

Personal Tax Appointment Packet

Tax Year 2023

(TELEPHONE APPOINTMENT)

What to provide for your appointment

- Please review the “Things to Bring List” on the following pages.
- A completed yes/no questionnaire.
- We need your signature(s) on the last page... “Agreement for Tax Preparation Services”.

Office policies... same as last year

- Your telephone appointment will be successful if you spend some time looking over this packet. “I never fill that out” or “nothing has changed” won’t work due to the many tax law changes.
- **SENDING IN YOUR INFORMATION**
 - You can drop off info via the mail slot in our ground level door (available 24/7).
 - You can email info via our secure email portal. You access from our web site’s “secure email” tab. The secure email is suitable for multiple attachments and quickbooks files up to 1GB. Our normal email works as well, but for safer communications, we recommend our web site’s secure email feature.
 - You can fax info to (717) 763-1111.
 - You can mail info via US Postal, Fed-ex, UPS.
- **We accept credit cards...** via our website’s home page www.baboiancpa.com.
- **Out-of-state tax returns...** your appointment must be after April 15th.
- **No email links please...** attach files to emails instead. Our staff is not allowed to click on email links such as Google drive or Dropbox shared file links. Please email file attachments instead (pdf, Excel, Word) using our web site’s secure email.

Our favorite clients

- They have their deductions totaled up by category (charity, work supplies, work uniforms, etc.). They don’t ask us to add up loose receipts.
- They open all envelopes. It’s ok to keep documents inside their opened envelope.
- **They are prepared... our expectation is that we can complete your tax return immediately after your appointment.** Avoid a “missing items” homework list. If you are missing documents, make a phone call to get the dollar amount. Or ask if they can fax the document directly to our office. Or sign into your online account and print the missing document. Or use your phone to take a clear pic of the document from your computer screen.

THINGS TO BRING LIST

- 1) First year clients only... we need a copy of your **driver's license** for taxpayer and spouse.
- 2) Changes/adding direct deposit info... **Void check**.
- 3) **YES/NO Questionnaire**... complete to the best of your ability.
- 4) Need every year... **proof of residence for each dependent** child or other dependent on your tax return:
 - a. Bring a document that includes a 2023 date, their name, and your address
 - i. Examples: daycare records, school records, medical records, employment records, church records, banking records, tax forms (W-2, 1099, health insurance form 1095, college form 1098-T).
 - ii. If you are not the custodial parent, bring proof you are allowed to claim the child such as form 8332 signed by the custodial parent or foster care records.
- 5) **Tax forms as applicable**
 - a. W-2... Employee wages
 - i. Please bring all copies, don't separate copies, open all envelopes.
 - b. W-2G... Gambling winnings
 - c. 1095-A... health insurance purchased from the Obamacare Marketplace/Pennie
 - i. You can print from your online account.
 - d. 1095-B or 1095C... other health insurance forms
 - i. It's ok if these forms have not come in the mail yet.
 - e. 1098... Mortgage interest, home equity loan interest, property taxes paid via escrow
 - f. 1098-E... Student Loan Interest
 - g. 1098-T... Qualified Tuition
 - i. This is usually mailed... to the student's name.
 - ii. But you may have to print from your online student account.
 - h. 1099-R... IRA and retirement account distributions
 - i. 1099-SA, 5498-SA... HSA forms
 - j. SSA-1099... Social security benefits
 - k. 1099-Int... interest income
 - l. 1099-Div & 1099-B... dividend income and investment sales
 - m. 1099-G... Unemployment compensation
 - n. 1099-Misc & new 1099-NEC... miscellaneous income
 - o. 1099-K... online sales/credit card sales if over \$20k for 2023.
 - p. K-1... income from partnership, LLC, S-corp, estates & trusts
 - i. If you have an inheritance, call your estate attorney to see if you have a 2023 K-1.
- 6) **Local income tax forms**... but only if pre-printed forms were mailed to you.
- 7) **Work final paystub**... for last pay date in December. Check the pay date...should be December 2023.
- 8) If you paid **college expenses** and your income is under \$180k (\$90k for single):
 - a. Bring form 1098-T (You may need to print from student online account).
 - b. If you have less than \$4k of tuition payments... also provide receipts for books & supplies.

9) If you itemize deductions

- a. Receipts for taxes paid (property tax, personal tax, \$10-\$52 LST tax).
- b. Sales tax paid... applies to very few taxpayers. Ask me during your appointment if you should keep these records.
- c. Listing of donations of money, clothing, canned foods, volunteer expenses, etc.
- d. Listing of medical expenses if total amount is more than 7.5% of your income. Include dental, vision, prescriptions, medical/long-term/cancer insurance. But don't include amounts deducted from your work paycheck.

10) Real estate refinance, purchase or sale... bring Closing Disclosure or HUD-1 Settlement Statement.

11) If you sold investments... please verify that your 1099-B form includes the cost of what you sold. If your form is missing "cost basis", you should print out or request a "realized gain/loss summary".

- a. **Note:** often transfers of stock or mutual funds within a brokerage account are actually the sale of one investment and the purchase of another. Even if you did not receive any cash from the transaction, you may have a taxable gain or loss. If you invest online, you may be responsible for printing your own 1099-B realized gain/loss summary from a web site.

12) Virtual currency in non-retirement accounts... bitcoins, etc.

- a. Taxable transactions include free air drops, selling off virtual currency, exchanging one type for another (Bitcoin for Ethereum), using virtual currency as a payment method (e.g. paying for online goods/services via bitcoins).
- b. You should be able to print online gain/loss reports from Coinbase, etc.
- c. Note: The IRS most likely knows you own bitcoins from subpoenaed records.

13) Company stock options & restricted stock... there are tax consequences from all of the following: purchasing stock at a discount, company gifting you stock, stock becoming fully vested, exercising options, selling stock, selling partial shares to cover tax withholdings.

- a. Please provide form 3921 from each year of exercised stock if available.
- b. Also provide year-end employee stock gain/loss reports available from the investment company your employer uses for employee stock transactions.
- c. **Alternatively, if you sold company stock shares...** ask your company's Employee Benefits department for the "Confirmation of Exercise" or "Confirmation of Release" reports for each group of acquired shares.

14) Business & rentals

- a. Gross income
- b. Expenses totaled up by category
- c. Business miles
- d. other YES/NO Questionnaire referenced items

15) Miscellaneous

- a. Any other documentation that you feel may be necessary.
- b. Any other item that the YES/NO Questionnaire references or asks you to provide.

16) Quickbooks backup files for desktop versions... are accepted for clients with a business or rental property.

- a. If you use Quickbooks ONLINE, Quicken, other software... please provide a printed or pdf Profit & Loss report (cash basis).

DAVID S. BABOIAN, CPA
2023 YES/NO Questionnaire

Updated: 03/27/2024

Instructions:

- 1) If you don't understand a question, star *** it in the left margin and we can discuss.
- 2) Fill in the blanks as best you can for miles and amounts... \$_____.
- 3) Note: Your bill does not include us adding up your loose receipts. Bookkeeping fees are additional. Please have your receipts for deductions already totaled up by category.

YES NO

1) OPTIONS & POLICIES

- ☒ ☐ I understand that this is a "telephone appointment".
- ☒ ☐ Yes, I am aware that year-round email questions are FREE.
- ☒ ☐ Yes, I am aware of available services.... personal & business tax returns, payrolls & bookkeeping.
- ☐ ☐ I would like VIP overnight service... \$39 cost.
-

2a) COVID-19 tax relief leftovers / BOI reporting

Personal:

- ☐ ☐ **Covid-19 retirement rollovers...** During Covid-19 tax year **2020**, did you elect to rollover a retirement distribution within 3 years? (Year 3 = 2023).
.....How much have you rolled over during 2023? Date _____ \$_____

Business:

- ☐ ☐ Did your business receive a 2020 or 2021 **SBA EIDL loan**?
...If yes, you need to go online to obtain the 2023 interest paid \$_____.
- ☐ ☐ Did your business receive the **ERC** refund (Employee Retention Credit)?
...If yes, which year did you receive the IRS check(s)?
...If yes, did you pay the related fees to the ERC preparer company during 2023?
- ☐ ☐ Do you own a corporation or LLC? **Let's discuss.**

New... Corporate Transparency Act federal registration... Our federal government is requiring most small business corporations and LLCs to **register by 12/31/24**. New 2024 businesses must comply even sooner; within 90 days of formation. The registration includes uploading driver's licenses or passports for most owners. The non-compliance **penalty is \$500 per day or 2 years in prison (felony charges)**. Info changes need to be reported within 30 days and include expiring/renewed ID's and address changes. Our firm's responsibility is to communicate this requirement. But clients need to register themselves or hire an attorney/3rd party service.

2b) GENERAL

- ☐ ☐ Did you receive unemployment?
(Provide form 1099-G; you may need to log into your dashboard to obtain)
- ☐ ☐ Did your employer ask you to **work from home**?
...If yes, for which months during 2023 _____.
...If yes, provide 2023 purchases for office furniture, furnishings, renovations & supplies.
...If yes, complete internet & cell phone only in "Business use of home" section 17.

YES NO

2b) GENERAL (continued)

Are you a new client for 2023? Please provide a photo ID copy for each adult.

Do you require an out-of-state tax return? Please provide a copy of your driver's license front/back.
**We process clients requiring out-of-state tax returns as extensions after April 15th.
If you currently have an appointment before April 15th, please call our office asap.**

Did your address change?

Did you incur moving expenses due to a military active-duty permanent change of station?

Did you move at least 35 miles for the same employer AND incur moving expenses AND receive no reimbursements? (PA deduction only)

Was there a birth, adoption, marriage, divorce or death that affects your tax return?
***If an executor gave you form 8971 listing inherited asset values, please provide to us.**
***Please bring social security card for new births.**
***Can use sec. 213 election to deduct decedent's unpaid medical on 1040 rather than estate tax return if paid within 12 months of death.**

Did you provide over 1/2 the support of a parent with gross taxable income under \$4,400 (ignore social security income)?

Did you pay over 1/2 of the housing costs for a parent?
(for CPA... head of household = if single and claiming parent as dependent)

Did you own foreign bank accounts or investments?
(for CPA: **sch B**, >\$10k in aggregate, >\$50/100k)

Did the IRS issue you a PIN as an identity theft precaution?
(for CPA: form 14039 affidavit, identity protection pin#, IRS ID Protection Unit 800-908-4490)

New... Did you make a contribution to an ABLE savings account for a disabled individual?

Do you owe PA "use tax"? Use tax is the 6% sales tax that your family did not pay during 2023 due to internet purchases, mail-order or utilities for rentals. Ignore food & clothing purchases.

Did anyone owe you money which became uncollectible during 2023? NOT unpaid business income or rents. NOT loans to relatives. NOT loans without loan documents.

Did you receive ACTIVE DUTY Military pay?
*Provide **in-state active duty** gross wages \$_____ (Local tax break)
*Provide **out-of-state active duty** gross wages \$_____
*Provide active duty gross wages related to a **PA declared emergency** \$_____
*Provide ACTIVE DUTY orders with dates and locations.
*Provide ACTIVE DUTY leave slips (paystubs).

Did you pay quarterly estimated tax payments? Please complete below.

	<u>Federal:</u>		<u>Pennsylvania:</u>		<u>Local:</u>	
	Date	Amount	Date	Amount	Date	Amount
1 st qtr due 4/18/23	_____	_____	_____	_____	_____	_____
2 nd qtr due 6/15/23	_____	_____	_____	_____	_____	_____
3 rd qtr due 9/15/23	_____	_____	_____	_____	_____	_____
4 th qtr due 1/16/24	_____	_____	_____	_____	_____	_____

YES NO

3) Did you buy **Pennie HEALTH INSURANCE** or from www.healthcare.gov (Obamacare Marketplace)?

___ ___ If no, skip ahead to section 4.

a) If yes, please bring form 1095-A mailed to you by the Marketplace/Pennie.

b) If yes, **we need a copy of any 2023 tax returns filed by your dependents.**

4) Do you have **DEPENDENT CHILDREN?**

___ ___ If no, skip ahead to section 5.

___ ___ Are you unmarried (or recently separated) with children in your household? HOH

___ ___ My total income is under \$50,000 and I am claiming dependent children on this tax return.

___ ___ Do you have a dependent child under age 17 at 12/31/23?

Include child, grandchild, foster child, brother, sister... or any of their children.

___ ___ Were any of your unmarried dependent children age 19 or older at 12/31/23?

___ ___ If yes, was your child under age 24 at 12/31/23 and full-time student any part of 5 months?

___ ___ Did you pay daycare expenses for a child under age 13 or for a physically/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#.

Include day camps (no overnight camps). Include 100% of schooling before kindergarten.

Include housekeeper/cook if hired in part for the well-being of child. For custodial parents only.

___ ___ Did your child under age 24 at 01/01/2024 earn interest, dividends & capital gains over \$500?

(for CPA... Kiddie tax \$2300, 01/01/23: <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 income.)

5) Did you own **INVESTMENTS?** (stocks, bonds, savings bonds, CD's, bitcoins)

___ ___ If no, skip ahead to section 6.

___ ___ Did you sell or transfer stocks, bonds, or mutual funds?

___ ___If yes, Did you sell inherited investments or investments given to you?

___ ___If yes, Did you sell small business stock not traded on a public stock exchange?

(for CPA: 1244 loss, undistributed AA basis adj)

___ ___ Did you cash U.S. Savings Bonds? Please bring 1099 forms showing the interest.

___ ___ Did you pay an early withdrawal penalty on a CD?

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

___ ___ Did you participate in an employer's stock purchase, stock award, restricted stock program?

___ ___ Did you borrow money to purchase investments and pay margin interest expense?

___ ___ Did you own "virtual currency" such as bitcoins?

(for CPA... airdrops=ordinary income, sell, send, exchange, use to purchase, otherwise dispose)

6) Did you **BUY OR SELL A HOME?**

___ ___ If no, skip ahead to section 7.

___ ___ Did you purchase a home in 2023? **Please bring HUD-1 settlement sheet or Closing Disclosure.**

___ ___ Did you sell a home in 2023? **Please bring HUD-1 settlement sheet or Closing Disclosure.**

If yes, please answer the following 4 questions:

___ ___Did you use the home sold as 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?

___ ___Did you sell a home purchased in 2008 using the 1st-Time Homebuyer \$7,500 credit/loan?

YES NO

7) Retirement Plans & IRA's

- ___ ___ Did you or will you contribute to a 2023 IRA before 04/15/2024?
Circle: traditional IRA, Roth IRA, SEP IRA
Provide amounts: Taxpayer \$_____ Spouse \$_____
Note: For \$29, 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.
Note: if over age 70 ½, do not contribute to an IRA if doing future IRA transfers to charity.
Note: taxable stipends, fellowships and alimony can qualify you for an IRA.
- ___ ___ 2023 Roth conversion... Did you rollover funds from a retirement plan/IRA to a Roth IRA?
- ___ ___ Were you unable to repay a RETIREMENT PLAN LOAN due to a severance from employment? The rollover deadline is the extended due date of tax return.
- ___ ___ Did you transfer funds directly out of your IRA to a qualified charity by 12/31/23?
Up to \$100k qualifies as non-taxable if taxpayer is age 70½ or older. Counts toward RMD.
..... If yes, have you made contributions into this IRA after reaching age 70 ½.
- ___ ___ Did you contribute to a retirement plan at work during 2023?
(for CPA: 2k max*rate, S<30k / HH<46k / MFJ<61k, >17, not ft student, not dependent)

8) Did you work a W-2 job and incur **WORK EXPENSES?**

- ___ ___ If no, skip ahead to section 9.
- ___ ___ Do you drive a company vehicle that you take home each day? (for CPA: personal use on W-2)
___ ___ Do you receive partial reimbursements for work expenses such as mileage or meals?
- ___ ___ Are you a kindergarten through 12th grade teacher, instructor, counselor, principal, or classroom aide who works at least 900 hours per school year? Sorry, no home schoolers.
- ___ ___ Did you have un-reimbursed continuing education for your W-2 employment?
Provide Tuition:\$_____ Books & supplies:\$_____ # miles: Jan-Dec _____
(for CPA: **PA... required** by employer or licensing board.)
- ___ ___ Did you pay for Covid-19 work expenses such as masks, hand sanitizer, shields?
- ___ ___ Did you have other job-related expenses that were not reimbursed by your employer?
Circle: union dues, uniforms, protective clothing (weather, chemicals, dirt), uniforms laundry & maintenance, safety equipment, supplies, reference materials, dues & subscriptions, tools, insurance, license, tolls & parking, computer & related toner/paper/usb drives, telephone, internet, internet subscriptions, i-pad, GPS, meals, workplace snacks & lunch, overnight travel, luggage, business gifts, office decor, expenses to overcome work impairments for the disabled.
- ___ ___ 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~~, from home to temporary work locations? Provide # miles: Jan-Dec _____
New... contractors can deduct mileage for only those jobs over 35 miles from home.
- ___ ___ Reservists/National Guard/Military... Did you have unreimbursed travel expenses while traveling more than 100 miles away from home? (test = 100 miles one way).
Provide # miles: Jan-Dec _____ Meals \$_____ Hotel \$_____ Other travel \$_____.

YES NO

9) Did you pay significant **MEDICAL, HOME INTEREST, TAXES, CHARITY?**

(Singles need more than \$14k; Married couples need more than \$28k)

- ___ ___ If no, skip ahead to section 10.
- ___ ___ Did you refinance in 2023? **Please bring HUD-1 settlement sheet or Closing Disclosure.**
- ___ ___ Do you have a loan secured by a boat/camper/RV with bathroom, cooking & sleeping quarters?
- ___ ___ Did you incur damaged property in a federally-declared disaster area (storm, flood, fire, theft)?
- ___ ___ Did you pay interest or taxes on a vacation time-share? (No more foreign r/e taxes)
- ___ ___ Did you pay PMI (Private mortgage insurance)?
- ___ ___ Did you pay a personal tax, per capita tax or school occupation tax (usually paid by check)?
- ___ ___ Did you pay the \$52 LST (local service tax) by payroll deductions? Taxpayer \$ _____ Spouse \$ _____
- ___ ___ Did you keep a detailed record of 2023 sales tax paid? If not, we will use IRS tables to calculate. Always provide sales tax paid on significant 2023 purchases of motor vehicles, aircraft, boats, mobile homes, or home building materials for do-it-yourself projects. \$ _____.
- ___ ___ Do you have a home equity loan?
- ___ ___ If yes... Were original funds used to buy, build or improve your main home?
- ___ ___ If yes... Were original funds used to buy a vacation home which also serves as collateral?
- ___ ___ Did you pay significant medical expenses including dental, vision, hearing, & insurance?
Significant is more than 7.5% of your income. **Medical miles: Jan-Dec** _____
- Don't include amounts deducted from your paycheck. Ask about including medical payments for others not claimed as dependents on your tax return... children of divorce, elderly family or others living in your home where you provided more than 50% of their financial support. (for CPA: dependent other than AGI rule, no insur for child<27 unless dependent)
- ___ ___ Do you have records for your charitable contributions?
- a. **Cash and check donations.** Even the smallest donation requires a detailed receipt or bank statement or credit card statement or paystub..... \$ _____
- b. **Clothing & household donations** require good condition & receipt.... \$ _____
- c. **Charity/volunteer miles driven**..... Jan-Dec miles _____

10) Did you have **STUDENT LOANS, COLLEGE STUDENTS, 529 ACCOUNTS?**

- ___ ___ If no, skip ahead to section 11.
- ___ ___ Did you make contributions to a Sec 529 Qualified Tuition Program such as PA's TAP? Please provide information below. Skip SS# if we already have it.
- T / S Student Beneficiary _____ SS# _____ 2023 contributions \$ _____
- T / S Student Beneficiary _____ SS# _____ 2023 contributions \$ _____
- ___ ___ Did you pay student loan interest?
- ___ ___ Did you have student loans forgiven during this year?
- ___ ___ Did you withdraw funds from a 529 college savings plan?
(for CPA... no 10% penalty if choose credits instead or scholarship; ok for K-12: \$10k per student per year; student loans \$10k per lifetime)
- ___ ___ 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? (for CPA: 78-93k/116-146k agi)
- ___ ___ Were amounts paid for college/vocational schools... by you, student, ex-spouse or student loans.
Need form 1098-T from school web site.

If yes, please answer the following 4 questions:

- ___ ___Was student at least 1/2 time for at least one academic period?
- ___ ___Had student completed 4 years of undergraduate credits as of first day year - 01/01/23?
- ___ ___Was student convicted of a drug felony before 01/01/2024 (for CPA: Am Opp)
- ___ ___Was student taking college courses while in high school? (for CPA: ~~LTL~~)

YES NO

11) Were you **RETIREMENT AGE or DISABLED?**

___ ___ If no, skip ahead to section 12.

___ ___ Were you or your spouse legally blind?

___ ___ Were you or your spouse (~~age 70 1/2~~)(~~age 72~~) age 73 or older at 12/31/23... RMD time.

___ ___ Did your 2023 income dramatically increase due to a one time life changing event? (Medicare premium increase appeal... form SSA-44).

___ ___ **New rules...** PA Property Tax/Rent Rebate form PA-1000... do you qualify?

- Are you age 65 or older; or widow/widower age 50 or older; or permanently disabled and age 18 or older (need SSI or physician's statement)?
- Are you a homeowner or paying rent with under \$45k of income excluding 1/2 of your social security? (1/2 Social Security; 1/2 Railroad Tier 1 income; subtract \$8,231 from federal civil service retirement FCSRS).
- Refunds are more... \$350-\$1,000
- **You can hire us to prepare this form for \$129.** Our price increased for this form due to more complicated qualifying calculations. Some state politician offices prepare this form for free.

12) Other Income

___ ___ Did you sell items on Ebay, Etsy, Facebook, Yard sale sites? Need form 1099-K if applicable. New \$5k 1099-K threshold rules for 2024. (\$600 for 2025)

___ ___ Did you have debts cancelled or forgiven? Please bring any 1099-A's/1099-C's. (form 982)

___ ___ Did you receive non-taxable military combat zone pay? (EIC)(refundable child tax credit)

___ ___ Did you receive alimony? \$_____. (not child support)(not if started after 12/31/18)

___ ___ **Need date of divorce/separation agreement** _____.

___ ___ Did you receive other miscellaneous income not reported to you on a 1099 tax form? **Circle:** jury duty, legal awards, tips exceeding \$20/month, prizes, awards, gambling winnings, election volunteer pay, excess electricity REC's sales. **Non-taxable:** State/Local rebate to EMS workers, foster care payments, workers' compensation payments, certain grants, child support, student loan forgiveness/payments for health care professionals, family care payments (difficulty of care rules), disaster relief payments (do not reduce casualty loss unless for destroyed property; business aid is taxable unless used to replace/repair property).

13) Other Deductions & Credits

___ ___ Did you pay legal fees related to work, business owner's divorcee, alimony received or preserving other taxable income?

___ ___ Did you pay alimony ordered before 12/31/18? \$_____. (not child support). Provide recipient's name and Soc. Sec #. **Need date of divorce/separation agreement** _____.

___ ___ Clean vehicle credit \$99+. Did you purchase a new/used electric or plug-in hybrid vehicle?

___ ___ No leases. **Please email us asap.** We need certain info before your appointment.

___ ___ Did you make **2023 energy efficient improvements** to your main or 2nd U.S. home? Doors, windows, insulation, furnace, central air, water heater, pellet/wood stove, ~~metal roof~~, energy audit, electric upgrades.

___ ___ Did you make solar, geothermal or wind turbine improvements to your main or 2nd U.S. home?

___ ___ Did you contribute to an HSA-Health Savings Account? **Please bring form 1099-SA & 5498-SA.** Deadline is April 15th. (must be <65; max ded=\$3650/7300; catchup=\$1k if age 55 at 12/31; 20% penalty <65)

___ ___ 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? Please bring proof of eligibility paperwork. (Form 8885)

14) Miscellaneous

___ ___ In 2023 were you notified or audited by the IRS, state or local income tax agencies?

___ ___ Did you claim the 2008 1st Time Homebuyer Credit (\$7,500 loan)? Payment #14 of 15 is due.

___ ___ **Annual "end of tax season" party...** Would you like **free drink tickets for Saturday, April 13th, 8pm** at Hollywood Casino (Penn National) featuring "Dance Fever" band?

YES NO

15) Do you own either a Rental Property or Business?

- ___ ___ If no, skip ahead to the signing page.
Also answer "no" if you had a separate January corporate appointment for this rental/business.
- ___ ___ Do you operate as an LLC?
- ___ ___ New... Did you collect income or pay expenses via Venmo, Paypal, other online platforms?
- X ___ Do you have records to substantiate your income & expenses? Yes answer indicates a fixed asset policy of expensing items \$2,500 or less. (for CPA: elect de minimis safe harbor 1.263A-1F)
- ___ ___ Do you use a **Quickbooks desktop** version? Optional: provide your Quickbooks backup file on a USB drive. (not Accountant Review Copy; not Portable file).
a. Quickbooks version: _____ password: _____
- ___ ___ Do you use **Online Quickbooks**, Quicken, or other bookkeeping software?
a. Provide a hard copy printout of your Profit & Loss report or Income Statement
- ___ ___ Are you deducting mileage?
rental miles driven: Jan-Dec _____
business miles driven: Jan- Dec _____
Total miles driven in 2023... combined rental, business, personal: _____
- ___ ___ Did you pay vehicle loan interest for a vehicle used partly for rentals or business?
Please call your bank/lender for the 2023 interest paid \$_____.
- ___ ___ Did you pay 2023 interest on credit cards that were used for rentals/business? Please call your credit card companies and provide \$_____. **Note: Don't include 2023 bank credit card payments in your expenses. Instead only include the new 2023 bank credit card charges.**

16) Do you own a Rental Property?

- ___ ___ If no, skip ahead to section 17.
- ___ ___ 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? Days worked for at least 6 hours on maintenance, cleaning, or admin. are not considered personal use. Personal use includes days rented to family.
- ___ ___ Did you operate a rental property with an average rental period of **7 days or less**? If yes, did you do related work of at least 500 hours? or at least 100 hours and more than anyone else? (for CPA: (motel rules)(non-passive C Inn, passive C w/ no 25k allowance))
- ___ ___ Real Estate professional... Did over 50% of your work hours relate to real estate and did you work over 750 hours in real estate? (for CPA: sec 469 single activity election; no mgmt co, T&S 750ea)
- ___ ___ Did you maintain a home office AND have rentals that result in taxable income. If yes, complete the "Business Use of Home" questions in Section 17.

17) Do you own a Business?

- ___ ___ If no, skip ahead to the signing page.
- ___ ___ Would you like your email added to our quarterly **sales tax** reminder mailing list?
- ___ ___ Do you have over \$10k of internet sales to individuals? PA says you need a sales tax license.
- ___ ___ Do you own a food & beverage business with tipped employees? (form 8846)
- ___ ___ Was the business owner under age 65 and collecting social security?
- ___ ___ Are you subject to the Harrisburg Mercantile tax? Did you pay the \$50 license fee?

YES NO

- X Let's discuss the \$52 LST tax? If you don't have another main job, you may owe this tax. This is a bill, not a tax form we prepare for you.
- IRS crackdown on 1099s... Did you make payments totaling \$600 or more during 2023 to any one payee for subcontract services, repairs or rents? Payments to corporations don't count. New: if you pay non-residents of PA over \$5k, you need to withhold PA tax.
- Are you using subcontractors in the construction industry? Ask me about Act 72 rules.
- Are you a home improvement contractor? PA requires you to register. 888-520-6680 for info.
- Did you purchase at least 50 gallons of un-dyed fuel for generators, tractors, chain saws, or other off-road equipment (not vehicles)?** gallons unleaded; gallons diesel
- 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. \$_____.
- Did your business pay over 50% of the health insurance premiums (include dental & vision) for any employee not related to you.? (for CPA: <10-25 FTE's, avg<25- \$50k)
- Did you pay for employee party meals? Free meals, drinks, snacks as marketing to customers?
- Are you a graphic designer or web designer? Ask me about act 84 sales tax rules.
- Did you receive over \$10,000 cash (green bills) for a single transaction (or group of related transactions)? Cash= cashiers check, travelers check, money order. Efiled Form 8300 is due in 15 days.
- Did you pay startup & admin. costs to establish a retirement plan?
(for CPA: form 8881=\$500; 50% for 1st 3 yrs; plan must cover at least 1 non-owner)
- Did your business increase accessibility for disabled employees or customers by removing barriers, modifying equipment, modifying walkways, etc.? (for CPA: 50% of \$10k max, form 8826)
- Is your solo 401k retirement plan over \$250k in value? (need form 5500-EZ)
- 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 paperwork base when no substantial administrative or managerial activities were performed by you at another location?

Use actual amount paid during the period your home was used for business. Supply the full amounts paid in the blanks below and we will do the percentage math calculations.

- 1) **home utilities...** don't include phone, cable, or internet here \$_____ (for CPA... 10% for use tax)
(electric, gas, oil, water, sewer, trash, coal, firewood)
- 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.....** \$_____
(lease/rent paid, homeowners association dues, cleaning, security)
- 5) **monthly home internet.....** \$_____
(do not include cable tv or telephone lines)
- 6) **monthly cell phone.....** \$_____
(do not include kids and other non-business phones)

7) **Wait... you can skip this question 7)** if you claimed home office deduction in the prior year or if previously discussed at an initial consultation.

- 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). \$_____.

DAVID S. BABOIAN, CPA
PROFESSIONAL CORPORATION

4350 Carlisle Pike, Camp Hill, PA 17011, (717) 763-8044 / Fax 763-1111

Agreement for Tax Return Preparation Services
for personal income tax returns

This letter is to inform you, the taxpayer, of the services we will provide you, and the responsibilities you have for preparation of your tax returns.

Tax Return Preparation

- We will prepare your **2023** federal, state, and local income tax returns based on information you provide. Services for preparation of your returns do not include auditing or verification of information provided by you.
- This engagement does not include any audit or examination of your books or records.
- You must review the completed returns carefully to make sure the information is correct.
- Fees must be paid before your tax return is delivered to you or filed for you. If you terminate this engagement before completion, you agree to pay a fee for work completed.
- Fees charged for tax return preparation do not include audit representation or preparing materials to respond to correspondence from taxing authorities.
- Preparation fees do cover limited assistance during the year... short telephone and email questions are free.
- The engagement to prepare your **2023** tax returns terminates upon delivery of your completed returns and original documents to you. Please store your supporting documents and copies of your tax returns in a secure place for at least seven years.
 - In the event of our human or mechanical error, we will correct the error at no charge and pay any resulting penalties.
- New... This engagement does not include Corporate Transparency Act BOI reporting updates or registrations. Please contact your business attorney or a 3rd party service.

Taxpayer Responsibilities

- You agree to provide us all income and deductible expense information. If you receive additional information after we begin working on your return, you will contact us immediately to ensure your completed tax returns contain all relevant information.
- You affirm that all expenses or other deduction amounts are accurate and that you have all required supporting written records. In some cases, we will ask to review your documentation.
- You must be able to provide written records of all items included on your return if audited by either the IRS, state, or local tax authorities.
 - **You affirm that you have disclosed all virtual currency transactions to us for the year** (purchases, sales, exchanges, used to purchase, otherwise disposed).

Privacy Policy. The nature of our work requires us to collect certain nonpublic personal information about you from various sources. We collect financial and personal information from applications, worksheets, reporting statements, and other forms, as well as interviews and conversations with our clients and affiliates. We may also review banking and credit card information about our clients in the performance of receipt of payment. Under our policy, all information we obtain about you will be provided by you or obtained with your permission. Our firm has procedures and policies in place to protect your confidential information. We restrict access to your confidential information to those within our firm who need to know in order to provide you with services. We will not disclose your personal information to any third party without your express permission, except where required by law. We maintain physical, electronic, and procedural safeguards in compliance with federal regulations that protect your personal information from unauthorized access. Please contact us with any questions regarding our privacy policy.

Conflict of interest for DIVORCED taxpayers

Realizing that a possible conflict of interest exists, I hereby give permission for David S. Baboian, CPA, PC to prepare my income tax returns even though the firm may also be preparing the income tax returns of my ex-spouse.

Signatures. By signing below, you acknowledge that you have read, understand, and accept your obligations and responsibilities and that you understand our responsibilities in preparing your tax returns as explained above. For a joint return, both taxpayers must sign.

X_____

Taxpayer

X_____

Spouse

X_____

Date