you make (or wish to make) an IRA or SEP contribution?			Complete Page 21
If you are self-employed, did you pay health or dental insurance premiums during the year? Provide $ amount paid for each.			Enter $$ amount
Did you pay alimony during the year? If so provide name of spouse, SSN of spouse, & amount paid.			If yes, provide copy of alimony agreement.
Did you pay interest on student loans?			Provide statements.
Did you make any contributions to a 529 plan?			Provide copy of statement & complete page 22
Did anyone in your house attend higher education programs and pay tuition? (**YOU MUST INCLUDE COPY OF BURSAR STATEMENT)**			If yes, provide 1098T for each student **& bursar statement** showing amounts paid.
Did you pay for unreimbursed medical expenses during the year?			Complete Page 15
Did you make estimated tax payments during the year?			If yes, complete Page 13
Did you pay any real estate taxes on your primary or secondary home?			If yes, provide 1098 statements or paid receipts.
Did you pay any day care?			Please complete Page 14
Did you adopt a child or incur adoption expenses during the year?			If yes, provide details.
Did you pay any household employee more than $2,000?			If yes, please contact us.
Did you move during the year? If "yes", provide date of move.			Month, day & year.
If you wish to designate $3.00 to the Presidential Campaign?	**H:** **W:**	**H:** **W:**	Check Yes or No column for each spouse.
Did you purchase a new car or other high cost item?			Enter sales tax paid: $
Did you pay mortgage interest?			If yes, provide 1098 statements
Did you make cash or check donations to charity? **If you do not have evidence of cash payments as shown on Ex. B, you will NOT receive a tax deduction.**			Complete Page 16
Did you make non-cash donations to charity? **You must complete EVERY section of Ex. C to claim a tax deduction.**			Complete Page 24

____

(Name of Taxpayer)

IDENTITY VERIFICATION TO THWART ID THEFT

Some states are requesting drivers license (or state IDs) numbers to combat stolen identity tax fraud. PA is one of those states. However, providing this information to PA is not mandatory. The states claim that by the taxpayer providing this information, it allows the states to process refund claims much faster.

If you wish for us to include your driver's license information, please complete the information requested below.

NOTE: IF YOU ARE REQUIRED TO FILE A NEW YORK TAX RETURN, NY REQUIRES THIS INFORMATON.

Insert name here: ⇨	____________________ (Taxpayer's First Name)	____________________ Spouse's First Name)
License/state ID number	____________________	____________________
Issuing Date of license/state ID	____________________	____________________
Expiration Date of license/state ID	____________________	____________________
State where ID was Issued	____________________	____________________

NOTE: BE SURE TO PRINT **VERY NEATLY AND CAREFULLY**. Failure to do so could result in your tax return and refund being unnecessarily delayed.

____

(Name of Taxpayer)

Foreign Account Tax Compliance Act (FATCA)

NOTE: ALL CLIENTS MUST COMPLETE AND RETURN THIS PAGE TO US

Be sure to respond to all three questions.

Read all of the information on this page carefully to avoid foreign account non-compliance and the imposition of IRS draconian penalties. With the globalization of the economy, more and more people in the U.S. have foreign financial accounts. While there are many legitimate reasons to own foreign financial accounts, there are also responsibilities that go along with owning such accounts. Foreign account owners must remember that they may have to report their accounts to the government, even if the accounts do not generate any taxable income. This reporting requirement may also include foreign retirement plans.

QUESTION #1:

Foreign Accounts: Did you, any entity that you have an ownership interest in, or any person in your household have a financial interest in, signature authority, or other authority over one or more foreign accounts (does not include U.S. mutual funds that have foreign investments) in a foreign country, **AND** did the aggregate value of all such foreign accounts exceed $10,000 US at any time during the 2019 calendar year?

Circle your response: **YES** **NO**

QUESTION #2: If you responded "yes" to Question #1, please check the appropriate box below. Taxpayers who responded "yes" to Question #1 are required to electronically file FinCEN form 114 on or before April 15, 2019 with the U.S. Department of Treasury.

________ Although I/we answered "yes" to Question #1, I/we will self-prepare the FinCEN 114 or have another person prepare this return on my/our behalf.

________ I/We answered "yes" to Question #1, and are requesting that Keystone Financial Solutions(KFS) prepare the FinCEN 114 form for us. We acknowledge that there will be a separate fee for preparing this form and that additional information will be needed from me/us to prepare this return and that such information must be received by KFS no later than March 31, 2019.

Foreign Account Tax Compliance Act (FATCA)

____

(Name of Taxpayer)

Foreign Account Tax Compliance Act (FATCA)

NOTE: ALL CLIENTS MUST COMPLETE AND RETURN THIS PAGE TO KFS

Foreign Entities

In addition to the U.S. Treasury reporting requirements, the IRS also requires information reporting and the respective IRS tax forms are due when your income tax return is due, including extensions. **The IRS reporting requirements are in addition to the U.S. Department of the Treasury reporting requirements stated above**. Therefore, if you fall into one of the categories below, or if you have any direct or indirect foreign interests, you may be required to file applicable IRS forms.

- You are an individual or entity with ownership of foreign financial assets and meet the specified criteria (Form 8938);
- You are an officer, director or shareholder with respect to certain foreign corporations (Form 5471);
- You are a foreign-owned U.S. corporation or foreign corporation engaged in a U.S. trade or business (Form 5472);
- You are a U.S. transferor of property to a foreign corporation (Form 926);
- You are a U.S. person with an interest in a foreign trust (Forms 3520 and 3520-A); or
- You are a U.S. person with interests in a foreign partnership (Form 8865).

QUESTION #3: Do you fall into one of the categories listed above?

Circle your response: **YES** **NO**

If you responded “yes” to Question #3, please contact our office immediately as the filing of your Form 1040 may be required to include IRS Form 8938 which is due April 15, 2019.

PLEASE NOTE: If you do not return this to us or notify us in writing via a separate email or letter that you have a foreign reporting requirement, **we will presume that you do not have any such reporting requirement**. If you are not sure if you have a foreign reporting requirement, you need to immediately contact us for guidance.

DEPENDENTS

NOTE: NEW CLIENTS MUST complete this page

NOTE: RETURNING CLIENTS - complete this page to show additions and/or deletions

(see NOTE at bottom of page).

NOTE: ALL NAMES MUST MATCH SOCIAL SECURITY CARDS to avoid IRS failing to accept tax return filing.

PRINT LEGIBLY: If we cannot read your inputted information, the IRS will reject your return & it will have to be resubmitted.

NOTE: DO NOT INCLUDE YOURSELF OR YOUR SPOUSE ON THIS PAGE.

First & Last Name	Date of Birth	Social Security Number	Relationship (Son, daughter, parent)

NOTE: IF YOU HAVE A DEPENDENT CHILD, YOU MUST ANSWER DUE DILIGENCE QUESTIONS ON THE NEXT PAGE.

DUE DILIGENCE QUESTIONS
COMPLETE THIS PAGE IF YOU ARE CLAIMING A CHILD AS A DEPENDENT

NOTE: Due to taxpayers fraudulently claiming dependents, the IRS requires paid tax preparers to request additional information from our clients to ensure that they qualify for the Child Tax Credit, Additional Child Tax Credit, and/or the American Opportunity Educational Tax Credit.

The following questions are intended to meet the requirements of the law, which essentially affirm that your child/children reside with you and that you can provide documentation that the child/children claimed by you as a dependent are actually your children.

1. Are the child/children you are claiming as dependents on this tax return actually your children? Circle YES or NO

2. Did all of your children reside with you for more than half of the calendar year (not counting temporary absences such as college, travel or other)? Circle YES or NO

3. If called upon to do so by the IRS, can you provide birth certificates for the children you are claiming as dependents? Circle YES or NO

4. If called upon to do so by the IRS, can you provide proof that your children resided with you by providing medical records or school records that show both the names of your children and your address on such records? Circle YES or NO

5. If you claimed a child as a dependent in a prior year, did the IRS deny the child as a dependent or limit the amount of the child tax credit you claimed? Circle YES or NO

6. Could another person qualify to claim your child/children as their dependent? Circle YES or NO

7. If the answer to question #6 is YES, please provide details.

8. Did you give another custodian parent the right to claim any of your children? Circle: N/A YES NO

9. If the answer to question #8 was YES, please provide IRS Form 8332.

Additional Notes: ____

____

____

____________________________________   ________________

Signature of Taxpayer   Date Signed

2019 Estimated Payments Made by You

NOTE: DO NOT RETURN THIS PAGE IF BLANK

NOTE: Only Include Federal, State & Local Estimated Payments You Made Relating to The 2019 Tax Year. Do Not Include Any Payments Relating to Assessments You Received For Pre-2019 Tax Years.

Insert Dollar Amounts Paid Under Appropriate Columns

Date of Payment Show Mth/Day/Year	Federal $	PA $	Local $ Husband	Local $ Wife

NOTE: If you did not document your **IRS estimated tax payments** or cannot find your support, the IRS offers online assistance where you can review your most recent 24 months of payments. Go to www.irs.gov, select View Your Account, then Select "Create or view your account"

NOTE: If you did not document your **PA estimated tax payments** or cannot find your support, the PA DOR offers telephone assistance. Dial 1-888-728-2937; Select MENU ITEM #1; Select MENU ITEM #2; Select MENU ITEM #2;
ENTER SSN FOLLOWED BY # sign; ENTER 2, 2019, #, 0 AND #

2020 Estimated Tax Payments

Do you want KFS to prepare your 2020 quarterly estimated taxes for you? Respond by circling YES or NO. If YES is not selected, the default is that KFS will NOT prepare your 2020 estimated taxes.

DAY CARE EXPENSES

NOTE: DO NOT RETURN THIS PAGE IF BLANK

Name of Child	Name of Day Care Provider	Street Address, City, Zip Code	Provider's SSN/EIN	$ Amount Paid

MEDICAL & DENTAL EXPENSES

List ONLY UNREIMBURSED medical expenses. EX: if the bill was for $500 and your insurance carrier paid $400, list only the $100 unreimbursed amount below.

Note: Do NOT include pre-tax contributions deducted from your paycheck

Note: Do NOT send us your medical bills & receipts

Note: Taxpayers are only allowed to claim medical expenses if the expenses exceed 10% of your income. To see if you may qualify, multiply line 37 of page 1 of your 2018 Form 1040 by 10%. If you believe that your 2019 income is comparable to your 2017 income, and you do not exceed the 10% threshold, you likely do not qualify.

	$ Amount
Health care insurance **(do NOT include Medicare or pre-tax amounts shown on W-2 Form). Self-employed persons: enter premiums on Page 19 and not here.**	
Dental care insurance	
Long-term care insurance - husband	
Long-term care insurance - wife	
Doctors	
Dentists	
Eyeglasses, contacts, etc.	
Prescriptions	
Other: List below	
Total Medical	
Medical Mileage	
Tolls & Parking paid for medical care	

CHARITABLE DONATIONS MADE BY CHECK OR CASH

NOTE: The IRS requires that ALL cash contributions <u>of less than $250</u> be evidenced by a check or written receipt from the charitable organization, or by a payroll deduction. Cash contributions without a written receipt from the charity are NOT allowed per the IRS. To confirm that you have such a written receipt, insert "Yes" in column C. Failure to inset a check mark in Column C will be considered by us that you lack the required documentation and cannot claim a tax deduction.

NOTE: For individual donations <u>OVER $249</u>, the IRS requires that you have a contemporaneous written acknowledgement from the charity stating that you did NOT receive any goods or services in return for your donation. If your receipt lacks this required IRS language, contact the donee organization and request that it send you a receipt with the IRS required language. Insert a "Yes" in <u>column E</u> if you have already received the required written statement from the charity. Failure to have this acknowledgement results in no tax deduction allowed.

NOTE: The IRS does NOT allow taxpayers to deduct cash contributions to a place of worship which are not substantiated by a written proof of the donation. Thus, rather than putting cash in a poor box or a basket being passed around the church, be sure to insert your check in the envelope provided by your place of worship so that you can claim a tax deduction.

NOTE: Do NOT send KFS your individual receipts!!!

A	B	C	D
		If $249 or less	**If more than $249**
	Cash or check	**Canceled Check**	**Written**
	Contribution	**Written Receipt**	**Acknowledgement**
List Name of Charitable Organization	**Amount**	**Available?**	**Obtained?**
in this column	**Insert $ Amount**	**Insert "Yes" to**	**Insert "Yes" to**
	in this column.	claim deduction.	claim deduction.
EX1: United Way	$50	Yes	
EX2: Church of Good Faith	$2500		Yes

____

(Be sure to insert your name here)

RENTAL INCOME PROPERTIES

DO NOT RETURN THIS PAGE TO US IF BLANK

List the **COMPLETE** address for each rental real estate property

A ____

B ____

C ____

	Properties		
Income	**A**	**B**	**C**
Rental Income Received			
Expenses			
Advertising			
Automobile – COMPLETE Page 18	XXXX	XXXX	XXXX
Cleaning & Maintenance			
Commissions			
Insurance			
Professional Fees			
Management Fees			
Mortgage Interest			
Repairs			
Supplies			
Taxes			
Utilities			
Total Expenses			
Net Income or (Loss)			
# Days property was rented			
# Days property used for personal use			
# Days property was vacant			
Total # days	365	365	365

If you purchased any assets or made improvements greater than $500, provide **copies** of invoices paid. Do **NOT** include these expenditures above.

Note: If you are claiming that you are a real estate professional or wish to claim the Qualified Business Income deduction, indicate below the number of hours you devoted to each of your rental properties. When indicating the hours devoted to each property, the IRS requires that the hours be substantiated by you.

Enter Number of hours devoted:			

VEHICLE WORKSHEET
DO NOT RETURN THIS PAGE TO US IF NOT USED

IF YOU INCURRED AUTO EXPENSES RELATED TO RENTAL PROPERTIES OR ARE SELF-EMPLOYED, COMPLETE THIS WORKSHEET

NOTE: The IRS REQUIRES that any taxpayer claiming vehicle expenses maintain a contemporaneous WRITTEN logbook. “Contemporaneous” means in “close” proximity to the date of activity. The logbook must show the odometer reading as of January 1 and December 31 of the tax year, date(s) of business travel, the trip mileage, the place(s) driven, and the business purpose of each trip. If a taxpayer fails to maintain this WRITTEN logbook, the IRS and the courts have ruled that the taxpayer is NOT allowed to claim a vehicle expense. If audited by the IRS, taxpayers will be required to provide a copy of the written mileage book, all vehicle maintenance and repair bills, and an appointment book or calendar showing business activities during the year.

Did you know that you may be able to get a history of your vehicle’s service records from CarFAX?

Did you maintain a written contemporaneous mileage logbook showing the required IRS substantiation? Circle YES or NO. [Note: some taxpayers satisfy this requirement using the MileIQ app]

If you circled NO, you are not entitled to a vehicle tax deduction and thus there is no need to complete the requested information below.

Note: the total mileage for the year is the difference between the mileage at the end of the year and the mileage at the beginning of the calendar year. The total business mileage is the sum of the business trip mileage recorded in your business mileage logbook.

Vehicle Year/Model/Make	Name of Spouse Using Car	Very 1st Month & Year Used for Business	Original Cost of Vehicle	Business Mileage This Year	Personal Mileage This Year	Total Mileage This Year	Parking & Tolls

You MUST answer the following questions to claim this tax deduction:

1. **Did you have another vehicle available for personal use? Circle YES or NO**
2. **Was the vehicle(s) listed above available for use during non-business hours? Circle YES or NO**

(Be sure to insert your name here)

SELF-EMPLOYMENT EARNINGS - FOR SOLE PROPRIETORSHIPS ONLY!!

***** NOTE: Do NOT complete this page if KFS maintains your accounting records * * ***

Category	Amount	Category	Amount
Gross Income		Entertainment	
Gross Income		Office Expenses	
Less Returns/Allowances		Postage & Shipping	
Total Net Revenues		Printing	
Cost of Sales		Accounting, Legal, & Payroll	
Beginning Inventory		Recruiting	
Purchases		Relocation	
Cost of Labor		Rent - Real Estate	
Materials and Supplies		Rent - Equipment	
Freight In		Repairs & Maintenance	
Other		Salaries & Wages	
Other		Security	
Ending Inventory		Supplies	
Total Cost of Sales		Taxes - Employer Payroll	
Gross Profit		Taxes - Real Estate	
Deductions		Taxes - Other	
Advertising		Telephone	
Automobile-Complete Page 18	xxxxxxxxxxxxxxx	Temporary Help	
Bank Service Fees		Training	
Charitable Contributions		Travel & Lodging	
Credit Card Fees		Uniforms	
Commissions		Utilities - Cable	
Computer		Electric & Gas	
Education		Heating Oil	
Contracted Services		Recycling & Trash	
Delivery & Freight		Water	
Dues & Subscriptions		Home Office – Complete Page 20	XXXX
Fines & Penalties		**Other Income**	
Gifts		Dividend & Interest – Provide 1099s	
Insurance			
General Liability		**Other Expenses**	
Workers Comp		Interest	
Auto Insurance		Mortgage	
Health Insurance		Loan	
Janitorial/Trash			
Licenses & Permits		Health & Dental Insurance Premiums	
Meals			

____

(Be sure to insert your name here)

HOME OFFICE DEDUCTION

DO NOT RETURN THIS PAGE TO US IF NOT USED

<u>FOR SOLE PROPRIETORS OR SINGLE MEMBER LLCS ONLY</u>

NOTE: To claim a claim a home office deduction, you must be self-employed and use a portion of your residence <u>EXCLUSIVELY & REGULARLY</u> for business purposes.

Do you wish to claim a home office on your federal Schedule C? Circle YES or NO. If you fail to answer the question, the default response is NO.

NOTE: PA requires that you pay use tax on gas & electric usage if you claim a home office deduction by remitting an online payment. Thus, on page 1 of 2, be sure to include the total gas & electric paid during the calendar year. If you have read our blog postings, you are aware that the PA Dept. of Revenue often targets taxpayers for an audit exam if they claim a home office. We suggest that you read these blogs to educate yourself.

Please circle YES or NO if you wish to claim a home office for PA. If you fail to answer this question, the default response is NO.

NOTE: If husband and wife each have a self-employed business and wish to claim the PA Home office, please complete a SEPARATE SCHEDULE for each spouse.

Total Square Footage of Home (to be completed by new clients or first use) ______________________

Square Footage of Business Use (to be completed by new clients only) ______________________

Homeowner's Insurance ______________________

Date Home First Used for Business (to be completed by new clients or first use) ______________________

Original Purchase Price of Home (to be completed by new clients or first use) ______________________

Value of Land When Home was Purchased or percentage of purchase price that applies to land (to be completed by new clients or first use) ______________________

Improvements Made to Home (show amounts, month & year when made & describe improvement below) ______________________

Provide a listing showing date of improvement, short description of improvement, and cost of improvement and send that listing to KFS.

Itemize below any other expenses spent on the home, include description of expense & dollar amount.

IRA & SEP RETIREMENT PLAN CONTRIBUTIONS

***** DO NOT RETURN THIS PAGE TO KFS IF NOT APPLICABLE *****

NOTE: DO <u>NOT</u> INCLUDE 401k OR OTHER W2 DEDUCTIONS on this page

Insert: Name of Person(s) making contribution in columns with boxes

Insert on this line the name of the person(s) who made the retirement contribution	____________	____________

<u>2019 Contributions ALREADY MADE:</u>

Traditional IRA contribution		
Roth IRA contribution		
2019 SEP Contribution (self-employed individual)		

NOTE: We recommend to our clients that they do not make an IRA or SEP contribution until their tax returns have been prepared to determine if they are eligible to make a retirement contribution and the eligible amount. If you have not yet made a 2019 retirement plan contribution and would like to do so, please complete the section below.

<u>2019 Contributions You're Interested in Making:</u>

(Be sure to enter $ amount you desire to make (or insert "Maximum")

Insert on this line the name of the person(s) who will make the retirement contribution	____________	____________
Traditional IRA contribution		
Roth IRA contribution		
2019 SEP Contribution (self-employed individual)		

(Be sure to insert your name here)

SEC 529 PLAN CONTRIBUTIONS

NOTE: DO NOT RETURN THIS PAGE TO US IF NOT APPLICABLE

NOTE: PLEASE SEND US COPIES OF THE STATEMENTS SHOWING THE 529 PLAN CONTRIBUTIONS, AND ALSO PLEASE PROVIDE THE INFO REQUESTED BELOW

Insert on this line the name of the parent who MADE the 529 contribution			

(Note: this is an annual limitation of $15,000 that a donor can make each year to any one individual without filing a gift tax return. A five-year contribution of up to $75,000 may be made in one calendar year. Before doing so, consult with your tax professional.

2019 contribution amount			
Name of 529 Plan Recipient			
SSN of Recipient			

2019 contribution amount			
Name of 529 Plan Recipient			
SSN of Recipient			

2019 contribution amount			
Name of 529 Plan Recipient			
SSN of Recipient			

NOTE: THERE IS NO FEDERAL TAX DEDUCTION FOR MAKING A 529 CONTRIBUTION. SOME STATES, LIKE PA, ALLOW A DEDUCTION. To maximize the PA tax savings, do NOT have one spouse make more than a $15,000 contribution PER CHILD.

UNREIMBURSED EMPLOYEE EXPENSES

NOTE: DO NOT RETURN THIS PAGE TO US IF NOT APPLICABLE

The IRS no longer allows taxpayers to claim unreimbursed employee expenses as a tax deduction.

PA does allow such deductions, but its rules are quite restrictive. If you wish to claim these expenses on your PA-40 Individual Income Tax Return, we recommend that you first read (1) the PA Dept. of Revenue guidance published on its website *https://www.revenue.pa.gov/.../**Unreimbursed**Expenses/.../default.aspx* *AND* our blog postings dated January 9, 2019 and March 1, 2016.

If you wish to deduct unreimbursed employee expenses, please complete the following:

Describe your occupation in which you incurred these expenses: _______________________________

Identify the name of the W-2 employer for which you incurred these expenses: _______________________

Do you have a letter from your employer stating that the expenditures being claimed by you were necessary and not reimbursed by the employer (See PA REV-757 Employer Letter Template found on PA DOR website)? Circle YES or NO. If NO, go to question below. If YES, retain this letter as the PA DOR will likely contact you and request a copy.

If you are unable to obtain a letter from your employer, do you have one or both of the following documents: A signed affidavit (PA REV-775 – Personal Income Tax Employee Business Expense Affidavit) and a copy of Employer's Expense Reimbursement Policy? Circle YES or NO. If YES, retain this letter as the PA DOR will likely contact you and request a copy.

LIST BELOW THE EXPENSES INCURRED BY YOU, REQUIRED BY YOUR EMPLOYER, AND NOT REIMBURSED BY YOUR EMPLOYER. List the type of expense and the dollar amount of each expense.

_____________________________	$_____________	_____________________________	$_____________
_____________________________	$_____________	_____________________________	$_____________
_____________________________	$_____________	_____________________________	$_____________
_____________________________	$_____________	_____________________________	$_____________
_____________________________	$_____________	_____________________________	$_____________
_____________________________	$_____________	_____________________________	$_____________

NOTE: When considering whether to claim this expense on your PA individual income tax return, keep in mind that your tax savings are limited to 3.07% for PA and 1% for most local tax jurisdictions. If you have less than $1,000 of these expenses,
your tax savings will approximate $40. We mention this because after tax preparation fees, is it worth your time and effort to complete this form and possible time and expenses related to the PA Dept. of Revenue sending you an audit inquiry?