Wayne W. Smith
AN ACCOUNTANCY CORPORATION
Member of California Society of CPAs
215 N Moorpark Rd., Suite E, Thousand Oaks, CA 91360
wayne@waynesmithcpa.com
Phone: (805)496-5005 | Fax: (888)370-5376

March 14, 2020

New Client

Dear New Client:

Happy New Year! We hope you enjoyed the holiday season.

Income tax time is just around the corner. The enclosed packet has been prepared to assist you in gathering information for your 2019 tax return. Please review the entire packet and answer any questions that apply.

Certain lines in the packet contain information from last year's return. You do not need to change the dollar amounts from last year; these figures are provided for reference only.

For the 2019 tax year, health coverage was not mandatory, so you do not need to bring proof of health coverage; however, next year California residents will need to prove they had minimum essential health insurance coverage during the year 2020.

Please bring this packet and all supporting documents, including W-2 and 1099 statements, to your tax-preparation appointment. Also, please sign the attached engagement letter and bring it with you.

Thank you for your trust in our business. Please contact our office at (805) 496-5005 if you have any questions or need additional information. We encourage you to phone us as soon as possible to schedule your income tax preparation appointment. We look forward to seeing you again.

Sincerely,

Wayne W Smith CPA
WAYNE W SMITH AN ACCOUNTANCY CORP

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March 14, 2020

New Client

Your privacy is important to us. Please read the following privacy policy.

We collect nonpublic personal information about you from various sources, including:

* Interviews regarding your tax situation

* Applications, organizers, or other documents that supply such information as your name, address, telephone number, Social Security Number, number of dependents, income, and other tax-related data

* Tax-related documents you provide that are required for processing tax returns, such as Forms W-2, 1099R, 1099-INT and 1099-DIV, and stock transactions

We do not disclose any nonpublic personal information about our clients or former clients to anyone, except as requested by our clients or as required by law.

We restrict access to personal information concerning you, except to our employees who need such information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your personal information.

If you have any questions about our privacy policy, please contact our office at (805) 496-5005.

Sincerely,

Wayne W Smith CPA
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March 14, 2020

New Client

Subject: Preparation of Your 2019 Tax Returns

Dear New Client:

Thank you for choosing WAYNE W SMITH AN ACCOUNTANCY CORP to assist you with your 2019 taxes. This letter confirms the terms of our engagement with you and outlines the nature and extent of the services we will provide.

We will prepare your 2019 federal and state income tax returns. We will depend on you to provide the information we need to prepare complete and accurate returns. We may ask you to clarify some items but will not audit or otherwise verify the data you submit. An Organizer is enclosed to help you collect the data required for your return. The Organizer will help you avoid overlooking important information. By using it, you will contribute to the efficient preparation of your returns and help minimize the cost of our services.

We will perform accounting services only as needed to prepare your tax returns. Our work will not include procedures to find defalcations or other irregularities. Accordingly, our engagement should not be relied upon to disclose errors, fraud, or other illegal acts, though it may be necessary for you to clarify some of the information you submit. We will inform you of any material errors, fraud, or other illegal acts we discover.

The law imposes penalties when taxpayers underestimate their tax liability. Please call us if you have concerns about such penalties.

Should we encounter instances of unclear tax law, or of potential conflicts in the interpretation of the law, we will outline the reasonable courses of action and the risks and consequences of each. We will ultimately adopt, on your behalf, the alternative you select.

Our fee is based on the time required at standard billing rates plus out-of-pocket expenses. Invoices are due and payable upon presentation. All accounts not paid within thirty (30) days are subject to interest charges to the extent permitted by state law.

We will return your original records to you at the end of this engagement. Store these records, along with all supporting documents, in a secure location. We retain copies of your records and our work papers from your engagement for up to seven years, after which these documents will be destroyed.

If you have not selected to e-file your returns with our office, you will be solely responsible to file the returns with the appropriate taxing authorities. Review all tax-return documents carefully before signing them. Our engagement to prepare your 2019 tax returns will conclude with the delivery of the completed returns to you, or with e-filed returns, with your signature and our subsequent submittal of your tax return.

To affirm that this letter correctly summarizes your understanding of the arrangements for this work, please sign the enclosed copy of this letter in the space indicated and return it to us.

Thank you for the opportunity to be of service for your 2019 taxes. If you have any questions, please contact our office at (805) 496-5005.

Sincerely,

Wayne W Smith CPA
WAYNE W SMITH AN ACCOUNTANCY CORP

(Both spouses must sign for preparation of joint returns.)

Accepted By:

____
Taxpayer

____
Spouse

____
Date

Checklist

Name: NEW CLIENT SSN: ***-**-****

Checklist

This check list is provided to help you gather necessary information for us to prepare your 2019 income tax return. Return this list, along with the supporting documentation, to our office and let us know of any significant changes from your 2018 tax year.

Other Income (provide supporting documentation for income received for the following items)

- ☐ Sale of assets or property
- ☐ Cancellation of debt
- ☐ Other income ____

Payments (provide supporting documentation for payments made for the following items)

- ☐ Educator classroom expenses
- ☐ Employee business expenses
- ☐ Contributions to a Health Savings Account
- ☐ Expenses related to work relocation
- ☐ Alimony
- ☐ Student loan interest
- ☐ Tuition and fees for higher education
- ☐ Expenses related to child or dependent care
- ☐ Contributions to a Retirement Savings Account
- ☐ Medical and dental expenses
- ☐ Real estate taxes
- ☐ Other state and local taxes
- ☐ Mortgage interest
- ☐ Investment interest
- ☐ Cash Contributions
- ☐ Noncash Contributions
- ☐ Unreimbursed employee expenses
- ☐ Investment expenses
- ☐ Gambling losses
- ☐ Other payments ____

Questionnaire

Name: NEW CLIENT SSN: ***-**-****

Questionnaire

Personal Information

Yes	No	
☐	☐	Did your marital status change during the year?
		If "Yes," explain ____________________
☐	☐	Can you or your spouse be claimed as a dependent by someone else?
☐	☐	Did your address change during the year?
		Provide proof of identity to be eligible to e-file your tax return (driver's license or state-issued photo ID)

Dependent Information

Yes	No	
☐	☐	Did you have any changes in dependents during the year?
		If "Yes," explain ____________________
☐	☐	Can another person qualify to claim any of your dependents?
☐	☐	Did you have any childcare expenses during the year?
☐	☐	Did you have any adoption expenses during the year?
☐	☐	Did you have any children under age 19 or a full-time student under age 24 with more than $2200 of unearned income?
		Provide documentation for proof of dependent related credits (school records, medical records, daycare records, etc.)

Health Care Information

Yes	No	
☐	☐	Did any member of your household have healthcare coverage through the Marketplace?
		If "Yes," provide copies of Form 1095-A.
☐	☐	Did you receive any distributions from a Health Savings Account (HSA), Archer MSA, or Medicare Advantage MSA during the year?

Income, Purchases, Sales, and Debt Information

Yes	No	
☐	☐	Did you receive any tips not reported to your employer?
☐	☐	Did you receive any disability income during the year?
☐	☐	Did you cash any U.S. savings bonds during the year?
☐	☐	Did you receive, sell, send, exchange, or otherwise acquire any financial interest in any virtual currencies?
☐	☐	Did you receive any other income not provided with this organizer?
		If "Yes," explain ____________________
☐	☐	Did you start a new business or purchase any rental property during the year?
☐	☐	Did you sell an existing business, rental property, or other property during the year?
☐	☐	Did you purchase any business assets or convert any assets to business use?
		If "Yes," provide the cost of the asset, the date it was placed in service, and business use percentage.
☐	☐	Did you purchase any gasoline, diesel, or special fuels for non-highway business use?
☐	☐	Did you buy or sell any stocks, bonds, or other investments during the year?
☐	☐	Did you sell a principal residence during the year?
		If "Yes," provide closing documentation for the purchase and sale of the home
☐	☐	Did you have a principal residence or a piece of real property foreclosed on during the year?
☐	☐	Did you abandon a principal residence or a piece of real property during the year?
☐	☐	Did you refinance your principal home or second home or take out a home equity loan during the year?
		If "Yes," provide all escrow, closing, and other pertinent documentation and information.
☐	☐	Did you receive any principal or interest during this year from property sold in prior years?
☐	☐	Did you rent out your home or use it for business?
☐	☐	Did you sell, exchange, or purchase any real estate during the year?

Questionnaire

Name: NEW CLIENT SSN: ***-**-****

Questionnaire

☐ ☐ Did you acquire a new or additional interest in a partnership or S corporation?
☐ ☐ Did you have any debts canceled or forgiven this year?
☐ ☐ Does anyone owe you money that has become uncollectible?
☐ ☐ Did you purchase a new hybrid, alternative motor, or electric motor energy-efficient vehicle during the year?
If "Yes," provide the year, make, model, VIN, and date the vehicle was placed in service.

Itemized Deduction Information

Yes No

☐ ☐ Did you pay out-of-pocket medical or dental expenses (premiums, prescriptions, mileage, etc.) during the year?
☐ ☐ Did you pay any long-term care premiums for yourself, your spouse, or a dependent during the year?
☐ ☐ Did you receive any state or local income tax refunds from prior years?
☐ ☐ Did you make any major purchases (vehicle, boat, etc.) during the year?
☐ ☐ Did you pay any real estate property taxes or personal taxes during the year?
☐ ☐ Did you pay mortgage interest during the year?
☐ ☐ Did you make cash donations to charity during the year?
☐ ☐ Did you make noncash donations to charity (clothes, furniture, etc.) during the year?
☐ ☐ Did you donate a boat or vehicle during the year?
If "Yes," attach Form 1098-C.
☐ ☐ Did you have gambling winnings or losses during the year?
☐ ☐ Did you have any job-related expenses that were not reimbursed by your employer (uniforms, safety equipment, etc.)?
☐ ☐ Did you use your vehicle on the job other than for commuting to work?
☐ ☐ Did you work out of town at any time during the year?

Retirement Information

Yes No

☐ ☐ Did you receive any payments from a pension, profit sharing, or 401(k) plan during the year?
☐ ☐ Did you make any withdrawals from or contributions to an IRA, Roth, Keogh, SIMPLE, SEP, 401(k), myRA, or other qualified retirement plan during the year?
☐ ☐ Did you receive any Social Security benefits during the year?

Education Information

Yes No

☐ ☐ Did you pay tuition expenses that were required for attending college, university, or vocational school for yourself, your spouse, or a dependent during the year (even if classes were attended in another year)?
☐ ☐ Did anyone in your household attend a post-secondary school during the year?
☐ ☐ Did you make a contribution to or receive a distribution from an Education Savings Account or Qualified Tuition Program during the year?
☐ ☐ Did you pay student loan interest for yourself, your spouse, or your dependent(s) during the year?

Miscellaneous Information

Yes No

☐ ☐ Did you incur a gain or loss due to damaged or stolen property?
If "Yes," provide the incident date, value of the property, and amount of insurance reimbursements.
☐ ☐ Did you pay wages to any household employees (babysitter, nanny, housekeeper, etc.)?
☐ ☐ Did you make gifts to any one person in excess of $15,000 during the year?
If "Yes,"
Yes No
☐ ☐ Are you splitting the gift with your spouse?
☐ ☐ Did you incur moving expenses during the year?
☐ ☐ Did you make any energy-efficient improvements to your main home during the year?

Questionnaire

Name: NEW CLIENT SSN: ***-**-****

Questionnaire

☐ ☐ Are you a business owner who paid health insurance premiums for your employees during the year?
☐ ☐ Did you apply an overpayment of your 2018 taxes to your 2019 estimated taxes?
☐ ☐ If you have an overpayment of 2019 taxes, do you want the refund applied to your 2020 estimated taxes?
☐ ☐ Did you make any estimated payments toward your 2019 taxes?
☐ ☐ Do you want to have any refund or balance due directly deposited or withdrawn?
If "Yes," provide a canceled checking or savings slip.
☐ ☐ Did you receive any notices from the IRS or state taxing authority?
If "Yes," explain ____
☐ ☐ May the IRS discuss your tax return with your preparer?
☐ ☐ Would you like a copy of your tax return emailed to you instead of receiving a printed copy?

Foreign Account Information

Yes No
☐ ☐ Did you have a financial interest in or signature authority over a financial account or asset located in a foreign country?
☐ ☐ Did you receive a distribution from, or were you a grantor of, or transferor to, a foreign trust?
☐ ☐ Did you have any income from, or pay taxes to, a foreign country?
☐ ☐ Did you own property in a foreign country?
☐ ☐ Did the aggregate value of your foreign accounts exceed $10,000 at any time during the year?

Additional Questions

Yes No
☐ ☐ Did you receive income or incur expenses associated with a fantasy sport league?
If yes, provide documentation.
☐ ☐ Did you receive income or incur expenses associated with car sharing (e.g., Lyft or Uber)?
If yes, attach Form 1099-MISC and Form 1099-K.
☐ ☐ Did you receive income or incur expenses associated with freelancing (e.g., Upwork or TaskRabbit)?
If yes, attach Form 1099-K or Form W-2.
☐ ☐ Did you receive income or incur expenses associated with fashion sharing (e.g., Poshmark or thredUP)?
If yes, provide documentation.
☐ ☐ Did you receive income or incur expenses associated with crowdfunding (e.g., Kickstarter or Indiegogo)?
If yes, attach Form 1099-K.
☐ ☐ Did you receive income or incur expenses associated with a short-term rental (e.g., Airbnb or HomeAway)?
If yes, provide documentation.
☐ ☐ Do you anticipate your income or withholdings to be different for 2020?

Preparer Notes

2019 Summary Organizer
Personal and Dependent Information

Personal Information

	Name	SSN	Date of birth
Taxpayer	NEW CLIENT	***-**-****	
Spouse			

Street address, city, state, and ZIP

	Occupation	Daytime phone	Evening phone	Cell phone
Taxpayer				
Spouse				

Taxpayer email	
Spouse email	

Marital Status at end of 2019

☐ Married
☐ Married filing separately
☐ Single
☐ Widow(er) If spouse died in 2019 enter the date of death ____________

Other information

	Taxpayer		Spouse	
Are you blind?	☐ Yes	☐ No	☐ Yes	☐ No
Are you disabled?	☐ Yes	☐ No	☐ Yes	☐ No
Are you a full-time student?	☐ Yes	☐ No	☐ Yes	☐ No
Do you want $3 to go to the Presidential Election Campaign Fund?	☐ Yes	☐ No	☐ Yes	☐ No

Dependent Information

First and last name	SSN	Relationship	Months in home	Date of birth	Disabled	Full-time student
					☐	☐
					☐	☐
					☐	☐
					☐	☐

List dependents required to file a return ____________

Estimates

	Federal		Resident state		Resident city	
	Date paid	Amount	Date paid	Amount	Date paid	Amount
Overpayment applied from 2018						
First quarter						
Second quarter						
Third quarter						
Fourth quarter						
Additional payments						

Account Information for Deposits or Withdrawals

Name of bank	Bank routing number	Bank account number	Type of account		Use this account for	
			Checking	Savings	Deposits	Withdrawals
			☐	☐	☐	☐
			☐	☐	☐	☐

Appointment Information

Your 2019 appointment is scheduled for ____________

Sale of Capital Assets

Name: NEW CLIENT SSN: ***-**-****

Sale of Capital Assets (not reported on Form 1099-B)

Provide all brokerage statements

Description of property	Date purchased	Date sold	Sales price	Cost

Installment Sale Income

Description of property: ______

Date acquired ______ Date sold ______

	2019	Prior years
Selling price		
Mortgages assumed		
Cost of property sold		
Depreciation allowed		
Commissions and expense of sale		
Gross profit percentage		
Interest received		
Principal payments received		

Property was sold to a related party ☐

Schedule C - Profit or Loss from Business

Name: NEW CLIENT SSN: ***-**-****

General Business Information

Business name ______________________ Employer ID number ____________

Professional product or service ______________________

Business address, city, state, ZIP ______________________

☐ This business started or was acquired during 2019 ☐ Yes ☐ No Payments of $600 or more were paid to an individual who is not your employee for services provided for this business

☐ This business was disposed of during 2019 ☐ Yes ☐ No You filed Forms 1099 for the individuals

Income

	2019	2018		2019	2018
Gross receipts or sales			Other income		
Returns & allowances					

Expenses

	2019	2018		2019	2018
Advertising			Travel		
Car & truck expenses			Total meals		
Commissions & fees			Utilities		
Contract labor			Wages		
Depletion			Other expenses (list)		
Employee benefit programs					
Insurance (other than health)					
Interest - mortgage					
Interest - other					
Legal & professional services					
Office expenses					
Pension & profit sharing plans					
Rent or lease (vehicles, machinery, & equipment)					
Rent (other business property)					
Repairs & maintenance					
Supplies					
Taxes & licenses					

Cost of Goods Sold

	2019	2018		2019	2018
Inventory at beginning of year			Materials & supplies		
Purchases			Other costs		
Cost of personal use items			Inventory at end of year		
Cost of labor			☐ There was a change in inventory method		

Schedule E - Income or Loss from Rental Real Estate & Royalties

Name: NEW CLIENT SSN: ***-**-****

General Property Information

Property description ______

Address, city, state, ZIP ______

Select the property type

- ☐ Single family residence
- ☐ Multi-family residence
- ☐ Vacation / short-term rental
- ☐ Commercial
- ☐ Land
- ☐ Royalties
- ☐ Self-rental
- ☐ Other ______

Number of days property was rented ______ Number of days property was used for personal use ______

If the rental is a multi-dwelling unit and you occupied part of the unit, enter the percentage you occupied ______

- ☐ This property is your main home or second home
- ☐ This property was disposed of during 2019
- ☐ This property was owned as a qualified joint venture

☐ Yes ☐ No Payments of $600 or more were paid to an individual who is not your employee for services provided for this rental.

☐ Yes ☐ No You filed Forms 1099 for the individuals

Income

	2019	2018		2019	2018
Rent Income			Royalties from oil, gas, mineral, copyright or patent		

Expenses

	Rental unit expenses		Rental and homeowner expenses	
Advertising				
Auto & travel				
Cleaning & maintenance				
Commissions				
Insurance				
Legal & professional fees				
Management fees				
Mortgage interest				
Other interest				
Repairs				
Supplies				
Taxes				
Utilities				
Depletion				
Other expenses (list)				

If this Schedule E is for a a multi-unit dwelling and you lived in one unit and rented out the other units, use the "Rental and homeowner expenses" column to show expenses that apply to the entire property. Use the "Rental unit expenses" column to show expenses that pertain ONLY to the rental portion of the property.

If the Schedule E is not for a multi-unit property in which you lived in one unit, complete just the "Rental unit expenses" column.

Schedule A - Itemized Deductions

Name: NEW CLIENT SSN: ***-**-****

Medical and Dental Expenses

	2019	2018
Health insurance premiums (paid by you, not through work)		
Long-term care premiums (you)		
Long-term care premiums (your spouse)		
Long-term care premiums (dependents)		
Mileage driven for medical purposes		
Out of pocket medical and dental expenses (list)		

Taxes Paid

	2019	2018
State and local income taxes		
Sales tax		
Real estate taxes		
Personal property taxes		
Other taxes (list)		

Interest Paid

	2019	2018
Mortgage interest paid (attach Form 1098)		

☐ Some of your home mortgage loan was not used to buy, build, or improve your home

	2019	2018
Mortgage interest paid to an individual		

Paid to:

Name

Address

City, State, ZIP

SSN or EIN

	2019	2018
Mortgage insurance premiums		
Investment interest		

Charitable Contributions

	2019	2018
Donations to charity (cash)		
Disaster relief contributions		
Miles driven for charitable purposes		
Donations to charity (noncash)		

If noncash donations are greater than $500, list below

Other Miscellaneous Deductions

	2019	2018
Amortizable bond premiums		
Federal estate tax		
Gambling losses		
Impairment-related work expenses		
Claim repayments		
Unrecovered pension investments		
Schedule K-1		
Ordinary loss debt instrument		

For state purposes ONLY

Job Expenses & Certain Miscellaneous Deductions

Necessary job expenses you paid that were not reimbursed by your employer (list)

	2019	2018
Tax preparation fees		

Other nonpersonal expenses related to taxable income (list)

	2019	2018
Investment expenses not entered elsewhere		
Home equity interest		