

Be Prepared

Start preparing early for your tax appointment by compiling a list of the documents you expect to receive based on last year's statements and this year's activities. Collect documents and information into a central file as it is received throughout the year.

Contact your tax preparer early to reserve a convenient time for your appointment. Choose a time when you expect to have all the necessary documents. If you are not sure of what documents you will need, call your tax professional to discuss it before going into the office.

Your tax return can be done more accurately and in a shorter period of time if all of the information is available at the initial appointment, so being organized can help both you and your tax preparer.

Some tax professionals will preschedule appointments based on when the prior year's return was prepared. Don't be afraid to change the appointment if circumstances change.

What Do I Need to Bring When I Meet With My Tax Preparer?

- Begin with **W-2 Forms** from all of the employers you have had throughout the year. Employers are required to issue W-2 Forms by January 31. If you discover a form missing, contact the employer.
- You may receive income that is reported on **1099 Forms**. These statements report income from interest, dividends, pensions, self-employment, government payments, or the sale of property. It is helpful to bring the actual statements to your appointment. All forms will not look alike. Be sure to check the bottom of **year-end statements** that may be substitute 1099s.

- Bring a list of **other income** that you have received during the year, even if you do not have specific statements.
- Income may be reported to you on **Schedule K-1**. You would receive these statements if you were a member of a partnership, a stockholder in an S Corporation, or a beneficiary of a trust or an estate. Quite often, these forms arrive in early March. The actual forms should be taken to your tax appointment.
- **Stock sales** reporting requires information about the sale, as well as the original cost of the stock. This information is reported on year-end statements for the year of purchase. If the stock was received as a gift or inheritance, other means of determining the cost will be necessary.
- Reporting is required for most **real estate sales**, showing the cost, sales price, and expenses of the sale. Closing statements from the sale and from the original purchase contain necessary information. Expenses of the sale and improvements made to the property increase the cost of the property. Real estate may be property held for investment, rental, pleasure, or your personal residence. If the sale is on a land contract, you need to have the address and Social Security number of the buyer.
- **Business owners and farmers** need to keep and bring accurate **records of all income** received during the year. **Expense records** of such things as inventory, supplies, business equipment, and other business expenses are essential. **Payroll records** may be necessary, depending on the services provided by your tax preparer.
- **Child care information** should include the name, address, and ID number of the provider, as well as the amount of the expense.
- **Moving expense** records for unreimbursed job-related moves of more than 50 miles are useful. The cost of moving includes transportation of

goods and family to the new location. Travel to your new home, including lodging, is also allowed.

- **Medical expenses** are deductible if they exceed 7.5% of your adjusted gross income (AGI). Prescription drugs, doctor, dental, hospital bills, medical insurance premiums, and the mileage to and from the doctor's office enter into this category.
- **Charitable contributions** are a good source of deductions. Single contributions of \$250 or more require a statement from the charitable organization showing the amount contributed prior to the filing of your taxes. You should strive to collect **receipts** for all charitable contributions.
- As an employee, you may incur deductible expenses. Your tax preparer can help you with the expenses that are unique to your occupation. Don't forget **union dues** and **tax preparation fees**.
- If you own a home, it is probable that you can itemize deductions. Each year, bring the **property tax bill** and the **mortgage interest statement** to your tax appointment. If an individual holds your loan or land-contract, the name, address, and Social Security number of that individual is necessary. The interest on home equity loans and a vacation home may also be deductible.
- Personal interest is **not** deductible, so you can leave the charge card or car loan interest at home unless it is business or investment related.

Other Information

- **Social Security numbers** are necessary for all dependents.
- For divorces after 1984, the noncustodial parent will need a **Form 8332** or other similar statement, signed by the custodial parent, in order to claim a child as a dependent.
- If this is your first visit to a new tax preparer, bring a copy of **last year's tax return**. Your preparer can use last year's information as a guideline for this year's return. If you are returning to the same preparer, a copy should be on file.
- If you received a **tax booklet or postcard from the IRS**, bring it along, even if it shows an incorrect address. Using the mailing label will speed the processing of the return.

It is better to bring too much information to your tax appointment than too little. Remember, if in doubt; call your tax preparer ahead of time to discuss your questions.

This brochure contains general tax information for taxpayers. As each tax situation may be different, do not rely upon this information as your sole source of authority. Please seek professional advice for all tax situations.

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Your Tax Appointment

