



# Donovan CPAs

Dear Client:

We are pleased to confirm our understanding of the arrangements for your income tax return(s). Please read this letter carefully because it is important for you to understand and accept the terms under which we have agreed to perform our services, as well as your responsibilities under this agreement.

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.**

We will prepare your 2020 Federal and Resident State (if applicable) individual income tax forms from information you furnish us. We will not audit, review, compile or otherwise verify the data you submit, although we may ask you to clarify some of the information. We will provide you with a tax organizer and questionnaire to help you gather and organize the necessary information for us, in order to keep our fee to a minimum. ***If you have taxable activity in a state other than your resident state, you are responsible for providing our firm with all information necessary to prepare any additional applicable state(s) or local income tax returns.***

We are responsible for preparing the specific individual income tax forms for the specified reporting agencies listed in this letter. We are happy to provide additional services, but we will need to complete a separate engagement letter for those additional services.

**If you have derived income from or have assets in a foreign country**, we will use the foreign country income information which you provide to calculate any applicable federal or state foreign tax credit or other affected federal or state income tax items. However, you are responsible for meeting any foreign country income tax or other foreign country reporting requirements. The IRS and other government agencies require disclosure of non-US assets and impose steep penalties for failing to report. You must make us aware of all assets not owned within the United States. Without your notification of such foreign assets, we will assume that you do not have any.

Our fees are based on standard rates and the complexity of your tax return(s), and includes out-of-pocket costs, processing and technology fees. Unless previous billing arrangements have been agreed upon, we will electronically file your return once we receive your signed *e-file* Signature Authorization forms and payment for our services.

Invoices become delinquent if not paid within 30 days of the invoice date. Invoices that are over 30 days past due will be charged a service charge of 1.5% per month. If you have a delinquent balance, we may need to stop work at our discretion until your account is brought current, or we may withdraw from the engagement. You acknowledge and agree that we are not required to continue work in the event of your failure to pay on a timely basis for services rendered, as required by this engagement letter. You further acknowledge and agree that in the event we stop work or withdraw from this engagement as a result of your failure to pay on a timely basis for services rendered, as required by this engagement letter, we shall not be liable to you for any damages that occur as a result of our ceasing to render services. Our services will conclude upon delivery of the completed income tax returns discussed above, or upon our suspension of services, or resignation from the engagement.

In recognition of the relative risks and benefits to this agreement to both the client and the accounting firm, the client and the accounting firm have discussed and have agreed on the fair allocation of risk between them. As such, the client agrees, to the fullest extent possible, to limit the liability of our firm to the client for any and all claims, losses, costs, and damages of any nature whatsoever, so that the total aggregate liability of the accounting firm to the client shall not exceed the accounting firm's total fee for services rendered under this agreement. The client and the accounting firm intend and agree that this limitation apply to any and all liability or cause of action against the accounting firm, however alleged or

arising, unless otherwise prohibited by law. Both parties agree that there is a 1-year limitation period to bring a claim against us for errors and omissions. The 1-year period will begin upon the date of the tax returns covered by this engagement letter.

This engagement letter represents the entire agreement regarding the services described herein and supersedes all prior negotiations, proposals, representations or agreements, written or oral, regarding these services. It shall be binding on the heirs, successors and assigns of you and us.

It is your responsibility to maintain, in your records, the documentation necessary to support the data used in preparing your tax returns, including but not limited to auto, travel, entertainment, and related expenses, and the required documents to support charitable contributions. If you have questions about the type of records required, please ask us for advice. It is also your responsibility to carefully examine and approve your completed tax returns before signing the electronic filing form or mailing the returns. We are not responsible for the disallowance of doubtful deductions or inadequately supported documentation, nor for resulting taxes, penalties and interest. We will rely, without further verification, upon information you provide to us from third parties including, but not limited to, K1s, 1099s, 1098s, and receipts and similar items.

We do not automatically file tax extensions on your behalf. You must notify us if you would like us to file an extension. The notification should include your estimate of any balance due with the extension. Or, at your request and when all pertinent tax documents are provided, we will assist with the calculation. Failure to file an extension may cause you to be subject to various penalties and interest if your return is not filed by the tax return due date. Additionally, an extension does not relieve you from paying the tax due on the due date or making quarterly estimated tax payments for the current year. Failure to pay any tax due with the extension or failure to pay quarterly estimated tax payments may make you subject to various penalties and interest.

We will use our professional judgment in preparing your returns. Whenever we are aware that a tax law is unclear or that there are conflicting interpretations of the law by authorities (e.g., tax agencies and courts), we will explain the possible positions that may be taken on your return. We will adopt whatever position you request on your return, so long as it is consistent with the codes, regulations, and interpretations that have been promulgated. If the Internal Revenue Service should later contest the position taken, there may be an assessment of additional tax plus interest and penalties. We assume no liability for any such additional penalties or assessments. When a self-employed taxpayer reduces taxable income there is also a reduction in earned income reported to the Social Security Administration, which could reduce current and future benefits for the taxpayer or his or her dependents. You acknowledge and agree to the current tax reduction and the potential negative effects on future social security benefits for you, your spouse and any dependents.

Privacy laws established by the IRS effective January 1, 2009 prohibit us from providing confidential information or copies to anyone other than you without your specific, written authorization. We maintain very high standards to keep your information confidential and use our best efforts to keep all confidential information secure. While our policies many times exceed the minimum confidentiality standards 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 information once it has been sent to you or third parties at your direction.

If we are asked to disclose any privileged communication, unless we are required to disclose the communication by law, we will not provide such disclosure until you have had an opportunity to argue that the communication is privileged. You agree to pay any and all reasonable expenses that we incur, including legal fees, that are a result of attempts to protect any communication as privileged. In addition, your confidentiality privilege can be inadvertently waived if you discuss the contents of any privileged communication with a third party, such as a lending institution, a friend, or a business associate. We recommend that you contact us before releasing information to a third party.

It is our policy to keep records related to this engagement for seven years, after which they are destroyed. However, we do not keep any original client records; we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to

retain and protect your records for possible future use, including potential examination by any government or regulatory agencies.

From time to time during our relationship, you may seek our advice with regard to potential investments. We are not licensed investment advisors. While we are happy to provide advice on investments, we also suggest that you seek the advice of qualified investment advisors appropriate to each investment being considered.

We sincerely appreciate the opportunity to serve you and appreciate your confidence in our firm; we will work hard for you. Please sign and date 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. If any provision of this agreement is declared invalid or unenforceable, no other provision of this agreement is affected, and all other provisions remain in full force and effect.

Sincerely,

DONOVAN

I have read the above terms of the engagement letter and agree with the terms of this engagement.

(Client's Signature) \_\_\_\_\_

(Date) \_\_\_\_\_

Print Client's Name \_\_\_\_\_

## PRIVACY POLICY

CPAs, like all providers of personal financial services, are now required by law to inform their clients of their policies regarding privacy of client information. CPAs have been and continue to be bound by professional standards of confidentiality that are even more stringent than those required by law. Therefore, we have always protected your right to privacy.

### TYPES OF NONPUBLIC PERSONAL INFORMATION WE COLLECT

We collect nonpublic personal information about you that is either provided to us by you or obtained by us with your authorization.

### PARTIES TO WHOM WE DISCLOSE INFORMATION

For current and former clients, we do not disclose any nonpublic personal information obtained in the course of our practice except as required or permitted by law. Permitted disclosures include, for instance, providing information to our employees and, in limited situations, to unrelated third parties who need to know that information to assist us in providing services to you. In all such situations, we stress the confidential nature of information being shared.

### PROTECTING THE CONFIDENTIALITY AND SECURITY OF CURRENT AND FORMER CLIENTS' INFORMATION

We retain records relating to professional services that we provide so that we are better able to assist you with your professional needs and, in some cases, to comply with professional guidelines. In order to guard your nonpublic personal information, we maintain physical, electronic, and procedural safeguards that comply with our professional standards.

2020

# Personal Information

**Taxpayer:**

First Name and Initial \_\_\_\_\_ Last Name \_\_\_\_\_

Date of Birth (MM/DD/YYYY) \_\_\_\_\_ Date of Death (MM/DD/YYYY) \_\_\_\_\_

Taxpayer Cell Phone \_\_\_\_\_ Taxpayer Evening/Home Phone \_\_\_\_\_

Taxpayer Email Address \_\_\_\_\_

**Spouse:**

First Name and Initial \_\_\_\_\_ Last Name \_\_\_\_\_

Date of Birth (MM/DD/YYYY) \_\_\_\_\_ Date of Death (MM/DD/YYYY) \_\_\_\_\_

Spouse Cell Phone \_\_\_\_\_ Spouse Evening/Home Phone \_\_\_\_\_

Spouse Email Address \_\_\_\_\_

**Address:**

Street Address \_\_\_\_\_ Apartment Number \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP or Postal Code \_\_\_\_\_

**Federal & State Estimated Payments Made in 2020:**

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Federal	\$ _____	\$ _____	\$ _____	\$ _____
Indiana	\$ _____	\$ _____	\$ _____	\$ _____
Other _____ State	\$ _____	\$ _____	\$ _____	\$ _____

2019 overpayment applied to 2020 estimate: Federal \$ \_\_\_\_\_ State \$ \_\_\_\_\_

**If you have an overpayment of 2020 taxes, do you want the excess refunded or applied to your 2021 taxes?**

Federal: \_\_\_\_\_ Refunded \_\_\_\_\_ Apply to 2021 taxes

Indiana: \_\_\_\_\_ Refunded \_\_\_\_\_ Apply to 2021 taxes

Other: \_\_\_\_\_ Refunded \_\_\_\_\_ Apply to 2021 taxes

**Would you like to have the due date of your tax return extended from April 15 to October 15?** YES \_\_\_\_\_ NO \_\_\_\_\_

If yes, would you like to:

\_\_\_\_\_ Extend without extension payment

\_\_\_\_\_ Extend with extension payment of \$ \_\_\_\_\_

\_\_\_\_\_ Have Donovan compute extension payment for you

**\*\*Please note that extending the due date to file your tax return does not extend the due date of any payment due for your 2020 tax return**

## Questions (Page 1 of 4)

The following questions pertain to the 2020 tax year. For any question answered "Yes", include supporting detail or documents.

### Personal Information:

**Yes    No**

- Did your marital status change? \_\_\_\_\_ \_\_\_\_\_
- Are you married? \_\_\_\_\_ \_\_\_\_\_
- If Yes, do you and your spouse want to file separate returns? \_\_\_\_\_ \_\_\_\_\_
- If No, are you in a domestic partnership, civil union, or other state-defined relationship? \_\_\_\_\_ \_\_\_\_\_
- Can you or your spouse be claimed as a dependent by another taxpayer? \_\_\_\_\_ \_\_\_\_\_
- Did you or your spouse serve in the military or were you or your spouse on active duty? \_\_\_\_\_ \_\_\_\_\_

### Dependents:

- Were there any changes in dependents from the prior year? \_\_\_\_\_ \_\_\_\_\_  
Note: Include non-child dependents for whom you provided more than half the support.
- Did you or your spouse pay for child care while you or your spouse worked or looked for work? \_\_\_\_\_ \_\_\_\_\_
- Do you have any children under age 18 with unearned income more than \$1,050? \_\_\_\_\_ \_\_\_\_\_
- Do you have any children age 18 or student children, aged 19 to 23, who did not provide more than half of their cost of support with earned income and that have unearned income of more than \$1,050? \_\_\_\_\_ \_\_\_\_\_
- Did you adopt a child or begin adoption proceedings? \_\_\_\_\_ \_\_\_\_\_
- Are any of your dependents non-U.S. citizens or non-U.S. residents? \_\_\_\_\_ \_\_\_\_\_

### Healthcare:

- Did you have healthcare coverage (health insurance, including Medicare, Medicaid, CHIP, and TRICARE) for you, your spouse, and any dependents for the entire year? \_\_\_\_\_ \_\_\_\_\_  
If Yes, include all Forms 1095-A, 1095-B, and 1095-C. If you did not receive Forms 1095-A, 1095-B or 1095-C, attach information detailing each month you, your spouse, and your dependents had coverage.
- If No, there are several exemptions from the mandate requiring health insurance coverage. Examples include membership in a healthcare sharing ministry, membership in a federally recognized Indian tribe, incarceration, membership in certain religious sects, and enrollment in certain Medicaid and TRICARE programs that do not provide minimum essential coverage. If any of these provisions apply, provide information regarding the exemption, the individual(s) (taxpayer, spouse, dependents) to which the exemption(s) may apply, and the month(s) for which the exemption(s) apply.
- Are you claiming the exemption for someone having healthcare coverage purchased in the Marketplace and for whom you did not receive Form 1095-A? \_\_\_\_\_ \_\_\_\_\_
- Did you receive Form 1095-A for someone for whom another taxpayer will claim the personal exemption on their tax return? \_\_\_\_\_ \_\_\_\_\_
- Did you apply for an exemption through the Marketplace? \_\_\_\_\_ \_\_\_\_\_  
If Yes, provide the Exemption Certificate Number. \_\_\_\_\_
- Are any of your dependents required to file a tax return? \_\_\_\_\_ \_\_\_\_\_

## Questions (Page 2 of 4)

### Healthcare (continued):

**Yes    No**

- Was anyone covered on your health insurance policy also covered on another health insurance policy for any part of the year? \_\_\_\_\_
- Were you eligible for employer-sponsored healthcare coverage? \_\_\_\_\_
- If you received advance premium tax credit or enrolled in coverage through the Marketplace, are married, and are filing separately from your spouse, are you a victim of domestic abuse or spousal abandonment? \_\_\_\_\_
- Did you or your spouse have any transactions pertaining to a health savings account (HSA)?  
If you received a distribution from an HSA, include all Forms 1099-SA. \_\_\_\_\_
- Did you or your spouse have any transactions pertaining to a medical savings account (MSA)?  
If you received a distribution from an MSA, include all Forms 1099-SA. \_\_\_\_\_
- Did you or your spouse receive any distributions from long-term care insurance contracts?  
If Yes, include Form 1099-LTC. \_\_\_\_\_
- If you or your spouse are self-employed, are you or your spouse eligible to be covered under an employer's health plan at another job? \_\_\_\_\_
- If Yes, how many months were you covered? \_\_\_\_\_
- If you or your spouse are self-employed, are you or your spouse eligible to be covered under an employer's long-term care plan at another job? \_\_\_\_\_
- If Yes, how many months were you covered? \_\_\_\_\_
- Did you or your spouse lose your job because of foreign competition and pay for your own health insurance? \_\_\_\_\_

### Education:

- Did you or your spouse pay any student loan interest? \_\_\_\_\_
- Did you or your spouse withdraw any amounts from your IRA to pay for higher education expenses incurred by you, your spouse, your children or grandchildren? \_\_\_\_\_
- Did you or your spouse withdraw any amounts from a Coverdell Education Savings Account or Qualified Education Program (Section 529) plan? \_\_\_\_\_
- If Yes, include all Forms 1099-Q. \_\_\_\_\_
- Did you, your spouse, or your dependents incur any post-secondary education expenses, such as tuition? \_\_\_\_\_

### Deductions and Credits:

- Did you or your spouse contribute property (other than cash) with a fair market value of more than \$5,000 to a charitable organization?  
If Yes, provide the appraisal of property contributed. An appraisal is not required for contributions of publicly traded securities or contributions of non-publicly traded stock of \$10,000 or less. \_\_\_\_\_
- Did you or your spouse incur any casualty or theft losses? \_\_\_\_\_
- Did you or your spouse make any large purchases, such as motor vehicles and boats?  
If yes, please provide amount of sales tax paid. \$ \_\_\_\_\_
- Did you or your spouse incur any casualty or loss attributable to a federally declared disaster? \_\_\_\_\_
- Did you or your spouse purchase a new alternative technology vehicle, including a qualified plug-in electric drive motor vehicle? \_\_\_\_\_
- Did you or your spouse use gasoline or special fuels for business or farm purposes (other than for a highway vehicle)? \_\_\_\_\_
- If Yes, provide the number of gallons or special fuels used for off-highway business purposes.  
\_\_\_\_\_ Gallons    \_\_\_\_\_ Specific Type (Dyed or Undyed)
- Did you or your spouse install any alternative energy equipment in your residence such as solar water heaters, solar electricity equipment (photovoltaic) or fuel cells? \_\_\_\_\_
- Did you or your spouse install any energy efficiency improvement or energy property in your residence such as exterior doors or windows, insulation, heat pumps, furnaces, central air conditioners, or water heaters? \_\_\_\_\_

## Questions (Page 3 of 4)

<b>Investments:</b>	<b>Yes</b>	<b>No</b>
Did you or your spouse have any debts canceled, forgiven or refinanced?	_____	_____
Did you or your spouse start or purchase a business, rental property, or farm, or acquire any new interest in any partnership or S corporation?	_____	_____
Did you or your spouse sell an existing business, rental property, farm, or any existing interest in a partnership or S corporation?	_____	_____
Did you or your spouse sell, exchange, or purchase any real estate?	_____	_____
If Yes, include closing statements.		
Did you or your spouse receive grants of stock options from your employer, exercise any stock options granted to you or your spouse or dispose of any stock acquired under a qualified employee stock purchase plan?	_____	_____
Did you or your spouse engage in any put or call transactions?	_____	_____
If Yes, provide the transaction details.		
Did you or your spouse close any open short sales?	_____	_____
Did you or your spouse sell any securities not reported on Form 1099-B?	_____	_____
 <b>Retirement or Severance:</b>		
Did you or your spouse contribute to a Roth IRA or convert an existing IRA into a Roth IRA?	_____	_____
Did you or your spouse roll into a Roth IRA any distributions from a retirement plan, an annuity plan, tax shelter annuity or deferred compensation plan?	_____	_____
Did you or your spouse turn age 70 ½ and have money in an IRA or other retirement account without taking any distribution?	_____	_____
Did you or your spouse retire or change jobs?	_____	_____
Did you or your spouse receive deferred, retirement or severance compensation?	_____	_____
If Yes, enter the date received (Mo/Da/Yr). _____		
 <b>Personal Residence:</b>		
Did your address change?	_____	_____
If Yes, did you move to a different home because of a change in the location of your job?	_____	_____
Did you or your spouse claim a homebuyer credit for a home purchased in 2008?	_____	_____
Did you or your spouse withdraw any amounts from your Individual Retirement Account (IRA) or Roth IRA to acquire a principal residence?	_____	_____
Are your total mortgages on your first and/or second residence greater than \$750,000?	_____	_____
If Yes, provide the principal balance and interest rate at the beginning and end of the year. _____		
Did you or your spouse take out a home equity loan?	_____	_____
Did you or your spouse have an outstanding home equity loan at the end of the year?	_____	_____
If Yes, provide the principal balance and interest rate at the beginning and end of the year. _____		
Are you claiming a deduction for mortgage interest paid to a financial institution and someone else received the Form 1098?	_____	_____
Did you or your mortgagee receive mortgage assistance payments?	_____	_____
If Yes, include all Forms 1098-MA.		

## Questions (Page 4 of 4)

### Sale of Your Home:

**Yes    No**

- |  |       |       |
|--|-------|-------|
| Did you sell your home?  | _____ | _____ |
| Did you receive Form 1099-S?   | _____ | _____ |
| If Yes, include Form 1099-S.   |       |       |
| Did you or your spouse own and occupy the home as your principal residence for at least two years of the five-year period prior to the sale? | _____ | _____ |
| Did you or your spouse ever rent out the property?   | _____ | _____ |
| Did you or your spouse ever use any portion of the home for business purposes?   | _____ | _____ |
| Have you or your spouse sold a principal residence within the last two years?  | _____ | _____ |
| At the time of the sale, the residence was owned by the: _____ Taxpayer _____ Spouse _____ Both  |       |       |

### Gifts:

- |   |       |       |
|---|-------|-------|
| Did you or your spouse make any gifts, including birthday, holiday, anniversary, graduation, education savings, etc., with a total (aggregate) value in excess of \$15,000 to any individual? | _____ | _____ |
| Did you or your spouse make any gifts of difficult-to-value assets (such as non-publicly traded stock) to any person regardless of value?   | _____ | _____ |
| Did you or your spouse make any gifts to a trust for any amount?  | _____ | _____ |
| Did you or your spouse have a life insurance trust?   | _____ | _____ |
| Did you or your spouse assist with the purchase of any asset (auto, home) for any individual?   | _____ | _____ |
| Did you or your spouse forgive any indebtedness to any individual, trust or entity?   | _____ | _____ |

### Foreign Matters:

- |   |       |       |
|---|-------|-------|
| Did you or your spouse perform any work outside of the U.S. or pay any foreign taxes?   | _____ | _____ |
| Were you or your spouse grantor or transferor for a foreign trust, have any interest in or a signature authority over a bank account, securities account or other financial account in a foreign country? | _____ | _____ |
| Did you or your spouse create or transfer money or property to a foreign trust?   | _____ | _____ |
| Did you or your spouse own any foreign financial assets?  | _____ | _____ |
| Were you or your spouse subject to the transition tax on undistributed foreign income and elect to pay the tax in installments?   | _____ | _____ |
| Did you or your spouse have an interest in an S corporation that had undistributed foreign income subject to the transition tax?  | _____ | _____ |
| If Yes, did the corporation cease to be an S corporation?   | _____ | _____ |
| If Yes, was there a sale or liquidation of substantially all of the corporation's assets or did the corporation cease business?   | _____ | _____ |
| If Yes, did you or your spouse transfer any share of stock in the corporation?  | _____ | _____ |

**SUPPLEMENTAL QUESTIONS**

**Yes No**

- \_\_\_ \_\_\_ Do you wish to donate any portion of your Indiana refund (if applicable) to the military family relief fund? Amount \$ \_\_\_\_\_
- \_\_\_ \_\_\_ Did you receive winnings from gambling? All winnings are taxable, even those for which a W-2G was not received.
- \_\_\_ \_\_\_ Did you pay premiums for Indiana partnership long-term care insurance? (The following information would appear on the policy: "This policy qualifies under the Indiana Long-Term Care program for Medicaid Asset Protection. This policy may provide benefits in excess of the asset protection provided in the Indiana Long-Term program.")
- \_\_\_ \_\_\_ Self-Employed farmers and small business owners who report recurring losses and do not have four quarters of coverage risk losing their disability coverage from Social Security. The IRS provides a means by which such persons may elect to report up to \$5,200 in net earnings and pay the related self-employment tax so coverage may not be lost. If you are in this situation, do you wish to make this election?
- \_\_\_ \_\_\_ If you own a business or farm, do you want us to prepare your personal property tax form? Personal property tax is a tax on business assets levied by the State of Indiana. Returns are due May 15, 2021.
- \_\_\_ \_\_\_ Did you homeschool or pay tuition to a private school (K-12) in Indiana?  
If yes, enter the number of dependent children enrolled \_\_\_\_\_  
School's Name \_\_\_\_\_  
The School's Indiana Department of Education (IDOE) Number \_\_\_\_\_
- \_\_\_ \_\_\_ Indiana has a 50% credit for donations to SGO's.  
Did you make donations to certain scholarship-granting organizations (SGO)?  
If yes, total amount \$ \_\_\_\_\_  
SGO Name \_\_\_\_\_
- \_\_\_ \_\_\_ In 2020, did you create a trust? If yes, type of trust \_\_\_\_\_
- \_\_\_ \_\_\_ In 2020, have you completed any estate and/or Medicaid planning?

**Direct Deposit and Electronic Funds Withdrawal Account Information:**

- \_\_\_ \_\_\_ Would you like any refunds owed to you directly deposited into your bank account?
- \_\_\_ \_\_\_ Would you like to pay any amount due on your federal and/or state return(s) using electronic withdrawal?
- Name of bank or financial institution \_\_\_\_\_  
Routing Transit Number (RTN) \_\_\_\_\_  
Account number \_\_\_\_\_
- Type of account: \_\_\_ Checking \_\_\_ Traditional Savings

**Miscellaneous:**

**Yes    No**

- Did you or your spouse pay in excess of \$1,000 in any quarter or \$2,100 during the year for domestic services performed in or around your home to individuals who could be considered household employees?    \_\_\_\_\_    \_\_\_\_\_
- Did you or your spouse receive unreported tip income of \$20 or more in any month?    \_\_\_\_\_    \_\_\_\_\_
- Have you or your spouse received a punitive damage award for damages other than for physical injuries or illness?    \_\_\_\_\_    \_\_\_\_\_
- Did you or your spouse engage in any bartering transactions?    \_\_\_\_\_    \_\_\_\_\_
- Were you or your spouse notified by the IRS or other taxing authority of any changes in prior year returns?    \_\_\_\_\_    \_\_\_\_\_
- For any trust that you or your spouse created or are trustee, did any beneficiaries, grantors, or trustees die or move?    \_\_\_\_\_    \_\_\_\_\_
- Did you or your spouse sell or exchange Bitcoin or other cryptocurrencies or engage in any sales or exchanges denominated in Bitcoin or other cryptocurrencies?    \_\_\_\_\_    \_\_\_\_\_

**Providing supporting tax documents to Donovan:**

After completing this organizer, how do you plan to give us your supporting tax documents:

- \_\_\_\_\_ Electronically upload all documents now
- \_\_\_\_\_ Electronically upload some documents now and deliver the rest at a later time
- \_\_\_\_\_ Drop off paper copies of all tax documents in person

# Business Income and Cost of Goods Sold

2020

**Name of Business:** .....

**Principal Business or Profession:** ....

TSJ .....  
 Employer ID number .....  
 Street address .....  
 City, state, ZIP or postal code, and country .....  
 Method of inventory .....  
 Method of accounting .....

**Business Questions for 2020:**

	<b>Yes</b>	<b>No</b>
Did you dispose of this business? .....	<input type="checkbox"/>	<input type="checkbox"/>
If Yes, what was the disposition date? ..... (Mo/Da/Yr) _____		
Was there a change in determining quantities, costs or valuations between opening and closing inventory? .....	<input type="checkbox"/>	<input type="checkbox"/>
Were you involved in the operations of this business on a regular, continuous and substantial basis? .....	<input type="checkbox"/>	<input type="checkbox"/>
Have you prepared or will you prepare all required Forms 1099? .....	<input type="checkbox"/>	<input type="checkbox"/>

	2020 Amount	2019 Amount
Health insurance premiums paid for yourself and your dependents .....		

**Income:**

Include all Forms 1099-K

Payment card and third party transactions:

Description	2020 Amount	2019 Amount

Miscellaneous income:

Include all Forms 1099-MISC and 1099-NEC



Other Income:



Other gross receipts or sales .....

Less returns and allowances .....

**Cost of Goods Sold:**

	2020 Amount	2019 Amount
Beginning inventory .....		
Purchases less cost of items withdrawn for personal use .....		
Cost of labor (do not include amounts paid to yourself) .....		
Materials and supplies .....		

Other costs of goods sold:

Description	2020 Amount	2019 Amount

Ending inventory .....



# Rental and Royalty Income

2020

**Location of Property:** \_\_\_\_\_

TSJ . . . . . \_\_\_\_\_

Type of property . . . . . \_\_\_\_\_

Have you prepared or will you prepare all required Forms 1099? 

Yes	No
-----	----

	2020	2019
Ownership percentage if not 100% . . . . .	%	
How many days was this property rented at fair market value? . . . . .		
How many days was this property used personally (including use by family members)? . . . . .		

**Income:**

Rents received . . . . .

Royalties received . . . . .

2020 Amount	2019 Amount

Payment card and third party transactions: Include all Forms 1099-K

Description	2020 Amount	2019 Amount

Miscellaneous income: Include all Forms 1099-MISC

Description	2020 Amount	2019 Amount

Other income:

Description	2020 Amount	2019 Amount









# Donovan CPAs

## INDIVIDUAL DOCUMENTATION CHECKLIST

Please include all the following information and forms (if applicable):

### Changes in Personal Information

- Address, Phone, and Email
- Filing Status
- Dependents

### Sources of Income

- Wage Statements (Form W-2)
- Interest Income and Dividend Income (Form 1099-INT and Form 1099-DIV)
- Stocks, Bonds, and Other Security Sales (Form 1099-B)
- Social Security Income (Form SSA-1099)
- Unemployment Income (Form 1099-G)
- IRA, Pension or Other Retirement Income (Form 1099-R and Form 5498)
- Payments from Qualified Education Programs (Form 1099-Q)
- Distributions From an HSA, Archer MSA, or Medicare Advantage MSA (Form 1099-SA)
- State Income Tax Refund (Form 1099-G)
- Gambling or Lottery Winnings (Form W-2G)
- Cancellation of Debt (Form 1099-C)
- Nonemployee Compensation (Form 1099-NEC)
- Miscellaneous Income (Form 1099-MISC)
- Partnership or S Corporation Income (Form K-1)
- Trust or Estate Income (Form K-1)
- Sale of Home (1099-S)

### Deductions and Adjustments

- Proof of Health Insurance for the year (if applicable - Forms 1095-A, 1095-B, 1095-C)
- Estimated Income Tax Payments (federal and all states)
- Traditional IRA Contributions
- Mortgage, Home Equity Loan Interest, and Mortgage Insurance Premiums (Form 1098)
- Medical Expenses (including dental and eye care)
- Charitable Contributions (cash and non-cash)
- Child Care Expenses
- Educator Expenses
- Student Loan Interest (Form 1098-E)
- Tuition and Education Fees (Form 1098-T)
- Payments to Education Savings Plan (College Choice 529)
- Real Estate Taxes
- Automobile Excise Tax (car registrations paid in 2020)

### Self-Employed Business or Rental Property

- Copy of QuickBooks file (if applicable, please include username and password)
- Summary of Income and Expenses by Category (i.e. rent, sales, advertising, repairs, utilities, etc.)
- Assets purchased in 2020 over \$500 per item
- Asset Sales or Disposals
- Self-Employed Health Insurance Payment

**This list does not include all IRS forms. If you believe you have received a reportable form that is not included in the list above, please provide it with your tax documentation.**