

# **DAVID S. BABOIAN, CPA**

## **PROFESSIONAL CORPORATION**

4350 Carlisle Pike

Camp Hill, PA 17011

(717) 763-8044 / Fax 763-1111

[www.baboiancpa.com](http://www.baboiancpa.com)

## **Personal Tax Appointment Packet Tax Year 2010**

- **2010 YES/NO Questionnaire...** please complete and sign before arriving to your appointment. This step is critical to maximizing your refund.
- **Please be prepared...** Our expectation is that you will arrive to your appointment with all required information so that we may input your tax return immediately after your appointment. Our “Things to Bring List” and Yes/No Questionnaire instruct you what to bring. Business and rental owners may also want to refer to “Example Business Expenses” in the Client Zone area of our web site. **We reserve the right to charge additional bookkeeping fees for clients missing significant amounts of information.**
- **Electronic filing...** for all 2010 Federal and PA returns. We need a voided check only if you wish to add or change direct deposit info. Otherwise, we have your bank information on file.
- **Telephone appointments...** are now available for more clients. Call in for more details.
- **Ground-level handicapped accessible office...** is available. Please notify us in advance.
- **Payment in full...** is expected at the time of pickup. We can no longer accept post dated checks or hold checks until a future date.
- **Referrals are greatly appreciated!!!** Thank you for referring family, friends and co-workers. We are accepting new personal and business clients. **We will thank you for each successful referral with a crisp \$20 bill.**

APPOINTMENT: DAY \_\_\_\_\_ DATE \_\_\_\_\_ TIME \_\_\_\_\_

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## **THINGS TO BRING LIST**

- \_\_\_ 1. Tax related forms (all copies):
  - W-2's Employee Wages, Gambling Income (please don't separate copies)
  - 1098's Mortgage Interest & Real Estate Taxes, Student Loan Interest, Qualified Tuition
  - 1099's Interest and Dividends, Unemployment Compensation, Social Security Benefits, Investment and Real Estate Sales, IRA and Pension Distributions, Miscellaneous Income, State and Local Tax Refunds
  - K-1's Partnership, LLC, S-corp, Estate income
- \_\_\_ 2. Completed YES/NO Questionnaire.
- \_\_\_ 3. Local income tax forms sent to you.
- \_\_\_ 4. If You Sold Investments: need original purchase date and cost basis for each investment sold.
- \_\_\_ 5. If You Itemize Deductions:
  - a) year-end mortgage 1098 forms (including home equity loans)
  - b) refinance HUD-1 settlement sheets
  - c) receipts for real estate taxes, personal tax, \$10-\$52 LST/EMST/OPT tax, occupation tax.
  - d) sales tax paid... applies to very few taxpayers. Ask me during your appointment if you should keep these records.
  - e) listing of donations of money, clothing, canned foods, volunteer expenses, etc.
  - f) listing of medical expenses if total amount is more than 7.5% of your income; include dental, vision, prescriptions, medical/long-term/cancer insurance.
- \_\_\_ 6. Any other documentation that you feel may be necessary.

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## **Directions**

### **From Camp Hill:**

- Drive West on Carlisle Pike/Market Street toward Mechanicsburg.
- After passing Orrs Bridge Road traffic light, drive one block and office is on right. Look for green Baboian, CPA sign.
- 4350 Carlisle Pike.

### **From City of Harrisburg:**

- Travel over Harvey Taylor Bridge (alternate = Market Street bridge through Lemoyne to Camp Hill) which becomes Route 15 South.
- At the 4th traffic light, turn right on Carlisle Pike/Market Street (Friendly's corner).
- After passing Orrs Bridge Road traffic light, drive one block and office is on right. Look for green Baboian, CPA sign.
- 4350 Carlisle Pike.

### **From Harrisburg via Route 83:**

- 83 South to 581 West toward Camp Hill.
- Take Mechanicsburg exit.
- Turn left from the exit ramp on to Central Blvd.
- Turn left at traffic light on to Carlisle Pike.
- Office is 1 block on right. Look for green Baboian, CPA sign.
- 4350 Carlisle Pike.

### **From Mechanicsburg Walmart:**

- Travel east on Carlisle Pike (route 11) toward Camp Hill.
- Office is 3 miles on left. Look for Red Lobster and drive 3 more blocks. Look for green Baboian, CPA sign on left.
- 4350 Carlisle Pike.

### **From York via Route 83:**

- 83 North to 581 West toward Camp Hill.
- Take Mechanicsburg exit.
- Turn left from the exit ramp on to Central Blvd.
- Turn left at traffic light on to Carlisle Pike.
- Office is 1 block on right. Look for green Baboian, CPA sign.
- 4350 Carlisle Pike.

### **From Carlisle via Route 581 East:**

- 81 East to 581 East toward Camp Hill.
- Take Carlisle Pike exit.
- Turn left at traffic light on to Carlisle Pike.
- Office is 1.5 miles on left. Look for Red Lobster and drive 3 more blocks. Look for green Baboian, CPA sign on left.
- 4350 Carlisle Pike.

# DAVID S. BABOIAN, CPA 2010 YES/NO Questionnaire

Time saving instructions:

- 1) Skip doing a questionnaire for a young child's tax return.
- 2) Skip entire sections that do not apply to you.
- 3) Please complete at home at least 1 week prior to your appointment. You may need time to contact 3<sup>rd</sup> parties for missing information.
- 4) If you have a question on a line item, star it \*\*\* and we can discuss at your appointment.
- 5) When there is a blank area to be completed (\$\_\_\_\_), please supply the amount on the questionnaire itself rather than writing "see attached".
- 6) When supplying dollars and mileage, don't supply round numbers such as 1,000 which makes it appear to the IRS that you haven't kept records. Use actual amounts, not guesstimates.
- 7) Printed reports vs. computer files... Quickbooks files are welcome for business or rental activities. Otherwise, it is preferred that you print at home and bring the reports along to your appointment.
- 8) If you choose to skip this questionnaire... please sign the last page and bring the blank questionnaire to your appointment which acknowledges that you are filing at your own risk of missed deductions.
- 9) Please sign and date the questionnaire at home. Only one signature is needed per married couple.

YES NO

1) General:

- \_\_\_ \_\_\_ Did your address change?
- X \_\_\_ What municipality do you live within? (Township or Boro) \_\_\_\_\_ .
- \_\_\_ \_\_\_ Did you incur moving expenses due to a change in employment? You must move at least 50 miles unless military. Students moving at least 50 miles to their first full-time job may qualify.
- \_\_\_ \_\_\_ Was there a birth, traditional adoption, special needs adoption, marriage, divorce, or death in your family that affects your tax return? Note: Social security numbers are necessary for all dependents. Call 800-772-1213 to apply. For Adoptions... e-file not available due to required attachments
- \_\_\_ \_\_\_ Do you need an out-of-state tax return prepared (any state other than PA)? This potentially affects your Federal, PA, and Local returns. Due to the added complexity, all clients requiring out-of-state tax returns will be processed as extension clients after 04/15/11. Accordingly, **you should schedule your tax appointment now for after 04/15/11**. Note: clients in states that do not require state tax returns are not affected (Florida, Texas, etc.)

\_\_\_ \_\_\_ Did you mail quarterly estimated tax payments for 2010? Please provide dates and amounts below.

	<u>Federal:</u>		<u>Pennsylvania:</u>		<u>Local:</u>	
	Date	Amount	Date	Amount	Date	Amount
1 <sup>st</sup> qtr-04/15/10	_____	_____	_____	_____	_____	_____
2 <sup>nd</sup> qtr-06/15/10	_____	_____	_____	_____	_____	_____
3 <sup>rd</sup> qtr-09/15/10	_____	_____	_____	_____	_____	_____
4 <sup>th</sup> qtr-01/15/11	_____	_____	_____	_____	_____	_____

2) Dependents:

- \_\_\_ \_\_\_ Do you have a dependent child, grandchild, foster child, brother, sister, or any of their children under age 17 at 12/31/10?
- \_\_\_ \_\_\_ Were any of your unmarried dependent children age 19 or older at 12/31/10?  
If yes, please answer the following question:  
\_\_\_ \_\_\_ ..... Was your child under age 24 at 12/31/10 and a full-time student for some part of 5 individual months?

\_\_\_ \_\_\_ Did you pay day-care expenses for a child under age 13 or for a physically or mentally impaired dependent so that you and your spouse could earn a living or attend school full-time? Please provide a year-end statement from each daycare provider with their tax ID#. No overnight camps. Include 100% of schooling before kindergarten level. Available to custodial parents only. Include housekeeper or cook if hired in part for the well-being of your child.

\_\_\_ \_\_\_ Do you have children under age 24 at 01/01/11 with interest, dividends, and capital gains over \$500 for 2010? Ignore earnings from Sec 529 Qualified Tuition Programs. (Kiddie tax \$1900, 01/01/11: <18; 18 yr olds who don't provide >50% of own support with earned inc; f/t students <24 who don't provide >50% of own support with earned inc.)

### **3) Investments:**

\_\_\_ \_\_\_ Did you sell or transfer any stocks, bonds, or mutual funds?  
Please bring form 1099-B and "realized gain summary" from your investment advisor. The "realized gain summary" includes the purchase date and purchase price for each item sold. **Note: often transfers of stock or mutual funds within a brokerage account are actually the sale of one investment and purchase of another. Even if you did not receive any cash from the transaction, you may have a taxable gain or loss. Form 1099-B lists these taxable transfers, if they exist.**

\_\_\_ \_\_\_ Did you cash U.S. Savings Bonds? Please bring 1099 forms given by bank.

\_\_\_ \_\_\_ Did you own investments that became worthless... not sellable for even \$1?

\_\_\_ \_\_\_ Did you withdraw funds from 529 college savings plans? Ask me about significant losses.

\_\_\_ \_\_\_ Did anyone owe you money which became uncollectible during 2010? NOT unpaid business income or rents. NOT loans to relatives. NOT loans without loan documents.

\_\_\_ \_\_\_ Did you discover a theft loss during 2010 due to a fraudulent investment scheme? (theft loss rules)

\_\_\_ \_\_\_ Did you pay an early withdrawal penalty on a CD?

\_\_\_ \_\_\_ Did you borrow money in order to invest and pay margin interest expense?

\_\_\_ \_\_\_ Did you have a financial interest in, signature authority, or other authority over foreign bank accounts, foreign investments, or other foreign financial instruments exceeding \$10,000 in aggregate. (form TDF 90-22.1 due 06/30<sup>th</sup>; form 3520)

### **4) Retirement Plans & IRA's:**

\_\_\_ \_\_\_ Did you withdraw funds from a retirement account or IRA?

\_\_\_ \_\_\_ Did you do a 2010 Roth IRA conversion... rollover funds from a traditional IRA or other retirement plan into a Roth IRA? (2011/2012 or election out)

\_\_\_ \_\_\_ Are you a retired public safety employee (police, fire, etc.) age 50 or older with a distribution from a government pension plan? (no 10% penalty, annual \$3k exclusion if direct payment for health, accident, or LTD insurance).

\_\_\_ \_\_\_ Did you or will you contribute to a 2010 IRA before 04/15/2011?

Circle: traditional IRA, Roth IRA, SEP IRA

Provide amounts: Taxpayer \$\_\_\_\_\_ Spouse \$\_\_\_\_\_

**Note: By request, we can process your tax return with various IRA amounts and call you to discuss the result from each scenario before you make your final IRA decision. The additional fee is \$10.**

\_\_\_ \_\_\_ Did you contribute to an employer's retirement plan in 2010? (401k, 403b, Simple, etc.) (2k max\*rate, S<28k / HH<42k / MFJ<56k, >17, not ft student, not dependent)

\_\_\_ \_\_\_ Did you cash in all existing Roth IRA's or Traditional IRA's during 2010 and incur a loss? (need 8606 basis)

\_\_\_ \_\_\_ Did you transfer funds directly out of your IRA to a qualified charity? Up to \$100,000 qualifies as non-taxable if taxpayer is age 70 1/2 or older. The distribution counts toward your minimum distribution requirement. No benefit can be received by you for the donation... such as a free membership.

**5) Retirement Age / Disabled taxpayers:**

\_\_\_ \_\_\_ Were you or your spouse legally blind?

\_\_\_ \_\_\_ Were you or your spouse 70 1/2 or older at 12/31/10 and owners of an IRA?

\_\_\_ \_\_\_ Are you over age 64 (or any age if retired on permanent/total disability) at 12/31/10 **and receiving taxable disability income?** (elderly/disabled credit; S<17,500 excluding \$5k SSA / MFJ<20k one spouse eligible excluding \$5k SSA / MJF<25k both spouses eligible excluding \$7,500 SSA)

\_\_\_ \_\_\_ PA Property Tax/Rent Rebate... **Are you a retired or disabled homeowner** paying real estate taxes with \$35,000 or less of household income (only include 1/2 of Social Security and 1/2 of Railroad Tier 1 income)? **Or are you a retired or disabled tenant paying rent** with \$15,000 or less of household income (only include 1/2 of Social Security and 1/2 of Railroad Tier 1 income)? Visit [www.papropertytaxrelief.com](http://www.papropertytaxrelief.com) or call 888-222-9190 to obtain your **PA Property Tax/Rent Rebate claim form and for free assistance.** Various resources are available to prepare this form FOR FREE. Call for more information... PA Dept of Aging 783-1549; PA Dept of Revenue District Office 783-1405; various senior centers, and state Legislator's offices. If you need my help, our office prepares this form for a fee of \$99. But I suggest that you instead take advantage of one of the FREE options. **You will need paid property tax receipts (or cancelled check copies and bill copies), all income source documents (W-2's, 1099's), 2010 Federal or PA tax returns, signed Landlord statement, any existing lease agreement** as applicable. The filing deadline is 06/30/11 but is usually extended to 12/31 each year. Rebates of \$250-\$650 will be issued after 07/01/11.

**6) Itemized Deductions:**

\_\_\_ \_\_\_ Do you have a loan secured by a boat, camper, or RV with living, bathroom, cooking, and sleeping quarters?

\_\_\_ \_\_\_ Did you refinance a mortgage in 2010? **Please bring the HUD-1 settlement sheet.** When in doubt, bring your entire folder of loan papers.

\_\_\_ \_\_\_ Did you obtain a new home equity loan in 2010?

\_\_\_ \_\_\_ Did you pay Private Mortgage Insurance (PMI)? (mortgages originating after 2006)(AGI phaseout 100-110k)

\_\_\_ \_\_\_ Did you own a vacation time-share and pay related loan interest or real estate taxes? You can deduct the real estate portion of the maintenance fees, but only if your time-share reports this amount to you in writing each year. If necessary, call your time-share company before your tax appointment.

\_\_\_ \_\_\_ Did you pay the \$10 or \$52 occupation tax... referred to as LST, EMST, or OPT? Taxpayers with multiple employers may have paid more than once. **If you are not sure, bring your final 2010 paystub(s)** since this tax is rarely listed on W-2's. Taxpayer \$\_\_\_\_\_ Spouse \$\_\_\_\_\_

\_\_\_ \_\_\_ Did you pay personal or per capita taxes? (usually \$5-\$20 and paid by check) Please bring receipts.

\_\_\_ \_\_\_ Did you keep a detailed record of 2010 sales tax paid? If not, we will use IRS tables to calculate. However, still provide the sales tax paid on significant 2010 purchases of motor vehicles, aircraft, boats, mobile homes, or home building materials for do-it-yourself projects. \$\_\_\_\_\_. This amount can be added to the IRS table amount.

\_\_\_ \_\_\_ Did you have a 2010 property loss due to a sudden and unexpected event (storm, fire, or theft) that was not reimbursed by insurance/lawsuit which resulted in a loss exceeding 10% of your income?

\_\_\_ \_\_\_ Did you pay significant medical expenses including dental, vision, hearing, & insurance? Must exceed 7.5% of your income. Ask about including medical payments for others not claimed as dependents on your tax return... a) children of divorce b) elderly family, domestic partners, or

others living in your home where you provided more than 50% of their financial support. Medical miles driven: \_\_\_\_\_. (dependent other than AGI rule, insur for child < 27 even if not dep.)

\_\_\_ \_\_\_ Do you have proof of your charitable contributions? New... even the smallest monetary donation requires a detailed receipt or bank statement or credit card statement or paystub. Unsubstantiated cash donations are NO LONGER ALLOWED. Also, donated clothing and household items must be in at least "good" used condition in order to deduct.

\_\_\_ \_\_\_ Did you have charitable contributions? Only use those that satisfy the above rules. Qualified cash and check donations for 2010 (requires records) \$ \_\_\_\_\_. Clothing & household donations for 2010 (requires good condition & records) \$ \_\_\_\_\_. Charity miles driven: \_\_\_\_\_.

\_\_\_ \_\_\_ Did you inherit an IRA or annuity from an estate that has already paid Federal estate tax on the same? Generally, this only applies to large estates over \$5 million.

**7) W-2 Employee Expenses (not in business for yourself):**

\_\_\_ \_\_\_ Did you have job related mileage (other than to and from work) not reimbursed in full by your employer... errands, between buildings, overnight travel, from main job to 2nd job (Federal deduction only), from home to temporary work locations? Provide # miles: \_\_\_\_\_.

\_\_\_ \_\_\_ Did you have un-reimbursed employee education or seminar expenses? Please indicate whether the education was a) to maintain & improve your current job skills (2106) or b) to prepare you for a new profession (lifetime learning credit). Provide Tuition:\$\_\_\_\_\_ Books & supplies:\$\_\_\_\_\_ # miles: \_\_\_\_\_.

\_\_\_ \_\_\_ Did you have other job related expenses that were not reimbursed in full by your employer? Circle: union dues, uniforms purchased, uniforms laundry & maintenance, safety clothing & equipment, work supplies, reference materials, dues & subscriptions, tools, insurance, license, tolls & parking, computer & related toner/paper/disks, telephone, meals, overnight travel, luggage, business gifts, office decor, job hunting, expenses to overcome work impairments for the disabled, legal fees to protect your income.

\_\_\_ \_\_\_ Did you maintain a home office for the convenience of your employer and as the only office available to conduct substantial administrative activities? To qualify, your employer cannot have a local office available to you. Please complete the Business Use of Home section later in this questionnaire.

\_\_\_ \_\_\_ Are you a kindergarten through 12th grade teacher, instructor, counselor, principal, or classroom aide who works at least 900 hours per school year?

\_\_\_ \_\_\_ Are you in the transportation industry and subject to the Dept. of Transportation's hours of service rules (trucking, rail, airlines = 80%)? New... tax court ruled that truck drivers **must actually stop for sleep break** in order to deduct standard meals allowance.

\_\_\_ \_\_\_ National Guard / Reserves... Did you have unreimbursed travel expenses while traveling more than 100 miles away from home? (test=100 miles one way). Provide # miles: \_\_\_\_\_ Meals \$\_\_\_\_\_ Hotel \$\_\_\_\_\_.

\_\_\_ \_\_\_ Military/National Guard / Reserves... Did you have active duty pay while working/training out-of-state? Or did you have PA active duty pay related to a PA declared emergency? Please bring orders with dates and locations. Also provide the related out-of-state gross wages.

**8) Education:**

\_\_\_ \_\_\_ Did you make contributions to a Sec 529 Qualified Tuition Program such as PA's TAP? Please provide information below. Skip social security numbers for children listed on your tax return. (\$13k max per child, per spouse, by 12/31)

T / S Student Beneficiary \_\_\_\_\_ SS# \_\_\_\_\_ 2010 contributions \$ \_\_\_\_\_

T / S student Beneficiary \_\_\_\_\_ SS# \_\_\_\_\_ 2010 contributions \$ \_\_\_\_\_

T / S student Beneficiary \_\_\_\_\_ SS# \_\_\_\_\_ 2010 contributions \$ \_\_\_\_\_

\_\_\_ \_\_\_ Did you cash U.S. Savings Bonds (series EE or I) in parent's name issued after 1989 and use the money for college expenses for yourself or your dependents?

\_\_\_ \_\_\_ Did you pay student loan interest? (60-75k/120-150k agi)

\_\_\_ \_\_\_ Were amounts paid for higher education (post high school) tuition & fees for yourself or your dependents? Include amounts paid by student loans, ex-spouses, the student, or others. Don't include amounts paid by scholarships, grants, or employers. **Please bring form 1098-T (IRS tuition statement) for each school attended. Call the school to get this form if you did not receive.**

**Tuition paid: \$ \_\_\_\_\_ \* Books, supplies, computers: \$ \_\_\_\_\_**

(\*Limitations apply for students convicted of a drug felony before 01/01/11).

If yes, please answer the following questions:

\_\_\_ \_\_\_ .....Was student at least 1/2 time for at least one academic period?

\_\_\_ \_\_\_ .....Had student completed 4 years of undergraduate credits at 01/01/10? (American Op. Credit)

### **9) Home Purchases in 2010:**

\_\_\_ \_\_\_ Did you purchase a home in 2010? **Please bring HUD-1 settlement sheet.**

If yes, please answer the following 2 questions:

\_\_\_ \_\_\_ .....First-Time Homebuyer Credit... Did you buy a primary residence 01/01/10 to 09/30/10 with sales agreement dated before 05/01/10 **and did you (and your spouse if married) not own any other primary residence during the 3-year period ending on the purchase date?**

\_\_\_ \_\_\_ .....Long-Time Resident Homebuyer Credit... Did you buy a primary residence 01/01/10 to 09/30/10 with sales agreement dated before 05/01/10 **and did you (and your spouse if married) reside in your old home for 5 consecutive years during the 8-year period ending on the purchase date?** Please bring 1098 mortgage interest form or tax records or insurance declarations pages for each of the 5 years of residency.

**For either of the two credits above,** please bring a copy of your purchase HUD-1 settlement sheet with signatures of all parties. Newly constructed homes require a copy of the certificate of occupancy. Mobile home purchases require a copy of the retail sales contract signed by all parties if no HUD-1 is available (must include all info usually on HUD-1). **To qualify...** home must be your primary residence located in the USA, purchase date must be during 01/01/10-09/30/10 (military abroad have 1 extra year)(use move-in date for new construction), income must be under \$145k for singles and under \$245k for married couples, must use newly purchased home as principal residence for 3 years to avoid recapture, cannot be a non-resident alien, property cannot be acquired by gift or inheritance, property cannot be acquired from a related party, primary mortgage financing cannot be from tax-exempt mortgage revenue bonds. Purchase price can not exceed \$800k, filer can not be claimed as a dependent on another person's tax return, taxpayer and spouse must be at least age 18, **no electronic filing of your tax return is allowed-- ask Dave about the amended method.** For Dave only...(lesser of 10% of purchase or S/MFJ=\$8,000, MFS=\$4,000)(Form 5405)(Phaseouts... S/MFS/HH 125k-145k, MFJ 225k-245k).

### **10) Home Sales in 2010:**

\_\_\_ \_\_\_ Did you sell a home in 2010? **Please bring HUD-1 settlement sheet.**

If yes, please answer the following 4 questions:

\_\_\_ \_\_\_ .....Did you use the home sold as your principal residence for at least 2 of 5 years before the sale?

\_\_\_ \_\_\_ .....Did you sell another home within the 2 year period prior to sale?

\_\_\_ \_\_\_ .....Did you sell a home that was used for business/rental?

\_\_\_ \_\_\_ .....First-Time Homebuyer Credit recapture...Did you sell a home that you had previously used to take the First-Time Homebuyer Credit (\$8,000 credit, \$6,500 credit, or \$7,500 loan).



**11) Other Income:**

- \_\_\_ \_\_\_ Did you collect unemployment during 2010? Please bring UC 1099-G tax form.
- \_\_\_ \_\_\_ Did you receive non-taxable military combat zone pay? (EIC)(refundable child tax credit)
- \_\_\_ \_\_\_ Did you receive alimony during 2010? \$\_\_\_\_\_. Do not include child support.
- \_\_\_ \_\_\_ Did you have any debts cancelled or forgiven? (form 982)
- \_\_\_ \_\_\_ Did you receive other miscellaneous income not reported to you on a tax form? **Circle:** business, rentals, jury duty, legal awards, unreported tips exceeding \$20/month, prizes, awards, gambling winnings, election volunteer pay, non-taxable State/Local rebate to EMS workers, etc.

**12) Other Deductions & Credits:**

- \_\_\_ \_\_\_ Did you pay alimony during 2010? \$\_\_\_\_\_. Do not include child support. Provide recipient's name and social security number unless we already have on file from previous year.
- \_\_\_ \_\_\_ Did you purchase a new hybrid gas/electric vehicle or alternate fuel vehicle (hydrogen, methanol, natural gas) in 2010? Leased autos are no longer eligible. Please provide: Purchase date \_\_\_\_\_ Year, make, & model \_\_\_\_\_.
- \_\_\_ \_\_\_ Did you make energy efficient improvements to your home located in the USA that were installed in 2010? Please keep your purchase receipts and manufacturer's certification paperwork indicating that the product qualifies for IRS tax credits. When in doubt, ask your installing contractor.

NONBUSINESS ENERGY PROPERTY CREDIT (form 5695)

1) **30% energy efficiency improvements:**

**Circle:** Insulation, exterior windows & skylights, exterior doors, coated metal roof, asphalt roof with cooling granules. This category excludes installation costs.

2) **30% qualified residential energy property:**

**Circle:** heat pumps, central air conditioners, water heaters, stove using biomass fuel such as wood to heat air or water (energy efficient building property)

**Circle:** gas furnace, propane furnace, oil furnace, hot water boiler.

**Circle:** advanced main air circulating fan used in a gas or oil furnace.

RESIDENTIAL ENERGY EFFICIENT PROPERTY CREDIT (through-2016)

3) **30% improvements (include installation costs for all):**

**Circle** solar energy electric generating property (main or 2<sup>nd</sup> home), solar water heating property (main or second home). Excludes swimming pool property.

**Circle** fuel cell property (main or 2<sup>nd</sup> home). max = \$500 per half kilowatt of capacity.

**Circle** geothermal heat pump property (main or 2<sup>nd</sup> home).

**Circle** small wind energy property (main or 2<sup>nd</sup> home).

- \_\_\_ \_\_\_ Did you contribute to an HSA health savings account? Not to be confused with the HRA flexible spending accounts commonly available through most large employers. HSA's require high deductibles of at least \$1,200 for self-only coverage and \$2,400 for family coverage. Contribution deadline is 04/15/11.

(Fed & PA)(must be <65)(max deduction = \$3050/6150)(catchup = \$1000 if age 55 at 12/31)

- \_\_\_ \_\_\_ Are you on a bankruptcy payment plan & paying off deductible taxes, etc.?

- \_\_\_ \_\_\_ Did you receive Trade Adj. Assistance (TAA) or Pension Benefit Guaranty (PBGC) benefits and pay for your own health insurance? If these terms are unfamiliar, check no. Please bring proof of eligibility paperwork. (Form 8885)

**13) Miscellaneous:**

- \_\_\_ \_\_\_ Are you a new client for 2010 tax returns? Who referred you to us? \_\_\_\_\_.

- \_\_\_ \_\_\_ Did you pay \$1,700 or more to a household employee (live-in nanny, live-in maid)?

\_\_\_ \_\_\_ Did you claim the 2008 First-Time Homebuyer Credit (\$7,500 loan) on your 2008 tax return? Repayment over 15 years starts with this 2010 tax return.

\_\_\_ \_\_\_ Has the IRS audited you and disallowed future Earned Income Credits?

**14) Business & Rental Property Owners:**

**Corporate clients can skip this entire section if you have already given me 2010 income, expenses, mileage, etc. at your corporate tax appointment earlier this year.**

\_\_\_ \_\_\_ Did you have rental mileage? Provide # rental miles: \_\_\_\_\_  
Provide total miles driven in 2010 (all miles including personal miles): \_\_\_\_\_

\_\_\_ \_\_\_ Did you have business mileage? Provide # business miles: \_\_\_\_\_  
Provide total miles driven in 2010 (all miles including personal miles): \_\_\_\_\_

\_\_\_ \_\_\_ Did you pay health, long-term care, or cancer insurance premiums for yourself or dependents or any child under age 27 that is no longer your dependent? Don't include months you were eligible to participate in an employer's subsidized plan for same type of insurance. \$\_\_\_\_\_. (Se tax deduction)

\_\_\_ \_\_\_ Did you pay interest on a vehicle loan for a vehicle used partly for business or rentals? Please call your bank/lender before your tax appointment, etc. for the 2010 interest paid \$\_\_\_\_\_. The amount is not found in your coupon book and changes each year.

\_\_\_ \_\_\_ Did you pay 2010 interest on business credit card charges? Please call your credit card companies and provide \$\_\_\_\_\_. **Note: Don't include 2010 bank credit card payments in your 2010 expenses. Instead only include the new 2010 bank credit card charges.**

\_\_\_ \_\_\_ Did you purchase at least 50 gallons of un-dyed fuel for generators, tractors, chain saws, backhoes, or other off-road equipment? \_\_\_\_\_ gallons unleaded. \_\_\_\_\_ gallons diesel. (NOT for autos & trucks, NOT for rental properties)

\_\_\_ \_\_\_ Are you a home improvement contractor? PA requires you to register. 888-520-6680 for more info.

\_\_\_ \_\_\_ Do you offer a health insurance plan to your employees? PA businesses with 2-20 employees are subject to mini-COBRA and must offer continuation of benefits to laid off employees.

\_\_\_ \_\_\_ Did you pay for more than 50% of either health insurance premiums (include dental & vision) for your employees **other than business owners or their family members**. Provide the following for all of your employees other than business owners and their family members ... 1) 2010 hours paid including vacation/sick 2) single or family coverage 3) employer premiums paid in 2010 4) % of premiums paid by employer 5) # of 2010 months employee was enrolled.  
(for Dave only... <10-25 FTE's, avg<25- \$50k)

\_\_\_ \_\_\_ Did your business receive more than \$10,000 in cash for a single transaction (or group of related transactions)? Cash = cash, cashier's check, bank draft, wire transfer, traveler's check, money order. Form 8300 within 15 days.

\_\_\_ \_\_\_ Did you operate a rental property which you used personally for the greater of... more than 14 days; or more than 10% of the total days rented? Don't include maintenance, cleaning, condition inspections, administrative as personal use days.

\_\_\_ \_\_\_ Real estate professional... Were more than 50% of your work hours related to real estate and did you work more than 750 hours in real estate? (sec 469 single activity election; no mgmt co.)

\_\_\_ \_\_\_ Are you using Quickbooks? Please bring your Quickbooks backup file and do not input again until I return the file. **Do not use Accountants Review Copy. Do not use Portable Company File.** I will need to know your password and Quickbooks version such as Quickbooks Pro 2009 (found by pressing F2 in most versions).

\_\_\_ \_\_\_ Does your business manufacture, grow, extract, install, develop, improve, process/change products in the U.S? Includes manufacturing, new construction contractors (not landscapers), engineering, architects, equipment rentals of self-created or self-processed property, film & audio production, software design except databases, graphic design, etc. Does not include retail sale of food/beverage.

- \_\_\_ \_\_\_ Did your business pay for building improvements to a commercial space other than your home? (Leasehold improvement property: sec 179, interior only, no related party, in service>3 years). (Restaurant property: sec 179, interior or exterior, related party ok , dine-in > 50%, owned/leased) (Retail sales property: sec 179, interior only, owned/leased, related party ok, in service>3yrs)
- \_\_\_ \_\_\_ Was the business owner under age 65 and collecting social security?
- \_\_\_ \_\_\_ Did you pay startup & admin. costs to establish a retirement plan during 2010? (form 8881=\$500; 50% for 1<sup>st</sup> 3 yrs; plan must cover at least 1 non-owner)
- \_\_\_ \_\_\_ Do you own a food & beverage business with tipped employees? (form 8846)
- \_\_\_ \_\_\_ Did your business increase accessibility for disabled employees or customers by removing barriers, modifying equipment, modifying walkways, etc.? (form 8826)
- \_\_\_ \_\_\_ Did you file a PA Use Tax return during 2010 (form PA-1)? Use tax is another word for sales tax that a vendor did not charge you due to internet purchase, mail-order purchase, or vendor error. PA has sent letters to most business regarding this issue. No license is required.
- \_\_\_ \_\_\_ Has your business reported losses for more than 3 consecutive years? (**Local issue**)
- \_\_\_ \_\_\_ Are you subject to the Harrisburg Mercantile tax (i.e. Hbg City work)?

\_\_\_ \_\_\_ **Business Use of Home.** Did you use part of your home exclusively for business either to 1) meet with clients on a regular basis, or 2) store inventory, or 3) as a paperwork base when no substantial administrative or managerial activities were performed by you at another fixed location?

Use actual amount of bills paid during the period your home was used for business. In other words, you don't have to do any percentage calculations. Just use the full amounts that you paid.

1) **home utilities...** don't include phone, cable, or internet \$ \_\_\_\_\_  
 (electric, gas, oil, water, sewer, trash, coal, firewood)  
 Note: provide un-reimbursed cell phone & internet at separately your appointment.

2) **home repairs & improvements:**  
 1. **to the office/storage/business area** \$ \_\_\_\_\_  
 2. **to remainder of home including personal areas** \$ \_\_\_\_\_

3) **home insurance.....** \$ \_\_\_\_\_  
 (homeowners, fire, flood, renters, pmi - private mortgage insurance)

4) **miscellaneous.....** \$ \_\_\_\_\_  
 (home rent, homeowners association dues, cleaning, security)

5) **Wait... you can skip this question 5) if you claimed home office deduction in the prior year.**

a. # rooms used for business..... \_\_\_\_\_  
 b. total # of rooms..... \_\_\_\_\_

(Room count should use average size rooms. For example a small bathroom counts as 1/2 room and a large finished basement counts as 2 rooms. Count all finished rooms that use heat & electric. Exclude garage.)

c. Amount you paid for your home plus home improvements over the years (don't include your own labor)(appraised value is not relevant). \$ \_\_\_\_\_.

**AGREEMENT FOR TAX SERVICES**

The below signed taxpayer ("TAXPAYER") has engaged David S. Baboian, CPA, PC ("DSB, CPA") to prepare 2010 Federal, State, and Local income tax returns. Fees are calculated on a fixed price basis based upon complexity and required hours to complete. **PAYMENT IN FULL IS DUE AT TIME OF PICKUP.** In the event of human or mechanical error, DSB, CPA will correct the error at no charge and pay any resulting penalties. TAXPAYER agrees that all information supplied for use in the preparation of 2010 income tax returns is correct and complete. TAXPAYER agrees to review completed tax returns to verify no omissions or misstatements of material facts exist that understate TAXPAYER's tax liability.

Taxpayer or Spouse Signature: \_\_\_\_\_

Date: \_\_\_\_\_

For DSB, CPA: David S. Baboian, CPA

Date: 01/20/11

## For Dave's use only:

### New clients - penalties

\_\_\_ Allow Fed penalty. 2009 total tax = \_\_\_\_\_ 2009 AGI = \_\_\_\_\_  
 \_\_\_ Allow PA penalty. 2009 total tax = \_\_\_\_\_ 2009 AGI = \_\_\_\_\_

### AMT

\_\_\_ \_\_\_ AMT: certain **home equity** interest (if not for acquisition or improvements) \$ \_\_\_\_\_.  
\_\_\_ \_\_\_ AMT: exercise of **incentive stock options**? (new info return from employer)

### Business

\_\_\_ \_\_\_ New **joint Sole-proprietorship**... **2 C's**, 2 SE's, additional \$69 fee  
\_\_\_ \_\_\_ Travel & entertainment deductions... client reports they have receipts/**mileage records**.  
\_\_\_ \_\_\_ **Inventory** other than incidental supplies. Client reports they have **records**.  
\_\_\_ \_\_\_ Are you in the business of building highly energy efficient residential homes that are certified to save 50% in heating/cooling costs via formulas provided by Residential Services Network (RESNET) publications 05-001 and 06-001? (\$2k/\$1k)  
\_\_\_ \_\_\_ Have you installed highly energy efficient improvements to a commercial building or rental property as part of a certified plan to save 50% in total annual energy costs? (max expense \$1.80 per sq foot)  
\_\_\_ \_\_\_ Did you use **biodiesel** fuel in the operation of your business or farm? (\$1/gallon credit form 8864)  
\_\_\_ \_\_\_ Are you a self-employed **musician** selling self-created compositions? (capital gain treatment)  
\_\_\_ \_\_\_ Did you participate in the 2010 65% **COBRA subsidy** for any of your employees? If yes, the payroll tax credits on your 941 payroll tax forms reduce your company paid health insurance premiums.  
\_\_\_ \_\_\_ Does your 2010 business income include **notary fees**? (no se tax)  
\_\_\_ \_\_\_ Heroes Earnings Assistance Tax Act... Did your business voluntarily pay an employee **differential wages** while they were away on **active military duty**? (form 8932, 20% credit)(06/18/08-2010)

### Farm

\_\_\_ \_\_\_ Are you a farmer receiving **Conservation Reserve Program (CRP) payments** and also receiving Social Security? (No se tax on CRP)

### Rentals

\_\_\_ \_\_\_ Did you receive rent payments for use of your home for **14 days or less (tax-free loophole)**?  
\_\_\_ \_\_\_ Did you operate a **vacation rental property** with an average rental period of 7 days or less? (motel rules)

### W-2 employees

\_\_\_ \_\_\_ **Misclassified worker** given W-2... form 8919 to pay fica tax, requires 1 of 7 criteria.  
\_\_\_ \_\_\_ Did you elect to receive **COBRA continuation health coverage** (35% of premium) during 2010 as a result of an involuntary termination of employment? (S<125K, MFJ<250k)  
\_\_\_ \_\_\_ Are you a performing artist employee that receives a **W-2... musician, dancer, juggler?** (2+ w-2's, agi < 16k)  
\_\_\_ \_\_\_ Are you State or Local **government official paid on a fee basis** rather than salary... such as a tax collector?

### Children in College

\_\_\_ \_\_\_ Were you, your property, or your children **attending college... located in a Federally declared disaster area** during any part of 2010? Which disaster? \_\_\_\_\_  
\_\_\_ \_\_\_ Did you previously claim the Hope scholarship credit for 2 years?

### Misc.

\_\_\_ \_\_\_ Did you receive **IRS notices**, etc. concerning prior year tax returns?  
\_\_\_ \_\_\_ Are you **behind in child support, taxes, student loans**, etc. that may cause a portion of your tax refund to be seized by the IRS? (Form 8379).  
\_\_\_ \_\_\_ Did you **gift more than \$13,000** to any one person during 2010?