

PARTNERSHIP/LLC TAX ORGANIZER (FORM 1065)

This organizer is designed to assist you in gathering the information necessary to prepare the current year's tax return. Please complete it and provide details and documentation as requested.

The Internal Revenue Service (IRS) matches information returns with amounts reported on income tax returns. A negligence penalty may be assessed where income is underreported. Accordingly, all Forms 1099, Schedules K-1, and other information returns reflecting amounts reported to the IRS should be submitted with this organizer.

Also enclosed is an engagement letter which explains the services that will be provided to the partnership. Please sign a copy of the engagement letter and return it in the enclosed envelope. Keep the other copy for your records.

The original filing deadline for your partnership (Form 1065) return is _____. **Please note that this is one month earlier than in previous years.** Your completed tax organizer needs to be received no later than _____. Any information received after that date may require an extension to be filed for this return.

If an extension of time to file is required, any tax that may be due with this return must be paid with that extension. Any taxes not paid by the filing deadline may be subject to late-payment penalties and interest.

We look forward to providing services to you. Should you have questions regarding any items, please do not hesitate to contact _____.

PARTNERSHIP/LLC TAX ORGANIZER (FORM 1065)

Organization Name _____ Telephone # _____
 Address _____ Fax # _____
 E-mail Address _____
 Tax Period _____ Federal ID # _____ State ID # _____

Provide a general ledger, trial balance, depreciation schedules, balance sheet, and profit and loss statement by activity. Additional information will be needed as described below:

	YES/ DONE	NO	N/A
100) GENERAL INFORMATION			
.....			
▶ 101) If this is the first year we will prepare your tax return(s), provide the following from your file or your prior accountant:			
1. Partnership or LLC agreement			
2. Tax returns for the prior three years			
3. Depreciation schedules			
4. Partner basis carryforward schedule			
5. Partner buy or sell agreement			
6. If the partnership or LLC elected a fiscal year-end, provide a schedule of Section 444 tax deposits and Form 8716.			
7. Section 704(b) capital account reconciliation			
.....			
▶ 102) Has the partnership or LLC been notified of any changes to previous returns by any taxing authority? If yes, provide copies of all correspondence.			
.....			
▶ 103) Have there been any amendments to the partnership or LLC agreement? If yes, provide copies of amendments since the last year.			
.....			

PARTNERSHIP/LLC TAX ORGANIZER (FORM 1065)

YES/
DONE NO N/A

▶ 104) Provide the following information for each partner or member:

- a. Name and address
- b. Social Security or Taxpayer Identification Number
- c. Partner or member designation (general, limited, managing)
- d. Type of entity
- e. Domestic or foreign
- f. Profit sharing percentage
- g. Loss sharing percentage
- h. Percentage ownership relationship, if any, to other partnerships or corporations
- i. Changes in partners' or members' ownership interests after Oct. 22, 1986 (if not previously provided)
- j. Guaranteed payments paid
- k. Cash or property contributions and distributions

▶ 105) Which general partner's or LLC member should be designated as the Tax Matters Partner, if applicable? _____

▶ 106) Has there been a change in ownership since last year? If yes, provide the following:

- a. Date of Transfer _____
- b. Type of Transfer:
 - 1. Sale
 - 2. Gift
 - 3. Inheritance
- c. Sale price or fair market value (FMV) of partnership interest transferred (include FMV from estate return if transfer is due to death).
- d. Copy of Form 8308, if applicable (report of a sale or exchange of certain partnership interest).

PARTNERSHIP/LLC TAX ORGANIZER (FORM 1065)

YES/
DONE NO N/A

▶ 107) For any new partners, provide the information requested in question #104.

▶ 108) Did any of the partners' or members' taxable years change during the year?
If yes, attach a schedule detailing the change.

a. Did the partnership or LLC acquire or dispose of a business or business segment during this tax year? If yes, attach a copy of the contract or agreement.

b. Did the partnership or LLC engage in any new activities during this tax year?
If yes, attach a description of the new business.

c. Did the partnership or LLC discontinue operations for this year?

▶ 109) Does the partnership or LLC have any of the following employee benefit plans?
If yes, provide copies of the plan documents.

a. Qualified retirement plan(s)?

1. If yes, are we to prepare Form 5500?

2. Number of plans _____

3. Are we to compute the contribution?

b. SEP or SIMPLE plan?

If yes, are we to compute the contribution(s)?

c. Cafeteria plan?

If yes, are we to prepare Form 5500?

d. Non-qualified deferred compensation plan(s) or agreement(s)?

If yes, have the "one time only" filing with the Department of Labor been done?

e. Are there other benefit plans not described above? If so, provide details.

▶ 110) Did the partnership/LLC include taxable fringe/welfare benefits such as health insurance, group life insurance, educational assistance, non accountable expense allowances, and personal use of company vehicles in compensation on employees' Forms W-2 and, if applicable, subject such amounts to payroll taxes?

PARTNERSHIP/LLC TAX ORGANIZER (FORM 1065)

	YES/ DONE	NO	N/A
▶ 111) Provide a schedule by partner/member of fringe benefits paid on behalf of each partner, such as medical, life insurance, disability, and housing. Indicate which accounts have been charged.			
▶ 112) Provide copies of all federal and state payroll tax reports filed including Forms W-2/W-3, 940, and 941.			
▶ 113) Did the partnership make any payments that would require it to issue Forms 1099? a. If yes, did the partnership file all required Forms 1099?			
▶ 114) Provide copies of Forms 1099 or 1096, 1042, 8804, 8805, 5471, 8865, 8858, 8886, and 5500 that have been filed .			
▶ 115) Provide copies of Forms 1099, 1099-B, 5471, 8865, 8858, 8886, and Schedules K-1 that have been received .			
▶ 116) Provide schedules of interest and dividend income not included on Forms 1099.			
▶ 117) Did the partnership or LLC have loans with partners/members or other related parties during the tax year? If yes, attach a schedule indicating the amount of the loan, date of transaction, interest rate, and payments. Also, attach a copy of the note if not previously provided.			
▶ 118) Does the partnership or LLC own an interest in any other entity including but not limited to a partnership, C corporation, LLC, S corporation, trust, or disregarded entity? If yes, provide details.			
▶ 119) Was there a distribution of property or a transfer (for example, by sale or death) of a partnership or LLC interest during this tax year? If marketable securities were distributed, provide the date of distribution and fair market value at distribution date(s).			
▶ 120) Has the partnership or LLC ever elected to "step up" the basis of any assets in connection with the death of a partner/member or a change in ownership (Section 754 election)?			
▶ 121) Did the partnership or LLC, at any time during the tax year, have an interest in, or signature authority over a foreign bank or securities account? If yes, provide details including the highest balance during the year in any foreign account(s).			

PARTNERSHIP/LLC TAX ORGANIZER (FORM 1065)

	YES/ DONE	NO	N/A
▶ 122) Was the partnership or LLC the grantor of, or transferor to, a foreign trust during the tax year? If yes, provide details.			
▶ 123) Does the partnership or LLC do business in more than one state? If yes, list the states.			
a. Provide copies of supporting schedules reflecting the property, rents, payroll, and sales by state.			
b. Provide a schedule of state income tax withholding for non-resident partners or members.			
▶ 124) How many additional paper copies of the return do you need? _____			
▶ 125) Do you want an electronic copy of the returns?			
▶ 126) Is this a final return?			

200) INCOME	YES	NO	N/A
▶ 201) Does the partnership or LLC engage in more than one trade or business activity? If yes, provide details.			
▶ 202) Does the partnership or LLC engage in any rental real estate activity? If yes, provide details.			
▶ 203) Did the partnership or LLC own any securities that became worthless or loans that became uncollectible during the year? If yes, provide details.			
▶ 204) Did the partnership or LLC acquire any "Qualified Small Business Stock?" If yes, provide details.			

PARTNERSHIP/LLC TAX ORGANIZER (FORM 1065)

YES/
DONE NO N/A

▶ 205) During the tax year, did the partnership or LLC acquire, sell, or dispose of any assets used in the business? If yes, provide a schedule listing:

- Description of asset sold (Closing Disclosure for real estate)
- Date sold or purchased
- Sales price or purchase price
- Selling expenses
- Date acquired
- Original cost or basis
- Depreciation claimed in prior years

▶ 206) Did the partnership or LLC have any sales during the year that qualify for the installment method of reporting? If yes, provide a copy of the agreement, a schedule of payments received, and the beginning of year contract balances. If available, provide an amortization schedule.

▶ 207) Were there any sales or exchanges during the year between the partnership/member and a partner or member or other related party? If yes, provide a detailed listing.

▶ 208) Did the partnership or LLC engage in any bartering activity during the year? If yes, provide a schedule of all such activities.

▶ 209) Did the partnership or LLC have any foreign sales? If yes, provide sales by country and amount.

PARTNERSHIP/LLC TAX ORGANIZER (FORM 1065)

300) DEDUCTIONS

YES/
DONE NO N/A

- ▶ 301) Were there any payments to partners/members during the year for services or for the use of capital determined without regard to income? If yes, provide the details below:

Partner/Member	Description	Amount

- ▶ 302) Provide copies of all schedules reflecting the calculation of the amount of general and administrative expenses required to be capitalized in ending inventory or associated with self-constructed assets.

- ▶ 303) Provide details for calculating the domestic activities deduction.

- ▶ 304) List all charitable contributions made during the tax year by organization, date, and amount.
Note: You need to have written acknowledgment from any charity to which individual donations of \$250 or more were made during the year. You must have receipts or bank records for all cash contributions.

- a. Did the partnership or LLC make a contribution of inventory or property? If yes, provide details by account posted. Provide appraisal and donee confirmation if over \$5,000.
- b. Did the partnership or LLC make political contributions during this tax year?
If yes, provide details by account posted.

- ▶ 305) Did you incur any expenses to influence legislation (lobbying)? If yes, provide a schedule of "lobbying expenses" and indicate to which accounts these expenses were posted.

- ▶ 306) Did the partnership pay life insurance premiums for partner(s) or member(s)?
To which general ledger accounts have the payments been posted? _____

PARTNERSHIP/LLC TAX ORGANIZER (FORM 1065)

YES/
DONE NO N/A

- ▶ 307) Did the partnership or LLC pay any penalties or fines during the tax year? If yes, list amount(s) and indicate the reason for the penalty or fine.

Description	AMOUNT

- ▶ 308) Did any partners or members contribute any assets to the partnership or LLC during the year? If yes, provide a schedule of such assets received including date placed in service and partner's or member's basis in such assets and fair market value of such asset.

- ▶ 309) Does the partnership or LLC own or lease any vehicles? If yes, provide the following information for each vehicle (note: certain exceptions may apply for taxpayers with more than five vehicles):

- Vehicle description
- Other personal miles
- Date placed in service
- Total miles
- Business miles
- Average daily round trip commuting distance
- Commuting miles

PARTNERSHIP/LLC TAX ORGANIZER (FORM 1065)

	YES/ DONE	NO	N/A
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- a. Does the partnership or LLC have evidence to support the claimed business use?
If yes, is the evidence written?

 - b. Were the vehicles available for personal use during off-duty hours?

 - c. Were the vehicles used primarily by a more than five percent owner or related person?

 - d. Is another vehicle available for personal use?

 - e. Provide a copy of the lease for any leased vehicles.
If not available, provide the following:
 - Date of lease
 - Fair market value at inception
 - Term of lease
 - Lease payments

▶ 310) Regarding partnership policy for vehicles:

- 1. Does the partnership or LLC maintain a written policy that prohibits all personal use of vehicles, including commuting, by employees?

- 2. Does the partnership or LLC maintain a written policy that prohibits personal use of vehicles, excluding commuting, by employees?

- 3. Does the partnership or LLC treat all use of vehicles by employees as personal use?

- 4. Does the partnership or LLC provide more than five vehicles to employees and retain the information received from employees concerning the use of vehicles?

- 5. Does the partnership or LLC require or maintain copies of vehicle logs?

▶ 311) Did the partnership or LLC have any meal or entertainment expenses?
If yes, provide details by account posted.

▶ 312) Did the partnership or LLC pay any social or entertainment club dues?
If yes, provide details by account posted.

PARTNERSHIP/LLC TAX ORGANIZER (FORM 1065)

- ▶ 318) Will all compensation-related accruals (including vacation pay) be paid within two and one half months of year end? If no, provide details of unpaid amounts.
- ▶ 319) Provide copies of certification for employees of target groups and associated wages paid that qualify for the Work Opportunity Credit.
- ▶ 320) Provide details of health insurance paid for employees including a copy of Form 1094-C, if applicable.

COMMENTS/EXPLANATIONS:





TAX HAPPENS

10018 Park Place Ave, Riverview, FL 33578

LETTER OF ENGAGEMENT

OUR RESPONSIBILITIES

- Our work (whether consultation, tax return, tax plan or related product) is based on data you provide.
- We are not responsible to audit or verify the data that you give to us.
- We may ask for clarification of your data or additional information.
- We are not responsible to discover fraud or other irregularities, should any exist.
- We will render the accounting/bookkeeping necessary to complete your work.
- We will use our professional judgment in resolving questions where the law is unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions.
- We will resolve such questions in your favor wherever possible unless otherwise instructed by you.

YOUR RESPONSIBILITIES

- To provide all of the information required for a complete and accurate finished product.
- To provide this information in a timely manner.
- To retain, with the completed work, all the documents, cancelled checks and other data that form the basis of income and deductions since you may later have to provide them to a taxing authority.
- To carefully review all work completed by our office before you sign. **You have the final responsibility for anything submitted to a taxing authority.**

PENALTIES, EXAMINATIONS AND NOTICES

- The IRS and state taxing authorities impose penalties for certain offenses, including understatement of income, filing after the deadline or underpaying estimated taxes and more. They can also select any return for examination.
- We will review all notices related to tax returns we have prepared at no additional charge to assist you in determining the course of action required. After review we will determine if additional services and therefore additional fees are required.
- We are happy to assist or represent you before the IRS or state taxing authority, if you so desire, however, these additional services are not included in the fee for preparing your return.

PRIVACY POLICY

CPA's are bound by professional standards of confidentiality. Therefore, we always protect your right to privacy.

Parties to Whom We Disclose Information. For current and former clients, we do not disclose any nonpublic personal information obtained in the course of our practice except as required or permitted by law, and as is necessary to properly provide our services to you. We make available information to our employees and to nonaffiliated third parties who need to know that information to assist us in providing services to you. In all such situations, we require a contractual agreement that includes procedural safeguards that protect the confidential nature of the information being shared.

Protecting the Confidentiality and Security of Current and Former Clients' Information. We retain records relating to professional services that we provide so that we are better able to assist you with your professional needs and, in some cases, to comply with professional guidelines. In order to guard your nonpublic personal information, we maintain physical, electronic, and procedural safeguards that comply with our professional standards.

OUR FEES

- Our fees vary depending on the nature of the work performed. Current fees are available on our website <http://taxhappens.com/fees>
- Generally our fees are determined once all information is received and prior to beginning any work. A few projects are unpredictable and therefore will be subject to hourly rates.
- 50% of our fee is due prior to us beginning work and the balance is due prior to e-filing or providing a final copy.
- We may invoice for the balance of partially completed work that is placed on extension or that we are unable to completed as a result of you not meeting your responsibilities as outlined in this engagement letter.
- Overdue invoices will be subject to interest charges of 1% per month with a Minimum fee of \$25.00. Invoices become overdue 30 days after the billing date.

ARBITRATION

If a dispute arises out of or relates to this contract or engagement letter, or the obligations of the parties therein, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation before resorting to arbitration, litigation, or some other dispute resolution procedure.

AGREEMENT

The foregoing is in accordance with my (our) understanding of your engagement to provide tax and financial services and you are hereby advised that each item of revenue or expense can be substantiated by receipts, cancelled checks, or other documents. This information is true, correct, and complete to the best of my (our) knowledge. Further, it is my (our) understanding that these terms will continue to be in force for the succeeding years of our engagement.

By: _____ Date: _____

(Printed Name of Individual and Organization)

Please call if you have any questions, because your privacy, our professional ethics, and the ability to provide you with quality financial services are important to us.

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Theresa@TaxHappens.com

Fx: 813-342-7963