

HANS KASPER MS CPA PS
22118 20TH AVENUE SE #122
BOTHHELL, WA 98021

_____ and _____

, WA

Dear _____ and _____:

The purpose of this organizer is to put a bigger refund in your pockets. By not completing this organizer, you will, by default, provide a non-deductible, charitable contribution to the government of your choice.

This 2011 Tax Organizer will assist you in collecting and reporting information necessary for us to properly prepare your 2011 income tax return. Please complete the organizer sections as appropriate and provide supporting documentation where necessary. Prior year data is included on the organizer sections for your reference.

We **REQUIRE** that you sign and date the enclosed "**Engagement Letter**". We cannot begin to prepare your return without it.

We **REQUIRE** that you complete the "**Miscellaneous Questions**" section of the organizer. We also request that you complete to the best of your ability any other sections of the organizer that may apply to you.

Please DO NOT send us your individual receipts. Write the data on the related organizer pages, on the additional information page, or on a separate sheet of paper.

Please provide us with the following additional information:

- * A copy of your 2010 tax return (if not prepared by our office)
- * Form(s) **W-2** for wages - Form(s) **W-2G** for gambling winnings
- * Form(s) **1099** for interest income (**INT**), dividends (**DIV**), retirement (**R**), and railroad retirement (**RRB**)
- * **Social Security income** Forms **1099SA** for those receiving social security
- * Form(s) **1099MISC** for Rents and Non-Employee Compensation
- * Form **1099A** for Abandonment of Secured Property and **1099C** for Cancellation of Debt
- * Form(s) **1099B** for **brokerage statements** from stock, bond or other investment transactions
- * **Purchase cost and date of investments** sold during 2011.
- * Form(s) **1099G** for unemployment and state tax refunds (out of Washington state tax returns)
- * Form **1099H** for Health Coverage tax credit * Form **1099LTC** for Long-Term Health Care Benefits
- * Form **1099Q** for Payments from 529 programs for college tuition
- * Form **1099S** for Sales of Real Estate * Form(s) **1098** for mortgage interest paid and real estate tax statements
- * Schedule(s) **K-1** (income/loss from partnerships, S corporations, etc.)
- * Form **1099S** for real estate sold in 2011 and the sale and purchase closing/settlement statements for those properties
- * Any tax notices received from the IRS or other taxing authorities

- **DO NOT SEND US THE RECEIPTS FOR YOUR TAX DEDUCTIONS.**

- **INSTEAD:** Please make a list of your expenses and provide us with TOTALS for each category listed on the organizer or on a separate sheet of paper.

- **DO NOT MIX DIFFERENT TYPE OF EXPENSES TOGETHER ON THE SAME SHEET OF PAPER.**

- **INSTEAD** - Keep medical expenses separate from contributions and etc. **A fully completed organizer lessens the likelihood of omissions on your tax return.**

DO NOT STAPLE YOUR FORMS TO THE ORGANIZER SHEETS.

- **INSTEAD:** Paper clip them to the organizer or leave them loose in the mailing envelope with the organizer that you will mail or give to us.

- **DO NOT SEND US YOUR CHECK REGISTER.**

- **BETTER YET:** give us a Quicken or QuickBooks backup file.

- **OR:** Only provide us the totals by category of your income and expenses. This can be a listing on a sheet of paper or a printout from a Quicken or QuickBooks file.

- If you own a business and DO NOT use QuickBooks for your business bookkeeping,

- **THEN:** go to the **HOME PAGE** of our web site (**www.hkmscpa.com**), we have provided an Excel spreadsheet that will do your bookkeeping for you. Simply double click on the link, Open the file, and save it to "My Documents" on your computer. **Start entering your data and when you are done, provide us the Excel file on a floppy, a CD, or by emailing the file as an attachment.**

- **DO NOT LIST THE SAME ITEMS IN MULTIPLE PLACES.**

- **INSTEAD:** If you are unsure of where to list an item on the organizer, enter it where it seems most logical to you, or on the last page of the organizer. **We will determine how to use the information to your greatest advantage.**

DELIVERING YOUR DATA

After you have gathered all your tax information, please do one of the following:

- **MAIL** the tax organizer along with your various tax forms,

- **SCAN AND EMAIL** your data and the tax organizer to us at **hkasper@hkmscpa.com**, or

DROP IT OFF AT OUR OFFICE (there is an **AFTER-HOURS DROP SLOT** to the right of our office door.)

APPOINTMENTS:

Appointments only need to be made if one of the following applies:

- You are a new client with a small business and/or rental properties.

- You are a returning client who has had significant and complex changes in your tax information compared to the prior year.

As always, contact us if you have any questions.

HANS KASPER MS CPS PS

**HANS KASPER MS CPA PS
22118 20TH AVENUE SE #122
BOTHELL, WA 98021
425-485-7853**

February 4, 2012

_____ and _____

, WA

Ref: **Engagement letter** for _____ and _____ personal
income tax return

It is important that I receive this signed letter back from you as we cannot begin to prepare your return for electronic or paper filing until it is received by our office. We will prepare the **Form 1040** for _____ and _____ for the year ended **2011** and will advise you on income tax matters as to which you specifically request our advice. We are responsible for preparing only the returns listed above.

We will not audit or verify the data you submit, although we may ask you to clarify it, or furnish us with additional data. The attached organizer is to help you gather and organize the necessary information to keep your tax liability as low as is reasonably possible.

By your signature below, you are confirming to us that unless we are otherwise advised, all income has been reported to us for the preparation of the return and all expenses are supported by the necessary receipts, documents, and records required under the Internal Revenue Code. We are not responsible for the disallowance of doubtful deductions or inadequately supported documentation, nor the resulting taxes, penalties, and interest.

If you own a business and/or have taken an expense deduction for auto, travel, entertainment, gift, and other related expenses, by your signature below, you are confirming to us that unless we are otherwise advised, the auto, travel, entertainment, gift, and related expenses are supported by the necessary records required under Section 274 of the Internal Revenue Code, which includes receipts, the purpose of and who the expenditure was for, and written logs.

The law provides for a penalty to be imposed when a taxpayer makes a substantial understatement of their tax liability. A substantial understatement exists when the understatement for the year exceeds the greater of 10 percent of the tax required to be shown on the return, or \$10,000. The penalty is 20 percent of the tax underpayment. Taxpayers may seek to avoid all or part of the penalty by showing (1) that they acted in good faith and there was reasonable cause for the understatement, (2) that the understatement was based on substantial authority, or (3) that the relevant facts affecting the item's tax treatment were adequately disclosed on the return. You agree to advise me if you wish disclosure to be made in your returns or if you desire me to identify or perform further research with respect to any material tax issues for the purposes of ascertaining whether, in our opinion, there is "substantial authority" for the position proposed to be taken on such issues in your returns.

Our work in connection with the preparation of your income tax return does not include any procedures designed to discover fraud, defalcations, or other irregularities, should any exist. We will render such accounting and bookkeeping assistance as we find necessary for preparing the income tax returns. However, if your books are not in sufficiently proper order, we will return them to you with a list of recommended bookkeepers that can help you fix them. You are responsible for clearing from your books or correctly recording as a "draw", all personal expenses that are not business expenses.

You are also confirming that you will furnish me with all the information required for preparing the returns.

We will use our professional judgment in preparing your returns. Whenever we are aware that a possibly applicable tax law is unclear or that there are conflicting interpretations of the law by authorities (e.g., tax agencies and courts) we will explain the possible positions that may be taken on your return. We will follow whatever position you request on your return so long as it is consistent with the codes, regulations, and interpretations that have been promulgated. If the Internal Revenue Service should later contest the position taken, there may be an assessment of additional tax plus interest and penalties. We assume no liability for any additional taxes, penalties, or interest.

Federal law has extended the attorney-client privilege to some, but not all, communications between a client and the client's CPA. The privilege applies only to non-criminal tax matters that are before the IRS or brought by or against the U.S. Government in a federal court. The communications must be made in connection with tax advice. Communications solely concerning the preparation of a tax return will not be privileged.

In addition, the confidentiality privilege can be inadvertently waived if the contents of any privileged communication are discussed with a third party, such as a lending institution, a friend, or a business associate. We recommend that you contact us before releasing any privileged information to a third party. You need to be especially careful about privileged communications. If a communication is made in the presence of an employee who is not authorized to act or speak for the person in relation to the communication's subject matter, then the communication will be deemed to be made in the presence of a third party and any privilege will be waived.

If we are asked to disclose any privileged communication, unless we are required to disclose the communication by law, we will not provide such disclosure until you have had an opportunity to argue that the communication is privileged. You agree to pay any and all reasonable expenses that we incur, including legal fees, that are a result of attempts to protect any communication as privileged.

Our fees for these services, which are stated on our web site, will be computed at our standard rates and are payable upon the delivery of the return to you and before the return is filed by us. If you are unable to pay your balance in full a monthly payment plan can be established so that the return can be filed in a timely manner. **The fee does not include responding to Internal Revenue Service inquiries or audit,** and the client understands that the tax preparer is not responsible for Internal Revenue Service disallowance of doubtful deductions or deductions unsupported by adequate documentation nor for resulting taxes, penalties, and interest.

If any dispute arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Rules before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

Document retention: It is our policy to retain copies of your tax returns and supporting documents that you have provided to us for **four years**. Your supporting documents are returned to you with your tax return, it is your responsibility to retain them in the event of an audit. We do not retain the original client documents--only scanned copies--and by your signature below, you agree that after four years from the original due date of the tax return, we can delete the electronic files that pertain to this engagement.

We may use an outside processing firm to assist in the preparation of your return. In all cases, we are responsible for the final review of your return and all data will be held to be confidential by the processing firm and us.

Client and accountant both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the rules of the American Arbitration Association. Such arbitration shall be binding and final. IN AGREEING TO ARBITRATION, WE BOTH ACKNOWLEDGE THAT IN THE EVENT OF A DISPUTE OVER FEES EACH OF US IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BEFORE A JUDGE OR JURY AND INSTEAD WE ARE ACCEPTING THE USE OF ARBITRATION FOR RESOLUTION.

We will be pleased to discuss this letter with you at your convenience. If the foregoing is acceptable to you, please **sign the original copy of this letter** in the space provided and **return it to us with your tax organizer.**

SIGN, DATE, AND RETURN BOTH PAGES TO US

_____ and _____

Date

Engagement letter for 2011 personal income tax return, page 2/2

2011 1040 US Miscellaneous Questions

IMPORTANT: Please answer each question. If you do not check "yes" or "no", we will presume that the answer is "NO."

If there are any additional organizer pages that you need that were not supplied with this organizer, please go to www.hkmscpa.com. On the home page click on "2011 individual tax organizer", locate the page that you want, print it.

- * **PLEASE USE BLACK INK.**
- * **DO NOT STAPLE DOCUMENTS TO THESE SHEETS.**
- * **ONLY USE A YELLOW HIGHLIGHTER.**

EXTENSIONS:

- *1040 on **April 15th** for **SIX** months to 10/15
- *1120 and 1120S on **March 15th** for **SIX** months to 09/15
- *1041 and 1065 on **April 15th** for **FIVE** months to 09/15

FILING AFTER APRIL 15th for Form 1040: If you file an extension and file your tax return before October 15th AND owe more taxes, then you will be charged penalty and interest of about 1% per month. Individuals (Form 1040) filing late after April 15th **without** an extension or after October 15 can owe up to 30% in **penalties and interest** by October 16th, and 100% after four years.

RETENTION OF TAX DOCUMENTS: THIS IS A WARNING! I can not stress to you strongly enough that you **MUST** keep all of your tax documents including forms sent to you, receipts, letters, photos of and receipts for charitable contributions of household items, clothing, and vehicles, business mileage logs, and written documentation of business travel, entertainment, and gifts including who, what, when, where, why, and how much. If you do not have these documents in the event of an audit, then the deductions will be disallowed.

You should keep copies of **all** of your tax returns **forever** in one filing box.

For individual tax returns: keep all supporting documents including bank and credit card statements for at least **five years**.

If you own a business: keep all supporting documents for your individual and business tax returns including bank and credit card statements for at least **eight years** and the invoices for all items on your depreciation schedule until the items are sold **PLUS four years**.

If you have a **Net Operating Loss Carryover (NOL)**, then you must keep the documents for the years in which the loss was incurred for at least **20 years**.

The normal **statute of limitations** is 3 years, unless you under-report more than 25% of your income in which case the statute is 6 years.

Our office only keeps copies of the documents you provided us for the preparation of your tax return for **four years**.

PERSONAL INFORMATION

Yes No

Did any of your personal information in the Client Information section of the Organizer change? If YES, write in the new information. **Make sure you check your e-mail address for accuracy. We prefer to use e-mail for the majority of our communications. If further information is needed for the preparation of your return, you will be notified by e-mail. Please check your e-mail regularly.**

If we **DID NOT** prepare your tax return last year please provide to us your returns for the past three years with this organizer.

MARITAL STATUS

Yes No

1-3

Did you get **married** in 2011? Date: _____

1-3

Did you get **divorced** in 2011? Date: _____

* If yes, please **provide us with a copy of the divorce decree** and the **child custody documents**.
 * **(Form 8332 will be required from you if your divorce is after 01/01/09 and you do not have custody of the child.)**

2011 1040 US Miscellaneous Questions

1-3 Were you **separated** from your spouse **for the entire year** under a **separate maintenance decree**? (If you were **not** a head of household with children living with you, then you may be able to file as single rather than as married filing separate, which will save you taxes.)

1-3 **Were you separated prior to 07/01/2011?** If you have custody of your children, then you may be able file as Head Of Household status, which will save you money.

ELECTRONIC FILING

Yes No

1-2 **Do you want to file your tax return electronically?** The cost is \$6. Filing electronically provides **documented proof in our computer system that the return was received by the IRS** and when it was received. This will prevent your return from being lost in the mail; it will give you a faster refund; and, it will prevent failure to file **penalties** of 5% per month if you owe taxes.

DEPENDENTS

Yes No

2 Were any **CHILDREN BORN** to you during 2011? If YES, write the child's full name (as stated on their social security card), date of birth, and social security number in the Dependents section of the organizer.

2 Did your **PARENT(s)** become your dependents during 2011? If YES, write their full name (as stated on their social security cards), date of birth, and social security number in the Dependents section of the organizer and provide a copy of their 2011 tax return.

2 Did any of your **DEPENDENT'S DIE** during the year? If YES, write their date of death in the Dependents section of the Organizer beside their name.

2 Did any of your **DEPENDENTS GET MARRIED** during 2011? If YES, cross out their name in the Dependents section of the Organizer and write "Married in 2011" next to their name.

2 Did any of your **DEPENDENTS GRADUATE FROM HIGH SCHOOL** in 2011 and **NOT** go on to college? This is the last year that you can claim them as a dependent--make sure that they do not claim themselves as a dependent on their own tax return for 2011.

2 Did any of your **DEPENDENTS GRADUATE FROM COLLEGE** in 2011? If YES, write next to their name, in the Dependents section of the Organizer, "Graduated from college in 2011." This is the last year that you can claim them as a dependent--make sure that they do not claim themselves as a dependent on their own tax return for 2011.

2 Did you have any **CHILDREN UNDER THE AGE OF 19 OR A FULL-TIME STUDENT UNDER THE AGE OF 24** at the end of 2011 **with interest and dividend income in excess of \$950 or total investment income in excess of \$1,900?** If YES, provide us with ALL of their tax information, **as we require that we prepare this return due to the complexity of the tax laws.** We find that many children, who are dependents, incorrectly prepare their own tax returns by claiming themselves as dependents, which requires us to file amended returns for the children at a later date. If you allow us to prepare their returns for \$25 each, you will avoid this issue.

2 Did you have a **FOSTER CHILD** living with you for more than six months during the year? An exemption can be claimed if the foster child is a qualifying child or qualifying relative (meets the relationship, age, residency, support joint-return and tie-breaker tests, as well as being a US citizen, resident alien or national or a resident of Canada or Mexico)

70 If you were **DIVORCED AFTER 01/01/2009** and **you are the non-custodial parent claiming the exemption** for a child, then you must provide us with IRS **Form 8332 SIGNED BY THE CUSTODIAL PARENT that MUST be attached to your tax return** when it is filed.

REFUNDS

Yes No

2011 1040 US Miscellaneous Questions

- 3-2 May the IRS discuss the tax return with our office?
- 7.1-L1 **Do you want your OVERPAYMENT applied to your 2012 estimated tax?** (Code 1-7)
- 7.1-L1 **Do you want your OVERPAYMENT refunded to you?** (7.1-L1 = blank)
- 3-4 Do you want your refund **ELECTRONICALLY DEPOSITED DIRECTLY TO YOUR BANK ACCOUNT?** If YES, attach a voided check here (no deposit slips).

INCOME

- | | Yes | No | |
|----------|--------------------------|--------------------------|---|
| 10 | <input type="checkbox"/> | <input type="checkbox"/> | Did you receive <u>TIP INCOME</u> that you did not report to your employer in 2011? If YES, write in the amount here _____. |
| 10 | <input type="checkbox"/> | <input type="checkbox"/> | Were you granted or did you exercise <u>STOCK OPTIONS</u> in 2011? |
| 10 | <input type="checkbox"/> | <input type="checkbox"/> | Were they <u>INCENTIVE stock options?</u> |
| 10 | <input type="checkbox"/> | <input type="checkbox"/> | Were they <u>UNQUALIFIED stock options?</u> |
| 13.2 | <input type="checkbox"/> | <input type="checkbox"/> | Did you receive <u>GAMBLING WINNINGS</u> payments in 2011? If YES, provide your 2011 W-2G Forms. |
| 14.1-1 | <input type="checkbox"/> | <input type="checkbox"/> | Did you receive <u>SOCIAL SECURITY</u> payments in 2011? If YES, provide your 2011 Social Security Form SSA-1099. |
| 14.2 | <input type="checkbox"/> | <input type="checkbox"/> | Did you receive <u>UNEMPLOYMENT COMPENSATION</u> payments in 2011? If YES, provide your 2011 Form 1099-G. |
| 14.2 | <input type="checkbox"/> | <input type="checkbox"/> | Did you receive a <u>STATE TAX REFUND</u> from a state <u>outside of Washington</u> in 2011? If YES, provide your 2011 Form 1099-G. |
| 14.1-2 | <input type="checkbox"/> | <input type="checkbox"/> | Did you <u>receive ALIMONY OR SEPARATE MAINTENANCE</u> income in 2011? If YES, fill in the amount _____. |
| 20 | <input type="checkbox"/> | <input type="checkbox"/> | Did you <u>own, purchase, or sell an interest in a PARTNERSHIP OR "S" CORPORATION</u> in 2011? If YES, provide the Forms 1065 K-1 or 1120S K-1. |
| 20 | <input type="checkbox"/> | <input type="checkbox"/> | Were you a <u>beneficiary in a TRUST</u> in 2011? If YES, provide the Forms 1041 K-1. |
| 30 | <input type="checkbox"/> | <input type="checkbox"/> | If you are a member of the <u>NATIONAL GUARD OR MILITARY RESERVE</u> you may be able to claim a deduction that reduces adjusted gross income for unreimbursed travel expenses paid in connection with the performance of services as a reservist. To qualify, the travel must be overnight and more than 100 miles from your home. This deduction is limited to the regular federal per diem rate (for lodging, meals, and incidental expenses) and the standard mileage rate (for car expenses) plus any parking fees, ferry fees, and tolls. <u>Please provide us a listing of these expenses that were not reimbursed.</u> |
| 31/F2555 | <input type="checkbox"/> | <input type="checkbox"/> | Did you <u>work OUTSIDE of the United States</u> during 2011? If YES, provide, on the additional information page of the organizer, the income amounts you were paid for 2011, any foreign withholding or income taxes paid for 2011, the dates that you worked outside the United States during 2010 and 2011, and the dates you expect to work outside the United States in 2012. <u>You must work 330 days of 365 days in foreign countries from the time you left the U.S. to be able to exclude up to \$92,900 of earned income.</u> |

RETIREMENT PLAN CONVERSION / TRANSFER TO ANOTHER RETIREMENT ACCOUNT

Yes No

2011 1040 US Miscellaneous Questions

WARNING: IRA Rollover Mistake! No Relief on This IRA Rollover Error Do not violate the "once-per-year" rule by doing multiple rollovers from the same IRA within 12 months * Only one IRA to **IRA ROLLOVER (where the funds are WITHDRAWN - as opposed to a trustee-to-trustee transfer)** can be done per year (365 days - not calendar year) Once a rollover is taken from an IRA, no further rollovers can be made from the distributing IRA or from the receiving IRA for 365 days - but rollovers can be done from other IRAs during the same 365 days Any ineligible rollovers are taxable distributions and could also be subject to the 10% early withdrawal penalty. The ineligible rollover can create an excess contribution subject to a 6% penalty * In this case, a client did several rollovers within a year without anyone - the advisor or the financial institution - questioning these ineligible rollovers * IRS has NO authority to grant relief on violations of the once-per-year rollover rule * Trustee-to-trustee transfers (direct rollovers) are not subject to either the 60-day or once-per-year rollover rules and are the best way to avoid costly rollover problems * The once-per-year rollover rule does not apply to Roth conversions or to rollovers from or to company plans (only IRA to IRA or Roth IRA to Roth IRA) * Before accepting IRA rollover money, advisors need to ask clients if the funds were previously rolled over within the past 12 months

13.1 Did you **ROLLOVER** funds from a retirement account (401k, IRAs, etc.) during 2011? If YES, provide the **Forms 1099R** for the distributions.

13.1 If you did **withdraw funds from a retirement account during 2011 and received the funds in a check payable to you**, did you **ROLLOVER** any of these amounts to **another IRA retirement account within 60 calendar days**?

* If YES, write the amount here _____ and **circle** the type of account it was rolled into: a ROTH IRA or REGULAR IRA.

RETIREMENT PLAN WITHDRAWALS

- | | Yes | No | |
|------|--------------------------|--------------------------|---|
| 13.1 | <input type="checkbox"/> | <input type="checkbox"/> | If you are older than 70-1/2 , did you take the " REQUIRED MINIMUM DISTRIBUTION (RMD) " from your retirement accounts during 2011? |
| 13.1 | <input type="checkbox"/> | <input type="checkbox"/> | Did you WITHDRAW funds from a retirement account (401k, IRAs, etc.) during 2011? If YES, provide the Forms 1099R for the distributions. |
| 13.1 | <input type="checkbox"/> | <input type="checkbox"/> | Did you receive a Form 1099R for a retirement plan distribution that was DUE TO SOMEONE'S DEATH (code 4 in box 7 on the form)? If YES, provide the information from the executor of the estate (if you have not already done so) letting us know how much of the estate taxes (presuming estate taxes were due and payable) from the decease's estate would be deductible by you on your tax return. |

Did you withdraw IRA (not 401k) FUNDS to pay for any of the following?

- | Yes | No | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Medical expenses |
| <input type="checkbox"/> | <input type="checkbox"/> | College education costs |
| <input type="checkbox"/> | <input type="checkbox"/> | First-time home purchase |
| <input type="checkbox"/> | <input type="checkbox"/> | Medical insurance if you are unemployed for more than 12 weeks |
| <input type="checkbox"/> | <input type="checkbox"/> | You are permanently and totally disabled |
| <input type="checkbox"/> | <input type="checkbox"/> | Qualified reservist distribution |
| <input type="checkbox"/> | <input type="checkbox"/> | Due to a divorce |

Did you withdraw Company retirement funds (401-k, PROFIT SHARING PLAN) to pay for any of the following?

- | Yes | No | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | Medical expenses |
| <input type="checkbox"/> | <input type="checkbox"/> | You are permanently and totally disabled |
| <input type="checkbox"/> | <input type="checkbox"/> | Separation from service after the age of 55 (public safety employee age 50) |
| <input type="checkbox"/> | <input type="checkbox"/> | Due to a divorce |
| <input type="checkbox"/> | <input type="checkbox"/> | Qualified reservist distribution |

SALE OF INVESTMENTS - CAPITAL GAINS (NON-IRA ACCOUNTS) SCHEDULE D

- | | Yes | No | |
|------|--------------------------|--------------------------|---|
| 17.1 | <input type="checkbox"/> | <input type="checkbox"/> | STOCKS, OPTIONS, or MUTUAL FUNDS - Did you sell any stocks, bonds, or mutual funds in 2011? If YES, provide us with your 2011 Form 1099-B statements from each mutual fund or brokerage firm. |

2011 1040 US Miscellaneous Questions

- 17.1 If the sale does **NOT** show the stock's or bond's COST BASIS, then provide **the original number of shares purchased and the date of purchase** on the additional information page of the organizer. You may also be able to obtain a "statement of realized gain and losses" from the brokerage firm.
- 17.1 If the sale does **NOT** show the mutual fund COST BASIS, then provide **the annual mutual fund detail statements since the date of purchase** on the additional information page of the organizer. You may also be able to obtain a "statement of realized gain and losses" from the mutual fund company.
- 17.1 If you had stocks or bonds that became WORTHLESS during the year, please write the purchase and sale information on the page for capital gains and losses.

SALE OF PROPERTY - SCHEDULE D

- | | Yes | No | |
|--------|--------------------------|--------------------------|---|
| 17.1-7 | <input type="checkbox"/> | <input type="checkbox"/> | <p><u>SALE OF PRIMARY RESIDENCE</u>-Did you sell your <u>personal residence</u> during 2011?
 * If YES, provide the two-page closing/settlement statement for the sale and the purchase and a list of capital improvements and their cost made to the property since it was purchased.
 * If you lived in your primary residence for 2 of the last 5 years and the gain is less than \$250,000 for a single person and \$500,000 for a married couple, then the gain is tax free.
 * <u>If your spouse died while you both owned the primary residence</u>, then the cost is revalued to the date of death of your spouse.</p> |
| 17.1 | <input type="checkbox"/> | <input type="checkbox"/> | <p><u>Sale of vacation home, raw land, or time share</u>-Did you sell any of these properties during 2011?
 * If YES, provide the two-page closing/settlement statement for the sale and the purchase and a list of capital improvements and their cost made to the property since it was purchased.</p> |

INSTALLMENT SALES - FORM 6252

- | | Yes | No | |
|--------|--------------------------|--------------------------|--|
| 17.1-4 | <input type="checkbox"/> | <input type="checkbox"/> | <p>Did you sell property on an installment sale during 2011?
 * If YES, provide a copy of the sale contract, a copy of the installment note, and a copy of the loan amortization schedule.</p> |
| 17.1-5 | <input type="checkbox"/> | <input type="checkbox"/> | <p>Did you sell property on an installment sale in a year prior to 2011?
 * If YES, provide the amount of principle and interest you collected in 2011 on the installment note.</p> |

SOLE PROPRIETORSHIP BUSINESS EXPENSES OR A MANUFACTURER'S REP / SALES

- | | Yes | No | |
|----|--------------------------|--------------------------|--|
| 16 | <input type="checkbox"/> | <input type="checkbox"/> | <p><u>Did you start a sole proprietorship business</u> during 2011?
 * If YES, see the top of page one of this organizer to obtain the business organizer form from our web site.</p> |

Per diem travel rules: As a sole proprietor, you can use the **per diem rates for meals and incidental expenses** during out-of-town travel, but you must **keep the receipts for all other expenses including lodging**.

Travel expenses: Air, taxi, auto rentals, tips, meals, lodging, baggage handling, and incidentals such as laundry, cleaning, and etc.

Travel documentation: When you travel for business, you must keep a daily log of the business meeting and events that you attended as proof of the business travel.

Vehicle expense rules:

2011 1040 US Miscellaneous Questions

Rate Per Mile: You can deduct the IRS allowed rate per mile plus the business percentage of interest expense. If you choose the mileage rate method in the first year you own the vehicle, then you can switch between mileage rate and actual expenses, whichever is greater, each year thereafter. For leased vehicles, once you choose the mileage method, then you must continue with it.

Actual expenses: You can deduct the **business portion** of actual expenses. If you choose to use actual expenses in the first year of the vehicle, then you CANNOT use the mileage method in a subsequent year.

Business portion: In either case, you must keep track of the business usage of the vehicle, which means that you must keep a log of who, what, when, where, and how many miles. When you elect to use actual expenses, then you must also record the auto miles at the beginning and ending of the year.

MORE: for more information see IRS publication 463 at www.irs.gov

22

Did you drive your personal vehicle for business purposes IN YOUR OWN BUSINESS?

* If YES, provide your **business auto miles and total auto miles** (including personal) for each vehicle used for business.

* Please show the miles for each vehicle separately. **DO NOT INCLUDE COMMUTING MILES TO WORK FROM HOME AND FROM WORK TO HOME.**

22 Vehicle #1 2011 Total miles **Vehicle #1** _____

2011 Business miles Vehicle #1 _____

2011 Interest paid on Vehicle #1 _____

2011 **Lease** payments on Vehicle #1 _____

22 Vehicle #2 2011 Total miles **Vehicle #2** _____

2011 Business miles Vehicle #2 _____

2011 Interest paid on Vehicle #2 _____

2011 Lease payments on Vehicle #2 _____

Please list the same information for additional vehicles on the additional information page of the organizer.

22

Did you **TRADE IN a business vehicle or equipment** during 2011?

* If Yes, provide us with the trade-in/purchase documents.

16

If you have any **vehicle or equipment LOAN BALANCES** at year end, please provide us with documents showing the loan balances at year end and the interest paid for the year.

36

Did you have **OFF-THE-ROAD usage of fuel** (not in boats) such as generators or equipment?

* If yes, please write the number of gallons here _____ and circle GAS or DIESEL (F4126 S).

10-4

Did your **employees have TIPS** reported on their W-2s?

* If yes, please write the total amount of tips reported on their W-2s here _____ (F4137).

22

Did you **SELL OR PURCHASE business assets** during 2011?

* If YES, **mark on the related organizer pages** the sale and purchase of business assets during 2011.

22

Did you make **RETAIL SPACE IMPROVEMENTS** during the year?

* If yes, these improvements can be depreciated over 15 years rather than 39 years--write the amount of the improvements here _____.

QUICKBOOKS FOR BUSINESS BOOKKEEPING - SCHEDULE C

Yes No

2011 1040 US Miscellaneous Questions

16 [] [] Did you keep your bookkeeping on QUICKBOOKS during 2011?
* If YES, provide a backup copy (QBB or QBM) of your QuickBooks file for 2011.
* PLEASE DO NOT give us an accountant's copy--QBA or QBX.
* You can put this on a CD ROM, a flash drive, or email the file to us.
* If your QBW or QBB file is LARGE, then go to our home page at www.hkmscpa.com. On the lower left is a red box to click on that allow you to securly send large files to us via the internet.
[] [] Did you provide us with the PASSWORD to your file?
* If not, write it here _____.

QUICKEN FOR BUSINESS BOOKKEEPING - SCHEDULE C

Yes No

16 [] [] Did you keep your bookkeeping on Quicken during 2011?
* If YES, provide a copy of your Quicken file for 2011.
* You can put this on a CD ROM, flashdrive, or email the file to us.

BY HAND OR ON EXCEL FOR BUSINESS BOOKKEEPING - SCHEDULE C

Yes No

16 [] [] Did you keep your books by hand?
* If YES, provide a handwritten list of income and expenses (totals only) on the additional information page of the organizer or on the organizer page for businesses.

16 [] [] OR go to our web site at www.hkmscpa.com and download the bookkeeping Excel file.

SOLE PROPRIETORSHIP BUSINESS OFFICE OR STORAGE SPACE IN THE HOME - FORM 8829

Yes No

[] [] Did you use business office and/or storage space in the home? If YES, provide the following totals for 2011.

- 29 * Home insurance _____
29 * Homeowner dues _____
29 * Utilities - electric _____
29 * Utilities - gas _____
29 * Utilities - water _____
29 * Utilities - garbage _____
29 * Rent - if you do not own a home, the amount of rent _____
29 * Total square feet of home _____
29 * Total square feet used as office/storage space _____
29 * Repairs made directly to the office/storage space _____

* DOCUMENTATION: keep all receipts for these expenses and photos of the office.

RENTAL INCOME AND EXPENSES - SCHEDULE E PAGE 1

LIMITED DEDUCTION FOR RENTAL LOSSES

NOTICE: Some or all of your rental losses may not be deductible if your adjusted gross income exceeds \$100,000 before the rental loss is deducted; if your AGI exceeds \$150,000, then none of your rental losses are deductible; they become frozen until you have rental profits or you sell the property. If your AGI is less than \$100,000, net rental losses for all properties combined are limited to \$25,000 in years prior to the sale of the property. Rental losses for real estate professionals such as real estate agents, brokers, construction company owners, and full time rental agents are fully deductible.

NOTICE: Starting in 2011, you must issue a 1099-Misc form to all service providers paid \$600 per year, which means that you must obtain their name, address, and SSN if you want to take a deduction for the payment.

Yes No

2011 1040 US Miscellaneous Questions

18 **Did you RENT A PORTION (a room or the second floor or part of the year) of your PRIMARY RESIDENCE to someone** in 2011?

* If YES, complete the **organizer page for rental income and expenses**.
 * See the top of page one of this organizer to obtain the organizer form from our web site.

18 Sq Ft rented _____ Total Sq Ft of home _____

18 Date rental started _____

18 **Did you own a RENTAL HOME (not your primary residence) in 2011?**

* If YES, complete the **organizer page for rental income and expenses**.
 * See the top of page one of this organizer to obtain the organizer form from our web site.

18 **Rental REAL ESTATE TAXES**-Did you own rental real estate holdings during 2011?

* If YES, provide the amount of real estate taxes that you paid in 2011 for each property.
 * Write the address or location of the property on each real estate tax statement and "RENTAL" on each rental property statement.

18 **Rental MORTGAGE INTEREST**-Did you own rental real estate holdings during 2011?

* If YES, provide the **mortgage interest statements** for all of your rental property mortgages for the entire year: first, second, third, etc mortgages.
 * **Circle or write** the property address on each **mortgage interest statement** and write "RENTAL" on the face of the statement.

22 **REFINANCE of rental property**-Did you refinance a rental property during 2011?

* If YES, provide the **two-page closing/settlement statement**.

22 **PURCHASE of rental property**-Did you purchase a rental property during 2011?

* If YES, provide the **two-page closing/settlement statement** of the purchase.

22 **SALE of rental property**-Did you sell any rental properties during 2011?

* If YES, provide the **two-page closing/settlement statement of the sale as well as the purchase**.

22 **FORECLOSURE of rental property**-Did you have any rental properties that were foreclosed on during 2011?

* If YES, provide the **Form 1099 for the foreclosure**.

COMMONLY MISSED RENTAL EXPENSES (Please add amounts for any of these amounts to the related organizer pages.)

- 18 * Auto miles traveling to and from the rental home for repairs or inspections
- 18 * Auto miles traveling to and from stores to pick up supplies
- 18 * Home insurance
- 18 * Utilities paid-electric, gas, water, garbage
- 18 * Repair costs
- 18 * Legal costs
- 18 * Management fees
- 18 * Advertising for the rental
- 18 * Gardening and landscaping
- 18 * Homeowner association dues
- 18 * Bank charges for rental checking account
- 18 * Office supplies
- 18 * Postage

REGULAR IRAs

Yes No

24-1 Do you plan to make a contribution to a **REGULAR IRA** for 2011?

* **These contributions must be made before April 15.**

24-1 Total contribution you (**TAXPAYER**) want to make or have made for 2011 _____ or circle **MAXIMUM**.

2011 1040 US Miscellaneous Questions

24-1 Total contribution you (SPOUSE) want to make or have made for 2011 _____ or circle **MAXIMUM**.

ROTH IRAs or 401k/ROTH IRAs AT WORK

Yes No

24-2 Do you plan to contribute to a **ROTH IRA (not your employer's 401k plan)** for 2011?
* **These contributions must be made before April 15.**

24-2 Total contribution you (TAXPAYER) want to make or have made for 2011 _____ or circle **MAXIMUM**.

24-2 Total contribution you (SPOUSE) want to make or have made for 2011 _____ or circle **MAXIMUM**.

SEP IRAs, SELF EMPLOYED 401-K, AND SIMPLE IRAs FOR SELF-EMPLOYED BUSINESS OWNERS (NOT THE 401K WHERE YOU WORK)

IMPORTANT - IMPORTANT - IMPORTANT - IMPORTANT

CONTRIBUTION DEADLINES for SEP IRA, Simple IRA, and Self Employed 401K:

- *Form 1040: 04/15 or, if an extension is filed, 10/15.
- *Form 1120: 03/15 or, if an extension is filed, 09/15.
- *Form 1120S: 03/15 or, if an extension is filed, 09/15.
- *Form 1065: 03/15 or, if an extension is filed, 09/15.

PLAN SET-UP DEADLINES for SEP IRA, Simple IRA, and Self Employed 401K:

- *A simple IRA must be set up before October 31, 2011.
- *A self employed 401k must be set up before December 31, 2011.
- *A SEP IRA must be set up before April 15, 2012 or if an extension is filed for Form 1040 before October 15, 2012; for 1120, 1120S, and 1065 returns the SEP IRA must be set up before March 15, 2012 or, if an extension is filed, before September 15, 2012.

Yes No

24-4 Do you (TAXPAYER) **plan to or did you contribute** to a **SEP IRA, SIMPLE IRA, or a SELF EMPLOYED 401K** for your business for 2011? If YES, write the **amount:** _____ or circle **MAXIMUM**.

24-4 Do you (TAXPAYER) want us to make this calculation for you?

24-4 Do you (SPOUSE) **plan to or did you contribute** to a **SEP IRA, SIMPLE IRA, or a SELF EMPLOYED 401K** for your business for 2011? If YES, write the **amount:** _____ or circle **MAXIMUM**.

24-4 Do you (SPOUSE) want us to make this calculation for you?

COLLEGE, HIGHER EDUCATION COSTS

Yes No

11-4 Did you cash in **SERIES EE US SAVINGS BONDS** issued after 1989 and **pay higher education expenses** for yourself, your spouse, or your dependents? If YES, please provide the **Form 1099-INT** for those bonds and note that the proceeds were used for higher education expenses.

14.3-2 Did you receive a **DISTRIBUTION** from an **Education Savings Account or a Qualified Tuition Program** in 2011? If YES, provide the **Form 1099-Q**.

14.3-2 Did you take money out of a **529 PLAN** in 2011 to **purchase a COMPUTER for your college student**? If yes, write the amount here _____.

2011 1040 US Miscellaneous Questions

38 Did you, your spouse, or a dependent incur any **TUITION EXPENSES** to attend college, university, or vocational school in 2011? If YES, provide **Form 1098-T**. Attending what year as of 12/31/2011?
*Circle one: Freshman Sophomore Junior Senior Post-Graduate

24-6 Did you pay **STUDENT LOAN INTEREST** in 2011? If YES, provide us with **Form 1098-E, letters, or other documentation** stating the interest paid.

ADJUSTMENTS TO INCOME

Yes No
24-6 Were you an **EDUCATOR** in 2011 who paid **OUT-OF-POCKET EXPENSES for your classroom** that were **NOT REIMBURSED by the school**?
* If YES, write the total amount here _____.

24-7 Did you pay **ALIMONY or SPOUSAL MAINTENANCE** in 2011?
* If YES, write the total amount here _____.
* Provide your ex-spouse's name and SSN
_____.

SCHEDULE A - ITEMIZED DEDUCTIONS

MEDICAL EXPENSES AND INSURANCE

Yes No
24-5 Did you pay for **MEDICAL INSURANCE AS A SELF-EMPLOYED PERSON** in 2011?
* If YES, write the amount here _____.

25 Did you pay for **hospice, adult care home for medical care purposes, nursing care, long-term care insurance costs, medical insurance costs, or out-of-pocket medical costs** that were not reimbursed by Medicare or any other insurance?
* If YES, provide, on the additional information page of the organizer, a list with totals of those expenses.

25 Did you pay for medical expenses out of your own pocket for a **PARENT**?
* If YES, provide, on the additional information page of the organizer all of the details and amounts paid, **and a copy of their tax return** for 2011.

32-1 Did you make contributions to a **health savings account (HSA) or a medical savings account (MSA)**?
* If YES, provide, on the additional information page of the organizer, amount contributed in 2011 and * the **1099 forms** received from these accounts showing payments made on your behalf.
* A **Flexplan** at work is **NOT** the same as an **HSA**.

MISCELLANEOUS PERSONAL TAXES

Yes No
25 **STATE INCOME TAX**-Did you move into Washington State in 2011?
* If YES, provide a **copy of your 2010 state income tax return** from your previous state.

25 **AUTO EXCISE TAX**-Did you provide us with the excise tax, RTA tax, or monorail tax amounts from your vehicle, motorcycle, or boat registration statements for 2011?
* Write these amounts in the "Taxes" section in the Organizer under **personal property taxes**.

25 **SALES TAX ON LARGE PURCHASES**-Did you purchase a **vehicle, a boat, a plane, or have your home remodeled** in 2011?
* If yes, write the amount of sales tax paid on these items in the "Taxes" section in the Organizer under **Sales tax paid on vehicles, boats, and aircraft**.
* **Note:** Purchases of furniture and other personal items do **not** qualify unless you add up the sales tax on all of your purchases for 2011.

2011 1040 US Miscellaneous Questions

25 **GENERAL SALES TAX**-If you wish to add up the sales tax paid on all of your purchases **EXCLUDING the large items in the question above**, check YES to the left and write the amount in the "Taxes" section in the Organizer under State and local sales taxes paid. Otherwise, check NO to the left and we will use the standard sales tax deduction based on your income from the IRS tables.

25-LI **LABOR AND INDUSTRIES INSURANCE (SDI)**-Does your employer deduct labor and industries insurance from your payroll check?
* If YES, write the total amount in the "Taxes" section in the Organizer under Other taxes and label it as "L&I" or "SDI".

REAL ESTATE TAXES FOR PRIMARY RESIDENCE, VACATION HOMES, LAND, TIMESHARES

Yes No

25 **Real estate taxes on PRIMARY RESIDENCE**-In the "Taxes" section in the Organizer under Real estate taxes - principle residence write the amount of real estate taxes that you paid in 2011.

* If you owned multiple personal residences during the year, circle or write the property address on each **mortgage interest statement or the real estate tax statement**.

25 **Real estate taxes on VACATION HOME, RAW LAND, or TIME SHARE** -Do you own any of these?
* If YES, write in the "Taxes" section in the Organizer under Real estate taxes - property held for investment the amount of real estate taxes that you paid in 2011 for each property and circle or write a description on each **mortgage interest statement** (vacation home, time-share, raw land).

MORTGAGE INTEREST FOR PRIMARY RESIDENCE, VACATION HOMES, LAND, TIMESHARES

Yes No

25-10 **Mortgage interest PRIMARY RESIDENCE**-Is the total balance of the mortgages on your **primary home AND vacation home** (rentals are not included) greater than \$1,100,000?

25 **Mortgage interest PRIMARY RESIDENCE**-Did you own only a personal residence during 2011?
* If YES, provide the **mortgage interest statements** for all of your mortgages for the entire year: first, second, third, etc mortgages.
* If you owned multiple personal residences during the year, circle or write the property address on each **mortgage interest statement**.

25 **Mortgage interest on VACATION HOME, RAW LAND, or TIME SHARE**-Did you own any of these properties during 2011?
* If YES, provide the **mortgage interest statements** for all of your mortgages for the entire year: first, second, third, etc mortgages.
* Circle or write a description on each **mortgage interest statement** (vacation home, time share, raw land).

25 **Private mortgage insurance PRIMARY RESIDENCE**-If you bought or refinanced a home in 2011 and you paid for private mortgage insurance, please provide the documents that state how much you were charged for this insurance.

REFINANCE OF MORTGAGE FOR PRIMARY RESIDENCE, VACATION HOMES, LAND, TIMESHARES

NOTICE: Refinance Points (loan discount and origination fees) are deductible over the life of the loan.

Yes No

22 **Refinance of PRIMARY RESIDENCE**-Did you refinance your personal residence during 2011?
* If YES, provide the **two-page closing/settlement statement**.

22 **Refinance of VACATION HOME, RAW LAND, or TIME SHARE**-Did you refinance any of these properties during 2011?
* If YES, provide the **two-page closing/settlement statement**.

PURCHASE OF A PRIMARY RESIDENCE OR VACATION HOME

Yes No

2011	1040	US	Miscellaneous Questions
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25 **Purchase of PRIMARY RESIDENCE**-Did you purchase a primary residence during 2011?
* If YES, provide the **two-page closing/settlement statement** of the purchase.

25 **Purchase of VACATION HOME, RAW LAND, or TIME SHARE**-Did you purchase any of these properties during 2011?
* If YES, provide the **two-page closing/settlement statement** of the purchase.

NON-CASH CHARITABLE CONTRIBUTIONS - FORM 8283

NOTICE: Keep your receipts for the donation with a complete list of the items donated and their thrift store value. Photo should be made for larger items. **IN THE EVENT OF AN AUDIT: NO RECEIPTS = NON DEDUCTION.**

Non-Cash greater than \$5000: a qualified written appraisal is required unless the property is: Non-publicly traded stock of \$10,000 or less; a vehicle (including car, boat or plane) for which the deduction is limited to gross proceeds from its sale; qualified intellectual property, such as a patent; certain publicly traded securities which are listed on a stock exchange with quotations published daily, or are regularly traded in a national or regional over-the-counter market for which quotations are available, or are shares of an open-end investment (mutual fund) for which quotations are published daily. The cost of the appraisal is not a charitable deduction, but is a miscellaneous deduction subject to the 2% limit.

Non-Cash greater than \$500: a qualified written appraisal is required for any single item that is not in good used condition.

- | | Yes | No | |
|----|--------------------------|--------------------------|---|
| 25 | <input type="checkbox"/> | <input type="checkbox"/> | Did you DRIVE for charitable purposes (does not include going to and from church etc. on service days) including choir practice or meetings?
* If YES, write the total vehicle miles in the "Cash contributions" section of the organizer under <u>number of charitable miles</u> . |
| 25 | <input type="checkbox"/> | <input type="checkbox"/> | Did you TRAVEL for charitable purposes where the expenses were not reimbursed including missions trips out of the country?
* If YES, write the total amount of airfare, meals, etc. in the "Cash contributions" section of the organizer under <u>volunteer expenses</u> . |
| 26 | <input type="checkbox"/> | <input type="checkbox"/> | Did you DONATE A VEHICLE to a charitable organization in 2011 that had a value of LESS than \$500?
* If YES, write the value of the vehicle, the date of the donation, and the name of the organization in the "non-cash contributions" section of the organizer. |
| 26 | <input type="checkbox"/> | <input type="checkbox"/> | Did you DONATE A VEHICLE to a charitable organization in 2011 that had a value of MORE than \$500?

* If YES, provide the Form 1099C issued by the charity. |
| 26 | <input type="checkbox"/> | <input type="checkbox"/> | Did you DONATE STOCK OR PROPERTY to a charitable organization in 2011?
* If YES, write a description of the donation, the value of the stock or the property at the time of the contribution, and the date of the donation in the "non-cash contributions" section of the organizer and provide the letter of the donation issued by the charity. |
| 26 | <input type="checkbox"/> | <input type="checkbox"/> | Did you DONATE CLOTHING OR HOUSEHOLD GOODS to a charity in 2011?
* If YES, write the name of the organization and the <u>thrift store value</u> of the items donated in the "non-cash contributions" section of the organizer. <u>Do not give us your receipts.</u> |
| 26 | <input type="checkbox"/> | <input type="checkbox"/> | Did you have a FOSTER CHILD living with you for which you cannot take a dependent deduction?
* If yes, then a charitable deduction can be taken for the excess of food & support expense over the income received if there was no profit or profit motive.
* If yes, then provide the information in the "non-cash contributions" section of the organizer |

CASUALTY OR THEFT LOSS - FORM 4684

Casualty or theft losses include a **FIRE in your home or THEFT of property** (your grandmother's jewelry that you had appraised) that exceeded your insurance reimbursement and, in addition, exceeded 10% of your income for 2011. For example: if your home burned down and the insurance company valued your contents to have a current market value on eBay of \$150,000, but you had a maximum replacement coverage of \$100,000, then you could deduct the \$50,000 loss subject to a limitation of 10% of your income.

2011 1040 US Miscellaneous Questions

Yes No
 17 Did you lose money due to a **PONZI INVESTMENT SCHEME** that was not in an IRA?
 * If yes, please give us all the details including the State Attorney General's documents showing that your loss has been determined to be a Ponzi scheme.

17.1-8/22 Did you have a **casualty or theft loss that was NOT REIMBURSED by your insurance company that exceeded 10% of your income** in 2011?
 * If YES, provide, on the additional information page of the organizer, **all of the details and the insurance paperwork.**

MISCELLANEOUS ITEMIZED DEDUCTIONS SUBJECT TO 2% OF AGI LIMITATION

Yes No
 30/2106 Did you drive your personal vehicle **for business purposes for your employer** (does not include commuting to and from work)?
 * If YES, on the additional information page of the organizer, provide your **business auto miles and total auto miles** (including personal) for each vehicle used for business.
 * Please show the miles for each vehicle separately.

Did you pay for any of the **following items**? If YES, **write in the titles and amounts** in the "Miscellaneous Deductions" section in the Organizer.

- | | | | |
|----|--------------------------|--------------------------|---|
| 25 | <input type="checkbox"/> | <input type="checkbox"/> | <u>union dues.</u> |
| 25 | <input type="checkbox"/> | <input type="checkbox"/> | <u>professional dues, licenses, liability insurance, and subscriptions.</u> |
| 25 | <input type="checkbox"/> | <input type="checkbox"/> | purchase and cleaning of <u>work uniforms and safety clothing and shoes.</u> |
| 25 | <input type="checkbox"/> | <input type="checkbox"/> | purchase of <u>tools</u> required for work. |
| 25 | <input type="checkbox"/> | <input type="checkbox"/> | <u>cell phone required by the employer.</u> |
| 25 | <input type="checkbox"/> | <input type="checkbox"/> | <u>IRA trustee</u> fees. |
| 25 | <input type="checkbox"/> | <input type="checkbox"/> | <u>investment advisory</u> fees. (expenses for attending investment conventions, seminars, or other meeting that give investment advice are not deductible) |
| 25 | <input type="checkbox"/> | <input type="checkbox"/> | <u>safety deposit box</u> rental fees. |
| 25 | <input type="checkbox"/> | <input type="checkbox"/> | <u>tax preparation and planning</u> fees (the portion of divorce attorney fees that pertain to tax planning are also deductible if they are separately itemized on the attorney's bill). |
| 25 | <input type="checkbox"/> | <input type="checkbox"/> | <u>job search costs</u> and related travel costs that were not reimbursed. |
| 25 | <input type="checkbox"/> | <input type="checkbox"/> | <u>education expenses</u> required for work that do not qualify you for a new profession unless you are a teacher. |
| 30 | <input type="checkbox"/> | <input type="checkbox"/> | travel and living costs while <u>working away from home</u> less reimbursements (per diem). |
| 30 | <input type="checkbox"/> | <input type="checkbox"/> | employee business <u>meals and entertainment</u> that were not reimbursed by your employer. |
| 30 | <input type="checkbox"/> | <input type="checkbox"/> | employee business auto miles--were they <u>reimbursed?</u> How much _____. |
| 30 | <input type="checkbox"/> | <input type="checkbox"/> | employee business auto miles--was the <u>reimbursement included in your W-2 wages?</u> |

MISCELLANEOUS ITEMIZED DEDUCTIONS NOT SUBJECT TO 2% OF AGI LIMITATION

- | | | | |
|----|--------------------------|--------------------------|---|
| 25 | <input type="checkbox"/> | <input type="checkbox"/> | <u>gambling losses.</u> |
| 25 | <input type="checkbox"/> | <input type="checkbox"/> | IRA investment losses <u>only if the entire IRA has been withdrawn and closed for non-deductible</u> IRAs and Roth IRAs. Form 8606 |
| 25 | <input type="checkbox"/> | <input type="checkbox"/> | <u>Estate taxes on an inherited taxable IRA</u> Form 1099-R with a "4" code. |

MOVING EXPENSES - FORM 3903

Yes No
 27 Did you move more than **50 miles** during 2011 **due to a change of employment or move for self-employment?**
 * If YES, provide a list of moving expenses that you were **not** reimbursed for by your employer (meals are not allowed as a deduction.)

2011 1040 US Miscellaneous Questions

Deductible Moving Expenses

Reasonable costs to **move your household goods and personal effects:**

- *moving company,
- *boxes and packing supplies,
- *gas for moving truck,
- *rental of moving truck,
- *shipping your car or pets,
- *connecting and disconnecting your utilities and appliances,
- *packing and unpacking services,
- *30 days of storage at old location,
- *unlimited storage at new location, .

Travel costs:

- *IRS moving rate per mile for driving your vehicles to the new location (one trip per person),
- *lodging, and
- *airfare (one trip per person).

Non-deductible Moving Expenses:

- *meals,
- *purchase costs of buying a new home,
- *sale costs of selling old home,
- *expenses of a lease, and
- *pre-move househunting expenses.

CHILD AND DEPENDENT CARE - FORM 2441

NOTE that dependent care also includes time while a spouse is going to school and is not employed, and can also be used for the care of parents or relatives.

NOTE: If you are employed and the employer has a cafeteria plan / Flexplan / Section 125 plan, you should be using this plan to pay these costs--it will save you more tax dollars.

	Yes	No	
33	<input type="checkbox"/>	<input type="checkbox"/>	Did you pay for child and dependent care in 2011? * If YES, write, on the additional information page of the organizer, the name, address, Social Security Number or Employer Identification Number, and the amount paid for each day care provider in the space below this question.

ADOPTION EXPENSES - FORM 8839 - (37) - IR Notice 2010-66

	Yes	No	
37	<input type="checkbox"/>	<input type="checkbox"/>	Did you ADOPT any children in 2011? If YES, write the child's full name as stated on their social security card, date of birth, and social security number, and the amount of adoption expenses paid in the Dependents section of the Organizer .
	<input type="checkbox"/>	<input type="checkbox"/>	Was the adoption FINALIZED ?
	<input type="checkbox"/>	<input type="checkbox"/>	Was this child adopted from INSIDE of the United States? Documentation: <u>Must attach to tax return a copy of the adoption order or decree.</u>
	<input type="checkbox"/>	<input type="checkbox"/>	Was this child adopted from OUTSIDE of the United States? What country? _____ * DOCUMENTATION: <u>Must attach to tax return a copy of the Hague Adoption Certificate, IH-3 visa, or foreign adoption decree in English; non-Hague convention country: adoption decree in English and the IR-2 or IR-3 visa.</u>
	<input type="checkbox"/>	<input type="checkbox"/>	Was the adopted child a " SPECIAL NEEDS CHILD " as defined by Washington State law? * DOCUMENTATION: <u>Must attach to tax return a copy of the state's determination of "special needs" and the adoption order or decree.</u>

2011 1040 US Miscellaneous Questions

MISCELLANEOUS

- | | Yes | No | |
|--------|--------------------------|--------------------------|---|
| 17.1-2 | <input type="checkbox"/> | <input type="checkbox"/> | Did anyone owe you <u>MONEY THAT BECAME UNCOLLECTABLE</u> in 2011 and you have already taken the person to court to collect the money, the person filed for bankruptcy, or you can no longer find that person, and do you have a signed note payable from that person as proof of the loan?
* If YES, write, on the additional information page of the organizer the person's name, the original date of the loan, and the amount of the loan. Sch D |
| 39-10 | <input type="checkbox"/> | <input type="checkbox"/> | Did you add any <u>ENERGY EFFICIENT IMPROVEMENTS</u> (insulation, exterior windows and doors, metal roofs, furnaces, solar, fuel cell) to your home in 2011?
* If YES, write, on the additional information page of the organizer, the name of the improvement and amount. Form 5695 |
| 39-9 | <input type="checkbox"/> | <input type="checkbox"/> | Did you add <u>ENERGY EFFICIENT PROPERTY</u> to your home in 2011? Energy efficient property specifically refers to solar energy, solar water heating, fuel cell, small wind energy or a geothermal heat pump.
* If YES, write the type of improvement and cost on the additional information page. Form 5695 |
| 42 | <input type="checkbox"/> | <input type="checkbox"/> | Did you engage the services of any <u>HOUSEHOLD EMPLOYEES (domestic help or a nanny)</u> in 2011?
* If YES, provide the Form W-2 that you gave them. Sch H |

CANCELLATION OF DEBT FORM 1099-C OR 1099-A OR BANKRUPTCY - FORM 982

- | | Yes | No | |
|-------|--------------------------|--------------------------|--|
| 62 | <input type="checkbox"/> | <input type="checkbox"/> | Did you receive a Form 1099-C for cancellation of debt on <u>CREDIT CARDS or AUTO LOANS?</u> |
| | <input type="checkbox"/> | <input type="checkbox"/> | Was the debt canceled for your <u>PRIMARY HOME?</u> Canceled debt on your personal home is exempt from taxation. |
| 62 | <input type="checkbox"/> | <input type="checkbox"/> | Were you <u>INSOLVENT</u> at the time of the cancellation of the debt?
* Insolvent means that your total assets including retirement accounts were LESS THAN your total debts at the time of the cancellation of the debt.
*Canceled debt on credit cards is taxable unless you are insolvent. |
| 62&22 | <input type="checkbox"/> | <input type="checkbox"/> | Was debt cancelled on a <u>RENTAL PROPERTY?</u> The gain may be taxable depending on the calculations. |
| 62 | <input type="checkbox"/> | <input type="checkbox"/> | Did you file <u>BANKRUPTCY?</u> |

FOREIGN ACCOUNTS AND FOREIGN TRUSTS
PROPERTY OWNED IN MEXICO

- | | Yes | No | |
|--------|--------------------------|--------------------------|--|
| 82 | <input type="checkbox"/> | <input type="checkbox"/> | Did you have an interest or signature or other authority over a financial account in a foreign country , such as a bank account, securities account, or other financial account that had a balance greater than \$10,000 at any time during the year? If YES, provide the country's name and any other details of the income from that account for 2011. (TD F 90-22) |
| 3520/A | <input type="checkbox"/> | <input type="checkbox"/> | Did you receive a distribution from , or were you a grantor to a foreign trust in 2011? If YES, provide the income information from that trust. |
| 3520/A | <input type="checkbox"/> | <input type="checkbox"/> | If you own property in MEXICO that is within 31 miles of a coast and 62 miles of a border , then this property must be owned by a trust? If YES, check this box and we will call you for the data we need . (As I understand, timeshares in Mexico are leases and not deeded property and are excluded from the trust requirement.) |

IMPORTANT - IMPORTANT - IMPORTANT - IMPORTANT

2011	1040	US	Miscellaneous Questions
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8938

Did you have **an interest or signature or other authority over a financial account** in a foreign country, such as a bank account, securities account, or other financial account **that had a balance greater than \$50,000** at any time during the year? If YES, provide the country's name and any other details of the income from that account for 2011. (8938)

Each U.S. citizen, resident alien of the United States, or nonresident alien who has elected to be taxed as a U.S. resident or is otherwise treated as a resident under other Sections of the Code must file Form 8938 if he or she has an interest in one or more specified foreign financial assets and those assets have an aggregate fair market value exceeding either \$50,000 on the last day of the taxable year or \$75,000 at any time during the taxable year. **The minimum penalty** for failing to submit the required disclosure is \$10,000, and it increases by \$10,000 for each 30-day period with a maximum penalty of \$50,000.

MINISTER'S HOUSING ALLOWANCE

Please see <http://www.hkmscpa.com/Ministers.htm> for information about minister's housing allowance.

	Yes	No	
--	-----	----	--

16/45.1

Are you exempt from Social security tax?

10

How much housing allowance did you receive? _____ (If SE tax applies - amount received S10-box 14 and misc info)

14.1

How much of the housing allowance did you spend on allowable items? _____ (\$14.1 received less expenses)

ADDITIONAL NOTES

IRS agents should not proceed with a levy that creates economic hardship, according to a memo to field agents. If a levy would prevent a taxpayer from being able to meet living expenses, agents should back off, even if the taxpayer has unfiled tax returns. IRS now agrees with a Tax Court case it lost on this issue.

Year-end Tips: Final tax reminders for this year so you don't miss tax breaks.

Check your flexible spending account balance. You must clean it out by December 31 if your employer still has not adopted the 2 ½ month grace period that IRS now permits. Otherwise, any money remaining in your account is forfeited.

Buy over-the-counter drugs this year. For purchases after 2010, flex plans and HRAs can't reimburse the cost of such medications. Payments will be allowed for prescriptions and insulin only. Ditto for payouts from health savings accounts. Even if your FSA uses the grace period so expenses incurred before March 15, 2011 can qualify as 2010 expenses, that rule does not apply to over-the-counter medicines. (If your flex plan uses a debit card, you have 'til January 15, 2011 to make the purchase).

2011 1040 US Tax Organizer

HANS KASPER MS CPA PS
 22118 20TH AVENUE SE #122
 BOTHELL, WA 98021
 Telephone number: 425-485-7853
 Fax number: 425-485-5120
 E-mail address: hkasper@hkmscpa.com

Tax Return Appointment

Date:
 Time:
 Location:

This tax organizer will assist you in gathering information necessary for the preparation of your 2011 tax return. Please enter all pertinent 2011 information. If you have attached a government form for an item, check the box and do not enter a 2011 amount.

CLIENT INFORMATION

Taxpayer

Spouse

First name and initial.....		
Last name.....		
Title/suffix.....		
Social security number....		
Occupation.....		
Date of birth (m/d/y).....		
Date of death (m/d/y).....		
1=blind.....		
Home phone.....		
Work phone.....		
Work extension.....		
Cell phone.....		
E-mail address.....		

Address	In care of.....	
	Street address.....	
	Apartment number.....	
	City.....	
	State.....	WA
	ZIP code.....	

DEPENDENTS

Dependent No. 1

Dependent No.

First name.....		
Last name.....		
Title/suffix.....		
Date of birth (m/d/y).....		
Social security number....		
Relationship.....		
Months lived at home.....	12	

WAGES, SALARIES AND TIPS

Employer Name:

<input type="checkbox"/>	_____
<input type="checkbox"/>	_____
<input type="checkbox"/>	_____

2011 Amount	2010 Amount
Attach Forms W-2	1

2011	1040	US	Tax Organizer
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Please enter all pertinent 2011 information. If you have attached a government form for an item, check the box and do not enter a 2011 amount.

TAXES PAID (Continued)

Other:

	2011 Amount	2010 Amount

Personal property taxes (including automobile fees in some states).....

Attach Tax Notice	
--------------------------	--

INTEREST PAID

Home mortgage interest and points paid

<input type="checkbox"/>	_____	
<input type="checkbox"/>	_____	
<input type="checkbox"/>	_____	

Attach Forms 1098	1

Home mortgage interest not on Form 1098 (include name, SSN, & address of payee)

Points not reported on Form 1098

Mortgage insurance premiums on post 12/31/06 contracts.....		

Investment interest (interest on margin accounts):

Passive Interest.....		

2011	1040	US	Direct Deposit & Estimates (Form 1040 ES)	3, 6
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Please enter all pertinent 2011 information.

DIRECT DEPOSIT / ELECTRONIC PAYMENT (3)

1=direct deposit of federal tax refund into bank account		
1=electronic payment of balance due		
1=electronic payment of estimated tax		

BANK INFORMATION

Name of Bank	Percent to Deposit (xx.xx)	Routing Number	Account Number	Type of Account (Table 1)	Type of Invest. (Table 2)

2011 ESTIMATED TAX / 1040-ES (6)

Federal	Amount Paid	Date Paid	TS	2011 Voucher Amount
Overpayment applied from 2010				
1st quarter payment (due 4/18/11)				
2nd quarter payment (due 6/15/11)				
3rd quarter payment (due 9/15/11)				
4th quarter payment (due 1/17/12)				
Additional Estimated Tax Payments				
Paid with extension (not later than 4/17/12)				

State	Amount Paid	Date Paid	TS	2011 Voucher Amount
Overpayment applied from 2010				
1st quarter payment (due 4/18/11)				
2nd quarter payment (due 6/15/11)				
3rd quarter payment (due 9/15/11)				
4th quarter payment (due 1/17/12)				
Additional Estimated Tax Payments				
Paid with extension (not later than 4/17/12)				

1 **Type of Account**

1 = Savings
2 = Checking

2 **Type of Investment**

1 = Checking or savings (default)	6 = Coverdell savings account (ESA)
2 = Taxpayer's IRA (next year limits)	7 = Other
3 = Spouse's IRA (next year limits)	8 = Taxpayer's IRA (current year limits)
4 = Health savings account (HSA)	9 = Spouse's IRA (current year limits)
5 = Archer MSA	10 = Series I treasury bonds

2011

1040

US

Direct Deposit & Estimates (Form 1040 ES) (cont.)

7.1

Please enter all pertinent 2011 information.

APPLICATION OF 2011 OVERPAYMENT (7.1)

If you have an overpayment of 2011 taxes, do you want the excess refunded? or applied to 2012 estimate? ...

Other (please explain): _____

2012 ESTIMATED TAX INFORMATION

Do you expect your 2012 taxable income to be different from 2011? Yes No

If "yes" explain any differences in income, deductions, dependents, etc.: _____

Do you expect your 2012 withholding to be different from 2011? Yes No

If "yes" explain any differences: _____

7.1

2011

1040

US

State & Local Tax Refunds / Unemployment Compensation

14.2

Please add, change or delete 2011 information as appropriate.
Be sure to attach all 1099-G forms.

**STATE AND LOCAL TAX REFUNDS /
UNEMPLOYMENT COMPENSATION (Form 1099-G)**

2011 1099-G Amount

No. <input type="text" value="1"/>	Name of payer		
	1=spouse.....		
	Unemployment compensation:		
	Total received (Box 1)		
	2011 Overpayment repaid.....		
	State and local refunds:		
	State and local income tax refund, credit or offsets (Box 2)		
	1=city or local income tax refund		
	Tax year for box 2 if not 2010 (Box 3).....		
	Federal income tax withheld (Box 4).....		
	ATAA/RTAA payments (Box 5).....		
	Taxable grants:		
	Federal taxable amount (Box 6)		
	State taxable amount, if different.....		
	Farm amounts:		
Agriculture payments (Box 7).....			
1=agriculture payments are from conservation reserve program			
Market gain (Box 9).....			
Number of farm			
1=box 2 is trade or business income (Box 8).....			
State income tax withheld (Box 11).....			

No. <input type="text"/>	Name of payer		
	1=spouse.....		
	Unemployment compensation:		
	Total received (Box 1)		
	2011 Overpayment repaid.....		
	State and local refunds:		
	State and local income tax refund, credit or offsets (Box 2)		
	1=city or local income tax refund		
	Tax year for box 2 if not 2010 (Box 3).....		
	Federal income tax withheld (Box 4).....		
	ATAA/RTAA payments (Box 5).....		
	Taxable grants:		
	Federal taxable amount (Box 6)		
	State taxable amount, if different.....		
	Farm amounts:		
Agriculture payments (Box 7).....			
1=agriculture payments are from conservation reserve program			
Market gain (Box 9).....			
Number of farm			
1=box 2 is trade or business income (Box 8).....			
State income tax withheld (Box 11).....			

14.2

2011	1040	US	Business Income (Schedule C)	No. 1	16
-------------	-------------	-----------	-------------------------------------	--	-----------

Please enter all pertinent 2011 amounts. Last year's amounts are provided for your reference.

GENERAL INFORMATION

Principal business/profession.....	
Principal business code.....	
Business name, if different from Form 1040.....	
Business address, if different from Form 1040...	
City, if different from Form 1040.....	
State, if different from Form 1040.....	
ZIP code, if different from Form 1040.....	
Employer identification number.....	
Other accounting method.....	

Accounting method: 1=cash, 2=accrual.....		
Inventory method: 1=cost, 2=lower cost/market, 3=other.....		
1=change of inventory method.....		
1=spouse, 2=joint.....		
1=first Schedule C filed for this business.....		
If required to file Form(s) 1099, did you or will you file all required Form(s) 1099: 1=yes, 2=no.....		
1=not subject to self-employment tax.....		
1=did not "materially participate".....		
1=personal services is not a material income producing factor.....		
1=investment.....		
1=minister's Schedule C.....		
1=single member limited liability company.....		

INCOME

	2011 Amount	2010 Amount
Merchant card and third party payments (Form 1099-K, Box 1) *.....		
Gross receipts or sales (Form 1099-MISC, box 7).....		1
Returns and allowances.....		
Other income:		

COST OF GOODS SOLD

Inventory at beginning of the year.....		
Purchases.....		
Cost of items for personal use.....		
Cost of labor.....		
Materials and supplies.....		
Other costs:		

Inventory at end of the year.....		

2011

1040

US

Business Income (Schedule C) (cont.)

No. 1

16 p2

Please enter all pertinent 2011 amounts. Last year's amounts are provided for your reference.

EXPENSES

	2011 Amount	2010 Amount
Accounting.....		
Advertising.....		
Answering service.....		
Bad debts from sales or service.....		
Bank charges.....		
Car and truck expenses (not entered elsewhere).....		
Commissions.....		
Contract labor.....		
Delivery and freight.....		
Dues and subscriptions.....		
Employee benefit programs.....		
Insurance (other than health).....		
Mortgage interest (paid to banks, etc.).....		
Other interest (not entered elsewhere).....		
Janitorial.....		
Laundry and cleaning.....		
Legal and professional.....		
Miscellaneous.....		
Office expense.....		
Outside services.....		
Parking and tolls.....		
Pension and profit sharing plans - contributions.....		
Pension and profit sharing plans - admin. and education costs.....		
Postage.....		
Printing.....		
Rent - vehicles, machinery, & equipment (not entered elsewhere).....		
Rent - other.....		
Repairs.....		
Security.....		
Supplies.....		
Taxes - real estate.....		
Taxes - payroll.....		
Taxes - sales tax included in gross receipts.....		
Taxes - other (not entered elsewhere).....		
Telephone.....		
Tools.....		
Travel.....		
Total meals and entertainment in full (50%).....		
Department of Transportation meals in full (80%).....		
Uniforms.....		
Utilities.....		
Wages.....		

Other expenses:

NOTE: If you purchased or disposed of any business assets, please complete Sheet 22.

16 p2

2011	1040	US	Capital Gains & Losses (Schedule D)	17
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**If you sold any stocks, bonds, or other investment property in 2011, please list the pertinent information for each sale below or provide a spreadsheet file with this information.
Be sure to attach all 1099-B forms and brokerage statements.**

No.	Quantity	Description of Property (Box 9)	Date Acquired (Box 1b)	Date Sold (Box 1a)	Sales Price (gross or net) (Box 2)	Cost or Basis (Box 3)	Expenses of Sale (if gross sales price entered)	Federal Income Tax Withheld (Box 4)
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								

2011	1040	US	Rental & Royalty Income (Schedule E)	No. 1	18
-------------	-------------	-----------	---	--	-----------

Please enter all pertinent 2011 amounts. Last year's amounts are provided for your reference.

GENERAL INFORMATION

Description of property.....	
Street address	
City.....	
State.....	
ZIP code.....	
Type of property (see table)....	
Other type of property.....	

Percentage of ownership if not 100% (.xxxx)		Type of Property 1 = Single Family Residence 2 = Multi-Family Residence 3 = Vacation/Short-Term Rental 4 = Commercial 5 = Land 6 = Royalties 7 = Self-Rental
Percentage of tenant occupancy if not 100% (.xxxx)		
1=spouse, 2=joint		
1=qualified joint venture		
If required to file Form(s) 1099, did you or will you file all required Form(s) 1099: 1=yes, 2=no.		
1=nonpassive activity, 2=passive royalty		
1=did not actively participate.....		
1=real estate professional.....		
1=rental other than real estate		
1=investment		
1=single member limited liability company.....		

INCOME

	2011 Amount	2010 Amount
Merchant card and third party payments (Form 1099-K, Box 1) *.....		
Payments not reported above.....		1
Adjustments to amounts from Form(s) 1099-K *.....		

DIRECT EXPENSES

NOTE: Direct expenses are related only to the rental activity. These include rental agency fees, advertising, and office supplies.

Advertising.....		
Association dues.....		
Auto and travel (not entered elsewhere).....		
Cleaning and maintenance.....		
Commissions.....		
Gardening.....		
Insurance.....		
Legal and professional fees.....		
Licenses and permits.....		
Management fees.....		
Miscellaneous.....		
Mortgage interest (paid to banks, etc.).....		
Qualified mortgage insurance premiums.....		
Excess mortgage interest.....		
Other interest (not entered elsewhere).....		
Painting and decorating.....		

NOTE: If you purchased or disposed of any business assets, please complete Sheet 22.

* NOTE: Based on late revisions to the 2011 Schedules E, Merchant card and third party payments from Form 1099-K, Box 1 will not be reported separately (for 2011 only).

2011

1040

US

Rental & Royalty Income (Sch. E) (cont.)

No. 1

18 p2

Please enter all pertinent 2011 amounts. Last year's amounts are provided for your reference. The indirect expense column should only be used for vacation homes or less than 100% tenant occupied rentals.

DIRECT EXPENSES (continued)

Direct expenses are related only to the rental activity. These include rental agency fees, advertising, and office supplies.

Table with 2 columns: 2011 Amount, 2010 Amount. Rows include Pest control, Plumbing and electrical, Repairs, Supplies, Taxes - real estate, Taxes - other, Telephone, Utilities, Wages and salaries, and Other.

OIL AND GAS

Table with 2 columns: 2011 Amount, 2010 Amount. Rows include Production type, Cost depletion, Percentage depletion rate or amount, State cost depletion, and State % depletion rate or amount.

VACATION HOME

Table with 2 columns: 2011 Amount, 2010 Amount. Rows include Number of days rented at fair market value, Number of days personal use, and Number of days owned.

INDIRECT EXPENSES

NOTE: Indirect expenses are related to operating or maintaining the dwelling unit. These include repairs, insurance, and utilities.

Table with 2 columns: 2011 Amount, 2010 Amount. Rows include Advertising, Association dues, Auto and travel, Cleaning and maintenance, Commissions, Gardening, Insurance, Legal and professional fees, Licenses and permits, Management fees, Miscellaneous, Mortgage interest, Qualified mortgage insurance premiums, Excess mortgage interest, Other interest, and Painting and decorating.

2011

1040

US

Rental & Royalty Income (Sch. E) (cont.)

No. 1

18 p3

Please enter all pertinent 2011 amounts. Last year's amounts are provided for your reference. The indirect expense column should only be used for vacation homes or less than 100% tenant occupied rentals.

INDIRECT EXPENSES (continued)

NOTE: Indirect expenses are related to operating or maintaining the dwelling unit. These include repairs, insurance, and utilities.

	2011 Amount	2010 Amount
Pest control		
Plumbing and electrical		
Repairs		
Supplies		
Taxes - real estate		
Taxes - other (not entered elsewhere)		
Telephone		
Utilities		
Wages and salaries		
Other:		

