

GETTING READY FOR YOUR TAX APPOINTMENT

Be Ready! The time to gather paperwork, sort it, and organize it is **NOW**, not the night before your appointment. You might miss an important deduction by waiting until the last minute to prepare. **January 31** is the due date for all forms (W-2s, 1099s, and 1098s) to be in the mail so, in some cases, you may not get some forms until the first week of February.

Please bring the following items with you on the day of your appointment:

- W-2s.** Be sure you bring all copies from each employer for whom you worked during the tax year.
- Form 1099-INT & Form 1099-DIV.** These forms are issued for each account that pays you interest or dividends. This includes banks, brokerage firms, and even tax-exempt interest (which must be listed even though not taxable).
- Other 1099s.** Real estate sales are listed on Form 1099-S. Security sales are listed on Form 1099-B. Foreclosures are listed on Form 1099-A. Social Security is listed on Form 1099-SSA. Unemployment, state tax refunds, and gambling winnings are also reported on Forms 1099. Independent contractor fees, director fees, executor and trustee fees are all reported on 1099-MISC.
- Form 1098.** This form reports interest paid on your mortgage or home equity loan. Real estate taxes, if paid from an escrow account with the lender are also shown on this form.
- Partnership Forms K-1.** These forms usually arrive late in the tax season. We would like to see you well before they arrive so we can have everything else ready to go. All you need to do then is to drop off, fax, or mail the K-1 when it arrives.
- Purchase, Sale, or Refinance Paperwork.** If you buy or refinance a home or other property, we need the settlement, or escrow statement. If you aren't sure which one that is, bring the entire packet. If you sold a home or other property, we need the sales escrow and the original purchase escrow information, plus data regarding improvements you made to the property.
- Stock, or other security, Sales.** If you sold stocks, bonds, or mutual funds during the year, we need to determine the cost of the items sold. For stocks, we generally need the original cost you paid when you initially purchased the shares. There could be some adjustments for gifts, inheritances, and splits, but we can determine that at the interview. If it is a mutual fund, we need the year-end statement for each year of ownership unless the company has provided you with cost information.
- Mileage.** You must have some kind of log (record) of your mileage (total mileage driven and business miles included in that total).
- Vehicle or Boat Purchase.** A change in the law for 2004 allows taxpayers to claim the higher of state income tax or sales tax paid. Your sales tax allowance is based on your income, but you allowed an additional amount for the purchase of a vehicle or boat. If you made such a purchase during the year, bring a copy of the purchase contract reflecting the amount of sales tax paid.
- Charitable Deductions.** Federal tax law requires a written acknowledgment from a charity for any single contribution of \$250 or more. An itemized deduction is not permitted unless the acknowledgment is received prior to filing the tax return. For all other contributions, receipts and canceled checks are good proof for the deduction. If you contributed items in kind (clothing, toys, household items, automobiles), you will need an itemized list for amounts over \$500 in addition to a receipt from the organization.
- New Dependents.** If a child was born during the tax year, or you completed the adoption process for a new dependent, please provide a copy of the social security card as well as complete name and birthdate. If there are other dependents you are eligible to claim this year, be sure to have their information with you as well so the exemption can be properly claimed.