

2021 TAX PREPARATION AGREEMENT

Date	
Taxpayer Name	Spouse Name
Email Address	Email Address

PREPARATION OF YOUR 2021 TAX RETURNS

Thank you for choosing Mike Turner, CPA/CFF to assist you with your 2021 taxes. This letter confirms the terms of our engagement with you and outlines the nature and extent of the services we will provide. In order to ensure an understanding of our mutual responsibilities, we ask all clients for whom returns are prepared to confirm the following arrangements by signing below.

We will prepare your 2021 federal and requested 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 forms required plus out-of-pocket expenses. Invoices are due and payable upon presentation.

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 2021 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. Review all tax-return documents carefully before signing them. In an effort to save trees, we will provide your copy of the tax return electronically unless a paper copy is specifically requested.

If you and/or your business entity have a financial interest in or signature authority over any foreign assets, you may have additional filing requirements such as Form FinCen 114 (formerly known as "FBAR") with the [Department of Treasury](#) by April 15th. This engagement for income tax preparation does not cover any possible additional filing requirements. If you want help with such filings, a separate engagement needs to be explicitly requested and agreed to in writing. If you do not inform your preparer of any foreign assets, we will presume you do not have any and will hold no responsibility for failure to file required disclosures.

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 with your tax info.

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

Sincerely,

Michael S. Turner

ACCEPTED BY (Both spouses must sign for preparation of joint returns)	
Taxpayer Signature	Date
Spouse Signature	Date

WHAT TO UPLOAD AHEAD OF YOUR APPOINTMENT

INCOME

YES N/A

- W-2s
- 1099-G (Unemployment Received)
- 1099-R (Distributions from IRAs/401ks/other retirement accounts)
- 1099-INT (Interest Income) and/or 1099-DIV (Dividend and Capital Gain Income) or 1099 Composite Package
- 1099-B (Sale of Stocks/Mutual Funds) - Check to see if all sales have corresponding cost info
- 1099-MISC/1099-NEC (Self Employment Income) - **FILL OUT BUSINESS INCOME/EXPENSE WORKSHEET**
- 1099-K (If you accept credit cards or Paypal from customers, your credit card company will issue this)
- 1099-A/1099-C (Cancellation of Debt or Property Foreclosures)
- K1 with Basis Schedule (Income from Partnership, Estate, Trust or S Corp)
- SSA-1099 (Social Security Income)
- Alimony/Spousal Maintenance Received - **AMOUNT** **DATE OF DECREE**
- Rental Income - **FILL OUT RENTAL INCOME WORKSHEET**
- Did you own or have signature authority over any foreign financial assets (bank, brokerage, etc.) during the tax year?
If yes, please provide info on foreign investment income and max. account values during tax year
- Did you receive any gifts or inheritance from foreign persons or entities during the year?
- Do you have any other sources of income (bartering, hobbies, sales of property etc...)? If yes, please provide information
- Did you receive, sell, send, exchange or otherwise acquire cryptocurrency in 2021? If yes, enclose a list of sales/exchanges

DEDUCTIONS/CREDITS

YES N/A

- Childcare - Provide Statement from childcare provider or Nanny Payroll Reports including name, address and amount paid
- 1098-T (Tuition Statement for College Education) **Provide billing statement showing actual tuition payments plus receipts for books/supplies**
- 1098-E (Student Loan Interest Paid)
- 1098 (Mortgage Interest Paid)
- Did you buy, sell or refinance any property this year? **Provide all Settlement Statements / Closing Disclosure**
- Charitable Donations - Provide receipts plus itemized list of non-cash items/values.
- Proof that children live with you - Provide school, health records or other documents. This is for **ALL** dependents this year
- Quarterly Estimated Tax Payments - **Provide list of date and amount of each payment made**
- 1095-A (Health Insurance obtained through the Healthcare Exchange)
- 1099-SA (Distributions from a Health Savings Account) - Please provide a copy
- Did your dependent have investment income? - Provide tax forms
- All Adoption Papers and proof of expenses for Adoption Credit
- Long Term Care Insurance & 529 plans - **Provide account numbers and amounts paid**
- K-12 Education Expenses - See page 5 for details
- CRP (Certificate of Rent Paid) or other business expenses

OTHER IMPORTANT ITEMS TO UPLOAD

YES N/A

- Copy of Picture ID - Front and Back **required for all taxpayers this year**
- Signed Release of Exemption [Form 8332](#) if you are claiming a child that does not live with you
- Signed 2021 Tax Preparation Agreement - **PAGE 1 ABOVE**
- For NEW clients:** Copy of last year's tax return
- S-Corps & Partnerships: BEFORE SCHEDULING an appointment, email all bookkeeping to your accountant
- NEW Bank Account:** Please upload a voided check to update your Direct Deposit/ACH info for tax refunds

TAX PREPARATION WORKSHEET

PERSONAL DATA

Taxpayer Name		Spouse's Name	
SSN		SSN	
DOB		DOB	
Phone		Phone	
Email Address		Email Address	
Occupation		Occupation	
Street Address	City	State	Zip

DEPENDENT 1

DEPENDENT 2

DEPENDENT 3

Name	Name	Name
SSN	SSN	SSN
DOB	DOB	DOB
Relationship	Relationship	Relationship
K-12 Education Expense (See Page 5)	K-12 Education Expense (See Page 5)	K-12 Education Expense (See Page 5)
Daycare Expense	Daycare Expense	Daycare Expense
Daycare Name	Daycare Name	Daycare Name
Daycare SSN/ Fed ID#	Daycare SSN/ Fed ID#	Daycare SSN/ Fed ID#
Daycare Address	Daycare Address	Daycare Address

DEDUCTIONS

Student Loan Interest*	Car Tabs
College Tuition/Fees	Property Taxes
College Books and Req. Supplies	Mortgage Interest Paid
Health Insurance	Home Eq. Loan Interest***
HSA Contributions (Attach 1099-SA)	Private Mortgage Insurance (PMI)
Charity by Cash/Check	Long Term Care Ins Premiums****
Non-Cash Charity (Donated Goods)**	Medical Expenses
Educator Classroom Expenses	Did you Move? <input type="checkbox"/> YES <input type="checkbox"/> NO Date of Move
Alimony Paid (Provide SS# of Recipient)	Energy Efficient Upgrades****
IRA Contributions <input type="checkbox"/> TRADITIONAL \$	<input type="checkbox"/> ROTH \$ <input type="checkbox"/> SEP \$

*** Provide itemized donation receipts if non-cash donations exceed \$500. [Click Here](#) for help valuing your non-cash donations.

**** Provide cost and receipt for each energy efficient purchase.

ADDITIONAL NOTES OR QUESTIONS

NEW 2021 COVID-19 TAX CHANGES

ECONOMIC IMPACT PAYMENTS

Amount of Economic Impact Payment (Stimulus Check) #3*

* Provide Form 1444 if available and/or enter stimulus payment amounts above. Maximum stimulus amount available was \$1,400 per person. Payments were made beginning in March 2021 through end of September 2021. [Click Here](#) to check your payment amount online

ADVANCED CHILD TAX CREDIT PAYMENTS** (Please upload copies of IRS Letter 6419 showing details of payments)

Taxpayer - Advance Received: _____ for _____ Number of dependents (according to letter 6419)

Spouse - Advance Received: _____ for _____ Number of dependents (according to letter 6419)

** Letter 6419 was sent in January listing Advance Payments and the # of dependents for which you were paid. A married-filing-joint couple will receive 2 letters with half of the refund on each – please send both! [Click Here](#) to check your Advance Payments online. Click "Manage Payments", save a pdf [and email to us](#).

UNEMPLOYMENT

YES NO Did you receive Unemployment?

If so, dates unemployment collected***

*** Provide Form 1099-G

PPP LOANS

YES NO Did you receive a PPP Loan?

Date of loan disbursement

Loan amount received

Date of loan forgiveness

Amount of loan forgiven

OTHER COVID GRANTS & LOANS

Amount of ERC (Employer Retention Credits) claimed for 2021 Payroll (for employers only)

Amount of EIDL Advance

Amount of EIDL Loan

Other COVID Grants/Emergency Assistance (Please list type of grant, date received and amount received for each)

Grant 1

Grant 2

SICK AND FAMILY LEAVE FOR SELF-EMPLOYED INDIVIDUALS

Start Date	End Date	Enter the dates between January 1st and September 30th you were unable to work due to any of the following:
		1. Dates you were subject to a federal, state, or local quarantine or isolation order related to COVID-19*
		2. Dates you were advised by a health care provider to self-quarantine due to concerns related to COVID-19
		3. Dates you were experiencing symptoms of COVID-19 and seeking a medical diagnosis
		4. Dates you cared for an individual who was (i) subject to a quarantine or isolation order, or (ii) had been advised by a health care provider to self-quarantine due to concerns related to COVID-19
		5. Dates you cared for a child when the child's school or place of care was closed**, or the child care provider was unavailable and no other adult was available to provide care.**
For any dates listed above, can you provide the following:		
<input type="checkbox"/> YES <input type="checkbox"/> NO Dates affected and proof of doctor or gov't orders to quarantine?		
<input type="checkbox"/> YES <input type="checkbox"/> NO Proof of lost work due to quarantine or family care requirements?		
<input type="checkbox"/> YES <input type="checkbox"/> NO Verification that no other adult was available to provide childcare in your household? (for days listed under 4 and 5 above)		

* This is NOT the same as a stay at home order, but rather needs to be a full quarantine/isolation order. It also does not apply if there was not work available when you were quarantined.

** This does not apply if your child's school had in-person option and you chose a voluntary at-home schooling option

[Click Here](#) for more info on Sick and Family Leave Credits for Self-Employed Individuals

OTHER INFORMATION

STUDENT LOAN INTEREST CREDIT	LOAN 1	LOAN 2	LOAN 3
Total Amount Paid in 2021 (Principle & Interest)			
Original Loan Balance*			
Total Interest Paid (See 1098E)			

* Contact your loan provider for this information before your appointment

LONG TERM CARE INSURANCE CREDIT		
Insurance Company Name	Policy #	Insurance Prems Paid
Insurance Company Name	Policy #	Insurance Prems Paid

529 CONTRIBUTIONS		
Broker Name	Account #	Total Contributions
Broker Name	Account #	Total Contributions
Broker Name	Account #	Total Contributions

K-12 EDUCATION EXPENSES**	CHILD 1	CHILD 2	CHILD 3
Name			
Grade Level			
<u>Required School Expenses</u>			
Fees for Enrichment Activities Outside of School			
Organization			
Class Type			
Fees for Individual Instruction Outside of School			
Organization			
Class Type			
Purchase or Rental of Musical Instruments for School			
Transportation Costs Paid to Others			
Personal Computer Hardware and Educational Software			

** For information on what expenses qualify for this deduction, [Click Here](#)

NONGAME WILDLIFE FUND DONATION	
Would you like to make a donation to the Nongame Wildlife Fund - N/A	
<input type="checkbox"/> YES <input type="checkbox"/> NO	Amount

POLITICAL DONATIONS***
<u>Check Here</u> for details on what political contributions are eligible for a refund
*** We don't need information from you on this. We just wanted to make you aware that you can apply on your own!

RENTAL PROPERTY WORKSHEET

FILL OUT ONE SHEET FOR EACH PROPERTY - DO NOT COMBINE

Street Address	City	State	Zip
Date Rental Started	Property Type		

RENTAL INCOME	AMOUNT
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Total Rents Received <i>(Do not include refundable deposits)</i>	
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EXPENSES	AMOUNT
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Advertising & Promotions <i>(Advertising for rental property)</i>	
Business Miles Driven <i>(Miles driven for rental business)</i>	
Cleaning and Maintenance* <i>(Any cleaning or maintenance costs)</i>	
Commissions* <i>(Paid to rental agencies, etc.)</i>	
Insurance <i>(PMI, liability and/or umbrella policies)</i>	
Legal and Accounting	
Management Fees* <i>(Paid for management by someone else)</i>	
Interest - Mortgage <i>(Provide Form 1098)</i>	
Interest - Other <i>(Credit cards/other loans just for rental)</i>	
Repairs* <i>(Repairs to rental property)</i>	
Supplies <i>(General supplies for rental property)</i>	
Taxes <i>(Property Taxes)</i>	
Utilities <i>(Paid by you for rental property)</i>	
Association Dues	
Rental License Fees	
Bank Charges <i>(Bounced check fees, etc.)</i>	
Appliances <i>(Use Equipment Worksheet to list multiple items)</i>	
Improvements <i>(Major improvements - Use Equipment Worksheet to list multiple items)</i>	
Furnishings <i>(Use Equipment Worksheet to list multiple items)</i>	

*** REQUIRED** - If you paid \$600 or more to subcontractors you must file form 1099-NEC for their labor cost by Jan 31st

- Provide Settlement Statement/Closing Disclosure for any purchase, sale or refinance
- Fill out one of these pages for EACH RENTAL PROPERTY
- If converting property to rental, we need Fair Market Value of property at time of conversion as well as your cost of buying and improving property

AIRBNB, VRBO & SHORT TERM RENTAL

How many days was property rented during the year?	
Sales Tax Collected/Paid	
Fees Paid to Online Services	
Was average stay of guests 7 days or less?	<input type="checkbox"/> YES <input type="checkbox"/> NO

BUSINESS INCOME/EXPENSE WORKSHEET

FILL OUT ONE SHEET FOR EACH BUSINESS - DO NOT COMBINE

Business Name / Profession			
INCOME		1099NEC / SELF-EMPLOYMENT	W2
Income Received <i>(List all self-employed income in 1099NEC / Self Employment column)</i>			
Sales Tax Collected: Only if included in "Income Received" above			
COST OF GOODS SOLD		1099NEC / SELF-EMPLOYMENT	W2
Total Production Costs <i>(Direct costs to make products)</i>			
Ending Inventory <i>(At your cost, not retail)</i>			
EXPENSES		1099NEC / SELF-EMPLOYMENT	W2
Advertising: Promo, Website costs, etc. <i>(Anything for promotion of business)</i>			
Auto Expenses <i>(See auto and in home office worksheet below)</i>		SEE AUTO WORKSHEET	
Commissions and Fees <i>(Agents, managers, etc.)</i>			
Subcontractors* <i>(Total labor - Did you pay any one person more than \$600?)</i> <input type="checkbox"/> YES <input type="checkbox"/> NO			
Equipment Purchases <i>(Items costing more than \$500 have a useful life > 1 year)</i>		SEE EQUIPMENT WORKSHEET	
Business Insurance			
Business Interest <i>(Loans or 100% business credit cards)</i>			
Legal and Accounting			
Office and Postage			
Equipment Rental <i>(Equipment Rental and Car Rental — including gas)</i>			
Business Rent <i>(Rent for office or practice space)</i>			
Equipment Repairs <i>(Repairs on computers, equipment, etc.)</i>			
Supplies <i>(Any small items needed for bus.)</i>			
Taxes & Licenses <i>(Business licenses and/or Misc. Business taxes-MNCare, etc.)</i>			
Travel <i>(Airfare, lodging - not food or auto)</i>			
Local Business Travel <i>(Uber, Lyft, Taxi)</i>			
Meals In Town <i>(Business meals, coffee, drinks with others)</i>			
Entertainment <i>(Sporting events, golf etc)</i>			
Days Out of Town <i>(For out of town meal per diems)</i>		SEE PER DIEM WORKSHEET	
Wages Paid to Others <i>(Provide details on payroll and payroll taxes)</i>			
Bank and Credit Card Charges <i>(On business accounts)</i>			
Dues and Subscriptions <i>(Memberships, magazines, etc.)</i>			
Research and Development <i>(Books, classes, activities in your field)</i>			
Telephone	Total Cost	Bus. Use %	Bus. Use %
Internet	Total Cost	Bus. Use %	Bus. Use %
Computer Software			
Printing and Film Processing <i>(For business photos)</i>			
Business Gifts <i>(Limited to \$25 per recipient per year)</i>			
Costumes and Props <i>(Performers - things only worn on stage)</i>			
Personal Maintenance <i>(Performers - direct costs for performance image)</i>			
OTHER		1099NEC / SELF-EMPLOYMENT	W2
Health and Dental Insurance Paid			
Quarterly Estimates Paid <i>(Provide dates & amounts paid)</i>		SEE ESTIMATED PAYMENTS WORKSHEET ON NEXT PAGE	
Other:			

* **REQUIRED** - If you paid \$600 or more to subcontractors, you must file a form 1099-NEC for their labor costs by January 31st

AUTO EXPENSE WORKSHEET

FILL OUT FOR BOTH MILEAGE & ACTUAL EXPENSE METHODS	VEHICLE 1	VEHICLE 2
Year and Make of Vehicle		
Date Purchased/Leased		
Is the vehicle owned/leased by you	<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO
Odometer Reading on December 31		
Total Miles Driven in 2021		
Business Miles Driven <i>(Only for cars that you own or lease)</i>		
W2 Employee Miles Driven		
Commuting Miles Driven <i>(Between home and primary work location)</i>		
Parking and Tolls		
License Plate Taxes (Car Tabs) Paid		
Interest Expense		

FILL OUT BELOW ONLY IF CLAIMING ACTUAL EXPENSES	VEHICLE 1	VEHICLE 2
Purchase Price / Lease Equivalent <i>(If new purchase)</i>		
Gas		
Repairs & Maintenance		
Insurance		
Lease Cost		

ESTIMATED PAYMENTS MADE

FEDERAL PAYMENTS		STATE PAYMENTS	
Overpayment applied from 2020	DATE AMOUNT	DATE AMOUNT	
Quarter One	DATE AMOUNT	DATE AMOUNT	
Quarter Two	DATE AMOUNT	DATE AMOUNT	
Quarter Three	DATE AMOUNT	DATE AMOUNT	
Quarter Four	DATE AMOUNT	DATE AMOUNT	
Additional Payments	DATE AMOUNT	DATE AMOUNT	
TOTALS	TOTAL PAID		TOTAL PAID

IN-HOME OFFICE EXPENSE WORKSHEET

	OFFICE 1	OFFICE 2
Address <i>(Please list if you moved during the year)</i>		
Square Footage of Office		
Square Footage of Entire House		
Date Placed in Service		
Mortgage Interest Paid		
Property Taxes Paid		
Insurance on Home <i>(Hazard and Private Mortgage Insurance)</i>		
General Home Repairs and Maintenance*		
Direct Office Space Repairs and Maintenance		
General Home Improvements* <i>(Use Equipment Worksheet to list Separate Improvement Projects)</i>		
Direct Office Space Improvements <i>(Use Equipment Worksheet to list Separate Improvement Projects)</i>		
Utilities <i>(Gas, Electric, Water, Trash)</i>		
Security System		
Rent Paid		
Other		
Association Dues		
Cost of Home <i>(Only needed if new: List purch + prior year improvement costs)</i>		

* Generally, any single home project costing less than \$2500 can be listed in the Repairs and Maintenance Category. Any project exceeding that amount would be an Improvement. For multiple home improvement projects exceeding \$2500, please use the Equipment Worksheet to list out each Improvement Project.

