

2011
JAMES J. TOWEY, P.C.
Information
Summarizer for Self Employed

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CLIENT: _____

Taxpayers E-mail Address:

Home _____@_____

Work _____@_____

PLEASE READ AND SIGN BEFORE PROCEEDING

1) TAX RETURN ENGAGEMENT LETTER

Dear Client,

Thank you for choosing James J Towey P C to assist you with your 2011 taxes. This letter confirms the terms of our engagement with you and outlines the nature and extent of the services we will provide.

We will prepare your 2011 federal and state income tax returns. We will depend on you to provide the information we need to prepare complete and accurate returns. We may ask you to clarify some items but will not audit or otherwise verify the data you submit. An Organizer is enclosed to help you collect the data required for your return. The Organizer will help you avoid overlooking important information. By using it, you will contribute to efficient preparation of your returns and help minimize the cost of our services.

We will perform accounting services only as needed to prepare your tax returns. Our work will not include procedures to find defalcations or other irregularities. Accordingly, our engagement should not be relied upon to disclose errors, fraud, or other illegal acts, though it may be necessary for you to clarify some of the information you submit. We will, of course, inform you of any material errors, fraud, or other illegal acts we discover.

The law imposes penalties when taxpayers underestimate their tax liability. Please call us if you have concerns about such penalties.

Should we encounter instances of unclear tax law, or of potential conflicts in the interpretation of the law, we will outline the reasonable courses of action and the risks and consequences of each. We will ultimately adopt, on your behalf, the alternative you select.

Our fee will be based on the time required at standard billing rates plus out-of-pocket expenses. Invoices are due and payable upon presentation. To the extent permitted by state law, an interest charge may be added to all accounts not paid within thirty (30) days.

We will return your original records to you at the end of this engagement. You should securely store these records, along with all supporting documents, canceled checks, etc., as these items may later be needed to prove accuracy and completeness of a return. We will retain copies of your records and our work papers for your engagement for seven years, after which these documents will be destroyed.

Our engagement to prepare your 2011 tax returns will conclude with the delivery of the completed returns to you (if paper filing) or your signing, and the subsequent submittal, of your tax return (if e-filing). If you have not selected to e-file your returns with our office, you will be solely responsible to file the returns with the appropriate taxing authorities. Review all tax-return documents carefully before signing them.

To affirm that this letter correctly summarizes your understanding of the arrangements for this work, please sign the enclosed copy of this letter in the space indicated and return it to us.

We appreciate your confidence in us. Please call or contact us if you have questions.

Sincerely,

James J Towey, CPA
James J Towey, P C

(Both spouses must sign for preparation of joint returns.)

Accepted By:

Taxpayer

Spouse

Date

GENERAL INFORMATION

Full Legal: First Name **MI** **Last Name** **SS#** **Occupation**

Taxpayer (T) _____

Spouse(S) _____

Address _____

City, State, Zip _____

Home Phone _____ Work Phone (T) _____ Work Phone (S) _____

E-Mail (T) _____ E-Mail (S) _____

Cellular Phone (T) _____ (S) _____

Fax (T) _____ (S) _____

Birthdates (T) _____ (S) _____

Filing Status (Please circle appropriate selection):

- | | |
|-------------------------------|----------------------------|
| 1.) Single | 4.) Head of Household |
| 2.) Married Filing Jointly | Non-dependent's Name _____ |
| 3.) Married Filing Separately | 5.) Qualifying Widow(er) |
| a. Former Spouse Name _____ | Year spouse died _____ |
| b. Former Spouse SS# _____ | |

Dependents:

<i>Full Name</i>	<i>Date of Birth</i>	<i>SS#</i>	<i>Relationship</i>	<i># of Months a resident - 2011</i>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

WAGES AND INCOME

**WAGES (W-2'S) CONTRACT WORKER INCOME (1099-MISC), SEE PAGE 6!
(ATTACH FORMS TO THE APPROPRIATE PAGE)**

PLEASE NOTE: List, in the appropriate spaces below, the items that apply.

W-2's: *If you have Federal Income Taxes and Social Security Taxes withheld from your wages please attach ALL copies of your IRS forms W-2 below and list here:*

Employer	Gross Wages	Federal Withholding	Social Security	State Withholding	Medicare	401K

INTEREST AND DIVIDEND INCOME: *If you have interest or dividend income from savings accounts, CD's, money market funds, etc., please attach copies of the year end statement and list here: (1099-INT, 1099-DIV)*

Institution	Amount

OTHER INCOME

*1099's: If you received an IRS form 1099 for ANY other reason, **please attach ALL copies of your forms 1099 below.** Included would be 1099-A, 1099-B, 1099-INT, 1099-G, 1099-Misc, 1099-OID, 1099-S & 1099-K.*

Institution	

*1099-R: If you receive payments from a pension plan or IRA, **please attach ALL copies of IRS form 1099-R below and list here:***

Institution	Gross Pension	Taxable Pension	Federal Withholding

List of ALL Foreign-owned Assets (whether income producing or not)

Institution	Description	Income	Foreign Tax Paid

INCOME FROM SELF-EMPLOYMENT OR CONTRACT LABOR

(Please use a separate form for each separate business)

Name of the business or dba _____

Address (if different from residence) _____

Is the business owned by the taxpayer, spouse, or jointly? (T, S, J.) _____

When did this business start? _____ # of months operated in 2011 _____

INCOME:

Gross receipts or Sales (actual monies collected) \$ _____
Include and Attach ALL Forms 1099M & 1099K!

Less: Returns and allowances (_____)

Other income (describe) _____

AUTO: (Following information required for EACH car you used in your business).

Date Acquired _____ Cost (if purchased) \$ _____ Type of auto _____

Total miles vehicle driven in 2011 _____

Business miles driven in 2011 _____

Commuting miles driven in 2011 _____

Gas _____ Loan Interest _____

Repairs & Maintenance _____ Lease Payments _____

Insurance _____ License & Inspections _____

Other _____

OFFICE IN THE HOME:

Date Residence Acquired _____ Cost (if purchased) _____

Number of Rooms in Residence _____ Business rooms _____

Square Footage in Residence _____ Business Square Footage _____

Interest on Mortgage _____ Utilities _____

Rent paid \$ _____ Insurance _____

Taxes paid \$ _____ Repairs _____

Improvements _____ (Date made) _____

Home Owner's Association Dues _____

INCOME FROM SELF-EMPLOYMENT OR CONTRACT LABOR (continued)

FURNISHINGS & EQUIPMENT:

Description _____ \$ ____ % - ____ (Date purchased) _____

Description _____ \$ ____ % - ____ (Date purchased) _____

Description _____ \$ ____ % - ____ (Date purchased) _____

OTHER EXPENSES:

Advertising/Website _____ Repairs _____

Bad Debts _____ Returns & Allowances _____

Commission's _____ Seminars _____

Dues and Publications _____ Supplies _____

Freight and Delivery _____ Utilities _____

Insurance _____ Taxes _____

Interest _____ Training Costs _____

Legal and Accounting _____ Travel _____

Meeting Costs _____ Meals and Entertainment _____

Office Expenses _____ Wages and Salaries _____

Rent _____ Client Gifts _____

Long Distance Phone _____ Demo's and Samples _____

Cellular Phone _____ Bank Fees _____

Postage _____ Other _____

Website/Domain _____

Health Ins. Premiums _____

Tolls and Parking _____

OTHER INCOME

	<u>Taxpayer</u>	<u>Spouse</u>
Did you receive ALIMONY from a prior spouse in 2011?	\$ _____	\$ _____
Did you receive UNEMPLOYMENT COMPENSATION in 2011? (Please attach Form 1099-G below)	\$ _____	\$ _____
Did you receive SOCIAL SECURITY BENEFITS in 2011? (Please attach End-of-Year forms below)	\$ _____	\$ _____
Did you receive any REIMBURSEMENTS FOR BUSINESS EXPENSES from your employer in 2011 not included on Forms W-2 or 1099?	\$ _____	\$ _____
Did you receive any GAMBLING WINNINGS? (Attach Form W-2G) in 2011?	\$ _____	\$ _____
Did you receive ANY OTHER INCOME FROM ANY OTHER SOURCE not already previously listed on this or prior pages? (Please list below)		
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____

(PLEASE ATTACH REPORTING NOTICES FROM AGENCIES OR COMPANIES FOR ALL ITEMS LISTED ON THIS PAGE IN THE SPACE BELOW).

OTHER ITEMS

ADJUSTMENTS TO INCOME

	<u>Taxpayer</u>	<u>Spouse</u>
ALIMONY paid to a prior spouse in 2011? Prior spouse SS# _____	\$ _____	\$ _____
Traditional IRA Contribution in 2011?	\$ _____	\$ _____
ROTH IRA contribution in 2011?	\$ _____	\$ _____
Contribution to a Health Savings Account (HSA) In 2011?	\$ _____	\$ _____
Student Loan Interest paid in 2011?	\$ _____	\$ _____
Were/are you a participant in a company-sponsored Pension or Profit Sharing Plan in 2010? (Yes/No)	_____	_____
Did you incur a PENALTY FOR EARLY WITHDRAWAL from a savings account or Certificate of Deposit from a financial institution in 2011	\$ _____	\$ _____
<u>If you are/were self employed:</u> Contribution to a KEOGH, SEP, SIMPLE, SMALL 401K? Or PROFIT SHARING PLAN in 2011 (Please indicate what type)	\$ _____	\$ _____

i. ESTIMATED TAX PAYMENTS

Did you make estimated quarterly payments for the 2011 tax year (*if state taxes paid, please list alongside federal*).

Date Due	Date Actually Paid	Federal / State
04/15/11	_____	_____
06/15/11	_____	_____
09/15/11	_____	_____
01/15/12	_____	_____

Did you elect to apply refunds due from the 2010 tax return to 2011? If so, how much?
\$ _____

If you are due a refund on your 2011 tax return, do you wish to have it refunded to you? _____ (Yes/No),
or, applied to your 2012 estimated payments? _____ (Yes/No)

ii. ELECTRONIC FILING

Please attach a copy of a voided check on the account for refund (or payment). Upon acceptance for electronic filing, you can expect your refund/payment to be sent /debited directly to your bank account from the United States Treasury.

ITEMIZED DEDUCTIONS

MEDICAL:

Pharmaceuticals, medicines (no over-the-counter) \$ _____
Doctors, Dentists, etc. \$ _____
Insurance Premiums \$ _____

Medical-related Mileage _____

TAXES:

State and local income taxes OR Sales Taxes (greater of the two) \$ _____

Real estate taxes on your residence \$ _____

Real estate taxes on other property you own (**Not** rental property) \$ _____

INTEREST: *(Please attach your year-end mortgage statement and Forms 1098 here).*

Mortgage interest on your residence (1st and 2nd liens) \$ _____

If paid to an individual, please list:

Name _____

Address _____

City, State & ZIP _____

Social Security # _____

Points paid on the purchase of a residence \$ _____

Points paid on the refinancing of an existing residence \$ _____

(Please attach closing statement here)

Interest paid on investment-related loans \$ _____

(Margin accounts, etc.)

CHARITABLE CONTRIBUTIONS:

Paid in cash or by check (attach document as proof of contribution).

If over \$ 250.00 to any one organization, please list:

Name _____ Amount \$ _____

Address _____

City, State & ZIP _____

ITEMIZED DEDUCTIONS (continued)

CHARITABLE CONTRIBUTIONS (CONT'D):

Non-cash contributions such as Salvation Army, Goodwill, etc. \$ _____

Please list: (**YOU MUST HAVE A RECEIPT**)

Name _____

Address _____

City, State & ZIP _____

Description of Donated Property: _____

Date of Contribution _____ Date Acquired _____ Donor's Cost _____

Fair Market Value at Date of Gift: \$ _____ How Acquired _____

Method used to determine Fair Market Value? _____

CASUALTY OR THEFT LOSSES:

Did you have a loss greater than 10% of your gross income in 2011? \$ _____

If so, please describe in detail here:

MISCELLANEOUS:

Tax Return Preparation/Planning Fees \$ _____

Safe Deposit Box Rental \$ _____

Professional Financial Advisory Fees \$ _____

Professional Society or Union Dues \$ _____

Employment Related Journals and Publications \$ _____

Job Search Expenses \$ _____

Tools, Uniforms, Work Shoes, Goggles, etc. \$ _____

Gambling Losses \$ _____

Other (describe) \$ _____

EMPLOYEE BUSINESS EXPENSES

(Expenses incurred while employed by A Company or other organization)

(Please use a separate column for taxpayer and spouse)

VEHICLE EXPENSES:	T or S _____	T or S _____	T or S _____
	Vehicle #1	Vehicle #2	Vehicle #3
Employed By:	_____	_____	_____
Date Acquired	_____	_____	_____
Cost (After trade-in, if any)	_____	_____	_____
TOTAL Miles driven in 2011	_____	_____	_____
BUSINESS Miles driven in 2011	_____	_____	_____
Commuting Miles driven in 2011	_____	_____	_____
Gas, Repairs, Maintenance, Insurance, and ALL other vehicle expenses:			
	\$ _____	\$ _____	\$ _____

OTHER EXPENSES:			
Parking, Tolls, Tips, Pay Phones	\$ _____	\$ _____	\$ _____
Airfare, Lodging, Car Rental, etc.	\$ _____	\$ _____	\$ _____
Meals & Entertainment	\$ _____	\$ _____	\$ _____
Other Miscellaneous Expenses	\$ _____	\$ _____	\$ _____

REIMBURSEMENTS:
 Amounts reimbursed to you by employers **NOT RECORDED ON W-2's & 1099's:**

	\$ _____	\$ _____	\$ _____
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CHILD & DEPENDENT CARE EXPENSE

PERSON(S)/ORGANIZATIONS PROVIDING CARE:

Name	Address, City, State & ZIP	SS# or Federal ID#	Amount Paid
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

Number of Qualifying Dependents _____

NOTE:
ADDRESS AND SOCIAL SECURITY NUMBER/FEDERAL ID NUMBER IS MANDATORY ON DAY CARE PROVIDERS!

INCOME/EXPENSES FROM FARM/RANCH

(Please use a separate form for each separate business)

Name of the farm/ranch _____

Address (if different from residence) _____

Is the farm/ranch owned by the taxpayer, spouse, or jointly (T, S, J)

When did this farm/ranch start? _____ # of months operated in
2011 _____

INCOME:

Sales of farm/ranch products \$ _____

Cost of products produced \$ (_____)

Other Income (describe) _____ \$ _____

EXPENSES:

Breeding Fees \$ _____ Labor \$ _____

Chemicals _____ Pension & Profit-sharing _____

Conservation Expenses _____ Rent or Lease _____

Custom Hire _____ Repair & Maintenance _____

Depreciation _____ Seed & Plants purchased _____

Employee Benefits _____ Storage & Warehousing _____

Feed _____ Supplies _____

Fertilizer & Lime _____ Taxes _____

Freight & Trucking _____ Utilities _____

Gasoline, Fuel, & Oil _____ Veterinary Fees _____

Insurance _____ other (describe) _____

Interest _____

FARM VEHICLE: (Following information required for EACH VEHICLE you used on your farm).

Date Acquired _____ Cost (if purchased) \$ _____ Vehicle Type _____

Total miles vehicle driven in 2011 _____

Business miles driven in 2011 _____

Commuting miles driven in 2011 _____

Fuel _____ Loan Interest _____

Repairs & Maintenance _____ Lease Payments _____

Insurance _____ License & Inspections _____

Other _____

RENTAL OR ROYALTY PROPERTY INCOME & EXPENSE

	<i>Property A</i>	<i>Property B</i>	<i>Property C</i>
Address	_____	_____	_____
City, State & ZIP	_____	_____	_____
RENTAL INCOME	\$ _____	\$ _____	\$ _____
ROYALTY INCOME	_____	_____	_____
MERCHANT INCOME (1099K)	_____	_____	_____
<u>EXPENSES:</u>			
Advertising	_____	_____	_____
Auto & Travel	_____	_____	_____
Cleaning & Maintenance	_____	_____	_____
Commissions'	_____	_____	_____
Insurance	_____	_____	_____
Legal & Prof. Fees	_____	_____	_____
Mortgage Interest	_____	_____	_____
Repairs	_____	_____	_____
Supplies	_____	_____	_____
Prop Taxes	_____	_____	_____
Utilities	_____	_____	_____
Wages and Salaries	_____	_____	_____
HOA Dues	_____	_____	_____
Other (describe)	_____	_____	_____
_____	_____	_____	_____
DATE PROPERTY ACQUIRED	_____	_____	_____
COST BASIS	\$ _____	\$ _____	\$ _____

SALE OF RESIDENCE

OLD RESIDENCE:

Cost basis of old residence sold (includes original purchase price, closing costs, and all improvements since purchase). \$ _____

Date old residence purchased _____

Date old residence sold _____

Sale price of old residence \$ _____

Did you owner-finance the new buyer (Yes/No) _____ If Yes, How Much?

Expenses of sale (commissions, closing costs, etc) \$ _____

Fixing-up Expenses prior to sale of old residence \$ _____

NEW RESIDENCE:

Are you a First-time homebuyer? _____

Did you purchase a new residence in 2011? _____ What date did you purchase this residence?

What is the purchase price of the new residence? \$ _____

PLEASE ATTACH A COPY OF THE CLOSING PAPERS FROM BOTH THE PURCHASE AND SALE OF THE OLD RESIDENCE AND THE PURCHASE OF THE NEW RESIDENCE (if applicable)

MOVING EXPENSES (If for business reasons and over 50 miles)

Number of miles from your old residence to your new workplace? _____

Number of miles from your old residence to your old workplace? _____

ACTUAL MOVING EXPENSES:

Cost of moving furniture and household goods \$ _____

Airfares, lodging, auto expenses, etc. \$ _____

Meals and entertainment \$ _____

NOTE:
Please attach Form 4782 – Employee Moving Expense Information provided by your company.

DISTRIBUTIONS FROM PARTNERSHIPS, “S” CORPORATIONS, & TRUSTS

If you received a Form K-1 from Partnerships, “S” Corporations, or Trusts in which you have an interest, please attach ALL pages of those K-1’s and list below:
