

# The 2017 Tax Filing Season!

Your tax returns will be prepared from the information on the organizer and any other documents that you provide us and are assigned on a **first-in-first-out basis**. If you do not have any issues or transactions that warrant an appointment this year, then you can either mail in or drop off your information.

We cannot guarantee the completion of your tax return by its due date if all of your information has not been provided to our office **by 5:00 pm, March 26, 2017.**

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**If you prefer to complete your Organizer via a fillable pdf version, please visit our website: [cpamcfadden.com](http://cpamcfadden.com)**

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## Extensions

If we prepared your 2015 personal income tax return and have not heard from you regarding the preparation of your 2016 return by **March 26, 2017, we will get an automatic extension** to file your return until October 15, 2017. At the time we get this extension, if you would like a copy sent to you, contact us after April 18th and we will e-mail you a copy. The IRS has changed its system to just one 6-month extension. **If at any time you decide not to have us prepare your return, we would appreciate notification. In that case, we will not obtain any extension on your behalf unless requested to do so.**

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## Fee Structure and Increases Due to ACA (Obamacare) Compliance

As in the past, when notifying you that your return is completed, we will also inform you of the amount of our fee, which is payable when you pick up your return.

Our fee for preparing a tax return is the sum of 1) our hourly rates multiplied by the time we spend accumulating information, researching tax questions, and actually preparing the return, and 2) our processing costs, which include costs (at hourly rates) for computer processing, printing, proofreading, and assembling the returns. From time to time our fees are increased to cover the increasing costs of materials and labor. Many factors, other than the change in our rates, may work to increase or decrease your bill. Some of these factors are 1) the condition of the information you bring us, 2) changes in your tax situation, and 3) any changes in the tax laws.

## Affordable Care Act

All Americans will be affected in some manner by the Affordable Care Act (also referred to as Obamacare). If you received a Form 1095 from any issuer or agency, we **MUST have all copies to prepare your tax return**. If you did not receive a 1095, we must ask you a number of additional questions about insurance coverage so that we can help you avoid any penalties for failure to have health insurance. **Our fees will reflect the required additional work related to your return due to the complexities related to compliance with this Act.**

# Affordable Care Act Client Due Diligence Disclosure 2016

**Did you and your dependents have healthcare coverage for the FULL year?**

\_\_\_\_\_ Yes

\_\_\_\_\_ No

**Did you receive any of the following IRS documents:**

- Form 1095-A
- Form 1095-B
- Form 1095-C

\_\_\_\_\_ Yes We **MUST** receive a copy of the document(s)

\_\_\_\_\_ No

**If you or your dependents did not have health care coverage for any period of 2016, please complete the chart on the following page for each of your household members and/or dependents and provide the completed chart with your tax return information.**

**I have read the above and answered truthfully. I have also provided all requested information related to my health insurance coverage for 2016 to The McFadden Group, LLC.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

## **TAX ORGANIZER for the year ended December 31, 2016**

Taxpayer

Spouse

NAME \_\_\_\_\_

SOC. SEC. # \_\_\_\_\_

OCCUPATION \_\_\_\_\_

BIRTHDATE \_\_\_\_\_

PHONE    H                                  W                                  H                                  W

EMAIL ADDRESS: \_\_\_\_\_

ADDRESS \_\_\_\_\_

MARITAL STATUS AT DECEMBER 31 \_\_\_\_\_

Please list dependent children and other dependents for which you provided more than half of support in 2016. **Social Security numbers are now required for all dependents age 1 or over.** Also, for children age 18 and over, please indicate whether they are full-time students. If you are **separated or divorced** and have questions about whether or not you are entitled to a dependency deduction, please do not hesitate to contact us.

Full name	Date of birth	Social Security No.	Full-time student?

**Does your child still qualify as a dependent?**

- You must have provided more than half of the child's total support for the year.
- Your child must have less than \$4,000 of gross income. This test does not apply if the child is either under 19 or a full-time student under 24 at the end of the year. Please contact us if you have any questions.

### **I(We) would like our refund direct deposited into:**

- The same bank account as last year,
- A new or different account and I've included a voided check, or
- None – I(We) don't want our refund direct deposited.

## GENERAL INFORMATION

**Please provide all of original tax documents related to your 2016 income and expense items that have been provided to you. We will make copies of what we need for your files and return all of the originals to you.**

**NEW CLIENTS**--Please enclose copies of your **2013, 2014, and 2015** federal and state returns for taxpayer and spouse. We will make copies of these for our files and return your copies to you.

Throughout the Organizer, where "T/S/J" is indicated please show T for Taxpayer, S for Spouse, or J for Joint.

Taxpayer   Spouse

	YES	YES
Are you being claimed as a dependent on another's return for 2016?		
Were you 65 years of age or older on December 31, 2016?		
Are you legally blind?		
Are you disabled?		
Were you eligible to participate in a retirement plan at work?		
Do you wish to designate \$3 of your taxes to the Presidential Election Campaign Fund?		
Did you purchase, sell or refinance your principal home or second home, or did you make a home equity loan? If so, please provide the documentation.		
Was your home (or a portion of it) rented out or used for business during the year? If used for business, complete page 12 of the Organizer.		
Did you sell any stocks, bonds, or mutual fund investments? If so, please complete the chart on page 5 of the Organizer and supply the requested documentation.		
Did you have a foreign bank account during 2016, have any foreign income or pay any foreign taxes?		

	Taxpayer	Spouse
How much, if any, have you already contributed to your 2016 SEP or Simple Plan? (for self-employed individuals only)	\$	\$
How much, if any, did you receive in <b>unemployment compensation</b> during 2016? Please provide the 1099 received.	\$	\$
How much, if any, did you pay/receive in <b>ALIMONY</b> during 2016? (do <u>not</u> include child support)	\$	\$

**Please enclose ALL of the following original documents with your information:**

- All 2016 W-2's
- All 1099's received for **interest** and **dividends**
- Documents provided by your broker reporting the **sale of stocks and/or mutual fund** shares (1099-B). Be sure to provide the **purchase price** of the shares and the original date purchased on these documents. Complete the table on page 5 if you like.
- K-1's received from partnerships, estates, trusts, and S-corporations
- Documentation of any and all tax-exempt income received
- 1099-G received from any state from which a state income tax refund was received
- 1099-MISC reporting any other income that was received: director's fees, commissions, jury duty fees, and royalties
- 1099-R reporting retirement plan distributions
- Government documents reporting total **Social Security** income received

**ESTIMATED TAX PAYMENTS MADE FOR 2016: PLEASE PROVIDE A COPY OF YOUR**

**CANCELLED CHECKS.** (Even if we set you up to make estimated tax payments, please complete the table below to confirm the amounts of the payments and that the payments were timely made.)

	<u>Federal</u>		<u>State</u>	
	Date paid	Amount	Date Paid	Amount
2015 carryforward applied				
4/18/16 installment		\$		\$
6/15/16 installment		\$		\$
9/15/16 installment		\$		\$
1/17/17 installment		\$		\$
Other (list state and date)		\$		\$





## RENT AND ROYALTY INCOME AND EXPENSES

*(We strongly urge you to consider placing your rental properties into a Limited Liability Company, if you have not done so already. Please call us for additional information and an attorney referral if you need one.)*

T/S	Address/Description of Property
A.    —	_____
B.    —	_____
C.    —	_____
D.    —	_____

	A.	B.	C.	D.
<u>INCOME:</u> Rents received				
Royalties received				
Advertising				
Auto and travel expenses				
Cleaning				
Insurance				
Legal and professional (do not include our fee)				
Licenses and permits				
Management fees				
Interest (include all Form(s) 1098)				
Painting and decorating				
Pest control				
Plumbing and electrical				
Repairs (description and approx date)				
Supplies				
Taxes				
Telephone				
Utilities				
Other expenses (list)				

**Please list property improvements and fixed asset purchases on the following page. It is important to indicate the date of the expense and don't forget to include any sales tax or installation costs associated with the improvement.**

Asset/Improvement Description	Date Acquired	Address of Prop	Cost (including sales tax)



## FARM INCOME AND EXPENSES

Farm crop(s): \_\_\_\_\_

Income from **purchased** livestock:

Description	Purchase Date	Purchase Price	Sale Date	Sale Proceeds
		\$		\$
		\$		\$

Income from **raised** livestock/crops (please specify):

Description	Sale Proceeds	Sale Date
	\$	
	\$	

Other income: machine work, patronage dividends, CCC, etc. (please include any supporting documents)

\$ _____	\$ _____
\$ _____	\$ _____

Expenses:

Chemicals	\$	Machinery/equipment rent	\$
Custom hire	\$	Other rent	\$
Feed	\$	Repair & maintenance	\$
Fertilizer & lime	\$	Seed/plants purchased	\$
Insurance	\$	Supplies	\$
Interest paid	\$	Taxes	\$
Labor hired	\$	Other	\$

Farm use land, equipment, or vehicles purchased/sold during 2016:

Description	Purchase Date	Purchase Price	Sale Date	Sale Proceeds
		\$		\$
		\$		\$
		\$		\$

## IRA'S

**Because the income limits for IRA's have changed for 2016, we would highly recommend that you NOT make any actual contributions until we complete your return.**

**Traditional IRA Contributions:** The maximum contribution is \$5,500 for 2016 and is due by 4/18/17. If you or your spouse is a participant in a retirement plan at work, then your contribution may be limited depending on your income level. If you would like for us to determine if you are eligible for a deductible contribution, please complete the information below. An individual who has attained age 50 by the end of the year is allowed an additional contribution of \$1000.

	<u>Taxpayer</u>	<u>Spouse</u>
Were you an active participant in an employer/self-employed pension, profit sharing, or stock bonus plan at any time during the year?	_____	_____
Would you like to contribute the maximum TRADITIONAL IRA?	_____	_____
Enter amount already paid into your 2016 IRA: (date paid: _____)	\$ _____	\$ _____

**Roth IRA Contributions:** The contribution limit is \$5,500 for 2016 and is due by 4/18/17. To the extent that you've funded a regular IRA for 2016, your available contribution to a Roth IRA is reduced. There are income limits associated with Roth IRA's so if you would like for us to determine if you are eligible to make a contribution, please complete the information below. An individual who has attained age 50 by the end of the year is allowed an additional contribution of \$1000.

	<u>Taxpayer</u>	<u>Spouse</u>
• Would you like to contribute the maximum ROTH IRA?	_____	_____
• Enter amount already paid into your 2016 IRA: (date paid: _____)	\$ _____	\$ _____

**Coverdell Education Savings Account Contributions (formerly Educational IRA's):** Joint filers can contribute up to \$2000 per designated beneficiary, subject to some income limitations, and the beneficiaries need not be your child or dependent. The contributions are not deductible, but grow tax deferred and distributions are tax free if the funds are used for "qualified education expenses". The definition of qualified education expenses was expanded in 2006 to include costs related to K-12 education, including home computers and educational software.

	<u>Taxpayer</u>	<u>Spouse</u>
• Would you like to make a contribution to a Coverdell Account, due 4/18/17?	_____	_____
• Enter amount already paid into this for 2016:	\$ _____	\$ _____
• If you received a distribution from a Coverdell Account, enter any qualified higher educational expenses incurred in 2016.	\$ _____	\$ _____

**\*Kansas Learning Quest contributions (and contributions to other states' 529 plans) were due by 12/31/16.**

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**STUDENT LOAN INTEREST:** Please include loan interest documentation provided to you by the loan holder with your tax information that you provide to us.  
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**EDUCATOR BUSINESS EXPENSES:** K-12 educators are eligible to deduct up to \$250 of classroom expenses before AGI. That means that you do not have to be able to itemize your deductions to qualify for this tax benefit. Please provide out-of-pocket and non-reimbursed classroom expenses that you have receipts for:

\_\_\_\_\_ \$ \_\_\_\_\_

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**ITEMIZED DEDUCTIONS**

**MEDICAL EXPENSES:**

List your **UNREIMBURSED** medical expenses (and show any reimbursements below).

Total prescription drugs and insulin. . . . . \$ \_\_\_\_\_

Total doctors, dentists, surgeons, eye doctors, nurses, hospitals, etc. \$ \_\_\_\_\_

Health insurance premiums paid (or withheld by employer). . . . . \$ \_\_\_\_\_

**(Be sure to NOT include any premiums that have been deducted from your wages PRE-TAX.)**

Long-term care insurance premiums \$ \_\_\_\_\_ You \$ \_\_\_\_\_ Spouse

Name of health insurance company premiums are paid to \_\_\_\_\_

Lodging expense for treatment while away from home. Explain for whom, where, why, how many nights: \$ \_\_\_\_\_

Medical transportation miles driven in 2016: \_\_\_\_\_

Other: X-ray and laboratory services, hearing aids, false teeth, eyeglasses, contact lenses, braces, ambulance, etc. (Please itemize.)

\_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

Insurance reimbursement received, not deducted above . . . . . \$( \_\_\_\_\_ )

**TAXES:**

Show here only the amounts that are **personal** expenses. Report any business portion on page 4, farm portion on page 7, or portion for rental property on page 6, taking care not to DUPLICATE your entries.

Real Estate taxes \$ \_\_\_\_\_ (Personal residence only)      Personal Property taxes \$ \_\_\_\_\_ (cars, boats, trailers, etc.)

Other taxes (please identify type).  
\_\_\_\_\_ \$ \_\_\_\_\_      \_\_\_\_\_ \$ \_\_\_\_\_

**INTEREST EXPENSE:**

**MORTGAGE INTEREST**

<u>Institution Name</u>	<u>Amount</u>
	\$
	\$
	\$

***Please provide the mortgage interest forms that you receive from the institutions.***

Deductible points paid on refinancing in 2016 . . . . . \$ \_\_\_\_\_ (Provide the closing statement)

Date points were paid \_\_\_\_\_ number of months over which new loan was financed \_\_\_\_\_

**INVESTMENT INTEREST** (Paid to carry investments in stocks, bonds, land held for future sale, Subchapter S corporations, partnerships, etc.)

Paid \$ \_\_\_\_\_ interest to \_\_\_\_\_ for investment in \_\_\_\_\_.

*Note that investment interest is deductible only to the extent of investment income.*

**If you bought and/or sold your personal residence in 2016, please provide all closing statements – both the purchase of your new residence and the sale of your old residence.**

**CHARITABLE CONTRIBUTIONS:** New recordkeeping requirements: You will not be able to deduct a contribution, regardless of the amount, unless you keep as a record of the transaction a bank record (canceled check, bank copy of a canceled check, or bank statement containing the name of the charity, date and amount) or a written communication from the charity containing that information.

**Cash contributions.** Canceled checks are no longer sufficient to use as receipts for contributions of \$250 or more in a single transaction. The charity is required to provide you with a written receipt for your records.

_____ \$	_____ \$
_____ \$	_____ \$
_____ \$	_____ \$
_____ \$	_____ \$

Transportation \_\_\_\_\_ miles for charitable purposes (14 cents/mile)

You must provide details for any **non-cash contributions** over \$500, including description, original cost, date of donation, estimated value, charity and its address in order for the deduction to be reported and taken on your return. (The spaces below should only be used for donations of less than \$500.)

_____	\$
_____	\$
_____	\$

**I(we) certify that I have read the substantiation requirements above and that I have the required substantiation in order to claim the charitable contributions that I(we) have submitted to you to be deducted on my(our) 2016 tax return.**

\_\_\_\_\_  
**Signature** \_\_\_\_\_ **Date**

(We must have a signature in order to deduct the charitable contributions on your return. Thank you.)

**MISCELLANEOUS ITEMIZED DEDUCTIONS:**

Union dues . . . . . \$ _____	IRA Custodian Fee . . . \$ _____
Tax preparation fee. . . \$ _____	Safe deposit box. . . . \$ _____
_____ \$ _____	

**EDUCATORS NOTE:** Please list your professional dues and journals, etc. under Employee Business Expenses on page 13.

## ***DID YOU HAVE A JOB-RELATED MOVE DURING 2016?***

If you moved during 2016, please go through the following checklist and make sure that you provide us with the following:

- State you moved from \_\_\_\_\_ and to \_\_\_\_\_,
- Date of move: \_\_\_\_\_,
- Number of miles from **old** workplace to **old** residence: \_\_\_\_\_,
- Number of miles from **old** residence to **new** workplace: \_\_\_\_\_, and
- Total amount spent on:

Transportation/shipping of belongings: \_\_\_\_\_

Travel and lodging (excluding meals) during move: \_\_\_\_\_

Any reimbursement by your employer **not** included in your W-2: \_\_\_\_\_

## **BUSINESS USE OF YOUR HOME**

In general, expenses incurred in the use of a portion of your home for business purposes are only deductible if that portion of your home is used **EXCLUSIVELY and REGULARLY** for the business purpose. There have been numerous regulations and rulings issued on this area of tax law and if you are in doubt about the deductibility in your circumstance, please schedule an appointment or include a detailed description of your business use activities, including hours spent out of versus in your home office, activities that are performed in the office versus out of the office, etc.

Total square footage of residence: \_\_\_\_\_ Business use square footage: \_\_\_\_\_

*If daycare provider, total number of days during 2016 that daycare was provided:* \_\_\_\_\_

<u>Improvements</u> made in preparation of or for the business use:	Amount	Date
_____	\$ _____	_____

Total utilities paid during business use: \$ \_\_\_\_\_

Cleaning: \$ \_\_\_\_\_

Homeowners and other insurance: \$ \_\_\_\_\_

Lawn care: \$ \_\_\_\_\_ Repairs/Maintenance: \$ \_\_\_\_\_

**OTHER EMPLOYEE OR SELF-EMPLOYED BUSINESS EXPENSES**

Please list below any unreimbursed expenses incurred with regard to your job during 2016. Things like continuing education, dues, uniforms, publications, and small tools purchased should be listed.

Description: _____	\$ _____
Description: _____	\$ _____
Description: _____	\$ _____
Description: _____	\$ _____

**Vehicle expenses:** (Please do not duplicate information on the Itemized Deduction section.) Use this section for both unreimbursed mileage incurred as an employee or your business mileage as a self-employed person. Per IRS regulations, **you must keep a written log** of the business miles driven during the year, including date(s) of travel, where traveled and business purpose.

<b>Vehicles you own:</b>	<b>Vehicle 1</b>	<b>Vehicle 2</b>	<b>Vehicle 3</b>
Vehicle model and year			
Taxpayer or Spouse?			
Date placed in service			
Total miles driven on the vehicle during 2016:			
Business miles driven during 2016 (not commuting) 54 cents/mile			
Commuting miles driven during 2016			
Parking fees and tolls	\$ _____	\$ _____	\$ _____
Personal property tax paid (do not duplicate on pg 10)			
<u>Optional</u> actual expenses method (If you have elected to use this method, instead of mileage method, please provide a complete listing of all of your actual vehicle expenses.)			

I certify that I understand that in order to meet IRS regulations concerning mileage substantiation, I must maintain a mileage log in order to deduct business related mileage. I have adequate substantiation to properly claim the above mileage expenses.

\_\_\_\_\_

**Signature** **Date**

(We must have a signature in order to deduct the automobile expenses on your return. Thank you.)

