Banks & Associates, LLC, CPAs
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HOW TO COMPILE THE TAX INFORMATION

The following checklist is designed to assist you in accumulating information and to remind you of items that otherwise could be overlooked.

INCOME: All taxable income should be gathered from your records. These include, but are not limited to, interest and dividend records, brokerage statements, real estate agents' statements, insurance loss claim information, etc. Income received, but not deposited, may also need to be reported, as will tax exempt income.

EXPENSES: We suggest that you review the list of potential deductions on the following checklist. After reviewing these items, review your payment records and sort them according to type of deduction such as charitable contributions, medical deductions, taxes, etc.

Summarize the data on a worksheet or on the enclosed checklist and submit this to my office, along with your supporting tax documentation.

INDIVIDUAL INCOME TAX PREPARATION ENGAGEMENT AGREEMENT

We will prepare the Federal, Ohio and City (if applicable) individual income tax returns for calendar year 2009. You represent that the information you are supplying to us is accurate and complete to the best of your knowledge and that you have disclosed to us all relevant facts affecting the returns. We will not verify the information you give us; however, we may ask for additional clarification of some information.

It is your responsibility to provide all the information required for the preparation of complete and accurate returns. You should retain all the documents, canceled checks and other data that form the basis of income and deductions. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority. You have the final responsibility for the income tax returns and, therefore, you should review them carefully before you sign them.

Our work in connection with the preparation of your income tax return does not include any procedures designed to discover defalcations or other irregularities, should any exist. If we discover information that affects your prior-year tax returns, we will make you aware of the facts. However, we cannot be responsible for identifying all items that may affect prior-year returns. If you become aware of such information during the year, please contact us to discuss the best resolution of the issue.

We will use professional judgment in resolving questions where the tax law is unclear, or when conflicts exist between taxing authorities' interpretations of the law and other supportable positions. Unless otherwise instructed by you, we will resolve such questions in your favor whenever possible.

It is important for you to know that the law imposes a penalty if a taxpayer makes a substantial understatement of tax liability. It may be necessary to make certain disclosures in the return to avoid exposure to penalties. We will discuss tax positions that may increase the risk of exposure to penalties and any recommended tax return disclosures with you before completing the preparation of the returns. You should also know that IRS audit procedures will almost always include questions on bartering transactions and on deductions that require strict documentation such as travel and entertainment expenses and expenses for business usage of autos, computers, and cell phones. In preparing your returns, we rely on your representations that we have been informed of all bartering transactions and that you understand and have complied with the documentation requirements for your expenses and deductions. If you have questions about these issues, please contact us.

Certain communications involving tax advice between you and our firm may be privileged and not subject to disclosure to the IRS. By disclosing the contents of those communications to anyone, or by turning over information about those communications to the government, you may be waiving this privilege. To protect this right to privileged communication, please consult with us or your attorney prior to disclosing any information about our tax advice.

Your returns may be selected for examination by the taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. If an examination occurs, we will represent you if you so desire; however, these additional services are not included in our fee for preparation of your returns and we will render additional invoices for the time and expenses incurred.

Our fees for tax services will be based upon actual time spent at our standard hourly rates and or value received, plus out-of-pocket expenses, including computer processing charges. Our bills are due when you receive them. We may bill you on an interim basis prior to completion of this engagement.

If the tax services and terms outlined are in accordance with your understanding of our engagement, please sign and date below and return it in the us.

Sincerely,

Banks & Associates, LLC

Banks & Associates, LLC

I (We) have received and reviewed the enclosed checklist and have submitted this information for the sole purpose of preparing my (our) tax return(s). Each item can be substantiated by receipts, canceled checks, or other documents. This information is true, correct, and complete to the best of my (our) knowledge.

______________________________ _______________
Taxpayer Signature Date

______________________________ _______________
Spouse Signature Date

Note: Payment is expected and due when your returns are finished, picked up or released for electronic filing.

CHECKLIST

PLEASE PROVIDE TAX DOCUMENTS FOR THE FOLLOWING INCOME ITEMS:

- Wages – Please provide all W-2's
- Dividends – Please provide all 1099-DIV forms
- Interest – Please provide all 1099-INT forms Note: If paid by an individual, please furnish name, address and social security number of individual.
- Rents & Royalties – Please provide gross rental income received for each rental location. Also please provide expenses by category (i.e. utilities, repairs, supplies, etc.) for each rental location.
- Retirement Income Received – Please provide all 1099-R or W-2P forms
- Partnerships, Associations, or S-Corporations – Please provide all Schedule K-1's
- Estates or Trusts – Please provide all Schedule K-1's
- Self-employed Businesses – Please provide gross receipts for each business activity. Also please provide expenses by category (i.e. utilities, repairs, supplies, etc.) for each business activity. Also provide beginning and ending inventory amounts in dollars, and any other information that might be relevant.
- Sales or exchanges of real estate, stocks, bonds, etc. – Please provide all 1099 statements which identify the item sold, sales price, date of sale, cost basis and purchase date.
- Any other income received in cash, property, or other sources. Examples would include director's fees, jury duty income, prizes, awards, or gambling winnings.
- Social Security benefits – Please provide all 1099's received from the Social Security Administration.
- Unemployment Compensation received – Please provide all 1099's received from State Unemployment Departments.
- Tax exempt interest received or earned – Please provide all 1099's listing tax exempt income. These items must be reported even if they are not taxable. Also identify in which state these items were earned.
- State and local income tax refunds – Please provide all 1099's related to refunds received.

ADJUSTMENTS TO INCOME:

- Moving expenses required for trade or profession – Please provide expenses by category and amounts reimbursed by your employer.
- Contributions to retirement plans (SEP, SIMPLE, IRA, etc.) attributable to the current tax year – Please provide documentation for amounts contributed for the taxpayer and spouse.
- Are you or your spouse a participant in a retirement plan other than the plan identified above –
  Yes ___ No ___
- If you or your spouse made contributions to an IRA during the year and either taxpayer is a participant in an employer sponsored retirement plan, provide the following for each IRA account owned by you and/or your spouse –
  Name of the IRA Trustee and value of each account at beginning and end of the current tax year.
  ____
- If you or your spouse contributed to a Roth IRA, please provide the amount contributed for each taxpayer for the current tax year.
- If you contributed to an Educational IRA, please provide the amount contributed and the child the contribution was for.
- Please provide documentation on any interest paid for loans incurred to pay for higher education for you, your spouse or your dependents.

ADJUSTMENTS TO INCOME (continued):

- Please provide amounts deposited into and earnings of any medical savings or health savings accounts for eligible medical expenses.
- Amounts paid for health insurance for self-employed taxpayers
- Penalties for early withdrawals from savings or certificate of deposit accounts.
- Alimony paid including the name and social security number of the recipient.
- Higher education tuition paid for you, your spouse or dependents.

ITEMIZED DEDUCTIONS:

- Medical expenses only if total expenses are greater than 7.5% of adjusted gross income (note: these items can benefit you on your Ohio return even if you do not itemize on your Federal return) –
  a. Hospital bills
  b. Doctors and dentists (including dentures and braces)
  c. Prescription drugs and insulin
  d. Hospitalization insurance (premiums attributable to medical care only)
  e. Supplemental Medicare insurance premiums
  f. Long-term care insurance
  g. Eye glasses and contact lenses
  h. Expenses necessary for medical treatment (i.e. mileage, food, lodging, etc.). Please provide the nature of each item and the amount.
  i. Amounts paid for nursing care
  j. Other medical expenses. Please provide the nature of each item and the amount.
  k. Please provide amounts received from hospitalization insurance reimbursements related to above expenses
  l. If your claim was subject to insurance reimbursement, did you file a claim? Yes ___ No ___
- Taxes paid for the following items (do not include taxes withheld on any W-2's) –
  a. Real estate taxes
  b. City income taxes
  c. State income taxes
  d. School district income taxes
  e. Sales and excise tax paid on the purchase of a new car, light truck, motor home or motorcycle. The purchase must have taken place between February 17, 2009 and December 31, 2009
- Charitable contributions –
  a. Please provide statements to support amounts contributed to each tax exempt organization (note: No deduction is allowed for cash contributions if you do not have substantiation for the cash contributions)
  b. Mileage you drove and other out-of-pocket expenses to perform duties as an officer or trustee for a tax exempt organization or church
  c. Other cash contributions (please provide documentation)
  d. Contributions of property (other than cash). Please provide a description of the property, date of contribution, the name and address of the organization, the original cost of the contributed item and how you arrived at the donated value of the item

ITEMIZED DEDUCTIONS (continued):

- Interest –
    a. 1st residence mortgage interest. If paid to an individual, please provide the individual's name, address and social security number
    b. 2nd residence mortgage interest. If paid to an individual, please provide the individual's name, address and social security number
    c. Mortgage points incurred during the current tax year
    d. Interest paid on funds borrowed for investment purposes
    e. Interest paid to an individual. Please provide the individual's name, address and social security number
- Mortgage insurance purchased from the Veterans Administration, Federal Housing Administration, Rural Housing Administration or from private mortgage insurance company.
- Casualty or theft losses, only if greater than 10% of your adjusted gross income –
    a. Description of the property lost due to fire, flood, collision, theft, etc., or from a natural disaster or act of God if in excess of $500. Please provide the value of property before and after the loss, amount of insurance reimbursement, original cost of the property, the date of acquisition of the property lost and the date the loss occurred.
    b. Did you file an insurance claim for the loss? Yes ___ No ___
- Miscellaneous items –
    a. Union dues and dues to professional organizations. Please provide the amounts and type
    b. Safety equipment, small tools and supplies used in your job and unreimbursed by your employer
    c. Special uniforms and protective clothing other than ordinary clothing
    d. Employment agency fees
    e. Travel expenses while away from home to fulfill your employer's requirements. Only amounts unreimbursed by your employer. Please provide detail of amounts
    f. Publications used for investments or business purposes. Please provide publication types and amounts paid
    g. Safety deposit box fees
    h. Amount paid for the preparation of your prior year's tax returns
    i. Gambling losses, to the extent of gambling winnings

OTHER ITEMS:

- If you performed any energy efficiency improvements to your home, please provide a description of each improvement and the amount paid. These items may qualify for a residential energy improvement credit
- Education expenses of the taxpayer, excluding any dependents
- Dependent care expenses incurred which are required for you to be employed. Please provide the name, address and social security number or tax id number and amount paid for each dependent care provider
- If you have incurred expenses during the current tax year related to the adoption of a child, please provide a listing of those expenses
- Please list amounts paid during the current tax year for post secondary education (can be undergraduate, graduate, professional degree courses or classes for your job) for you, your spouse or dependents
- Did you or your spouse give any gifts (not charitable contributions) during the year totaling more than $13,000? If so, please provide detailed information related to gifts given
- Did you or your spouse have an interest in any type of financial account in a foreign country? Yes ___ No ___

OTHER ITEMS (continued):

- Were you a grantor or transferor to a foreign trust during the year? Yes ___ No ___
- Do you give the taxing authority permission to discuss matters related to your current or prior tax returns, with the paid preparer who signed your return? Yes ___ No ___
- Please provide attorney fees paid for "unlawful discrimination" litigation
- Please indicate if you want to designate $3 of your taxes to go to the Presidential Election Fund Yes ___ No ___
- If you have deductions for travel & entertainment items, you must have documentation for the following –
  a. Purpose of deduction
  b. Place where travel or entertainment occurred
  c. Time when travel or entertainment occurred
  d. Person or persons you entertained
  e. Why was the expense necessary or what was discussed
- If you intend to claim vehicle expense (actual expenses or optional mileage deduction of $.55 per mile), and to justify ANY deduction for property used personally and for business purposes, the following information is necessary –
  a. Odometer mileage for periods between beginning and end of current tax year
  b. Odometer mileage at beginning of business trip
  c. Odometer mileage at end of business trip
  d. Place where business travel occurred
  e. Time when business travel occurred
  f. Purpose of business travel and who you contacted
- If you purchased a principal residence, you must have documentation for the following -
  a. Are you a first-time home buyer (must not have owned a principal residence in the U.S. during the 3-year period prior to the purchase of the home.)
  b. Are you a long-time resident and purchased a home after November 6, 2009 (maintained the same principal residence for any 5-consecutive year period during the 8-year period ending on the date of the purchase of a subsequent principal residence.)
  c. Was the home purchased from a related person (if yes, first time home buyer credit is not allowable.)
  d. If (a) or (b) is yes and (c) is no, the following information is necessary -
     i. Closing Date
     ii. Purchase price
     iii. Was the home purchased from a person related to the taxpayer
     iv. Attach copy of settlement statement if closing date after November 6, 2009

DEPENDENTS:

Please Note – Dependent information is not required if you are a continuing client and there has been no changes from the prior year information or if you have already provided this to the Office Manager.

- Dependents

	Name	Social Security Number	Date of Birth	Relationship
1.	___	___	___	___
2.	___	___	___	___
3.	___	___	___	___

- If any of the dependents listed above are dependents other than your children, please provide the following information for each corresponding other dependent listed –

	Number of Months Resided in your Home	Income	Amount you Furnished for Support	Amount Furnished by Others
1.	______________	______	__________	________
2.	______________	______	__________	________
3.	______________	______	__________	________

- Do you have dependents who have unearned income of more than $950, or earned and unearned income of $5,700 or more? If so, did they file a return? Yes ___ No ___
  If the dependent did file a return, please identify by name and social security number

TAXPAYER AND SPOUSE INFORMATION:

Please Note – This information is not required if you are a continuing client and there has been no changes from the prior year information or you have already provided this to the Office Manager.

- Date of birth: Taxpayer ____________ Spouse ____________
- Social Security Number: Taxpayer ______________ Spouse ______________

NEW ITEMS FOR 2009

- First-time homebuyer credit of $8,000 ($4,000 for married taxpayers filing separate).
- Long-time homebuyer credit of $6,500 ($3,250 for married taxpayers filing separate for homes purchased after November 6, 2009).
- Up to $2,400 of unemployment compensation is excluded from federal gross income.
- Making work pay credit of lesser of 6.2% of individual's earned income or $400 ($800 for married taxpayers filing jointly). Phase out applies for AGI in excess of certain limits.
- You may be eligible to take a credit of 30% for the cost of energy efficiency improvements and residential energy property expenditures, up to $1,500 maximum aggregate credits for 2009 and 2010. Some selective items are not capped at $1,500 maximum.

OHIO TAXPAYERS ONLY:

- Please indicate if you want to designate $1 of your taxes for the Ohio Political Party Fund?
  Yes ___ No ___
- Please indicate if you want to designate an amount to the conservation of endangered or other wildlife species? Yes ___ No ___ If yes, how much? ________
- Please indicate if you want to designate an amount to nature preserves, scenic rivers, and endangered species protection? Yes ___ No ___ If yes, how much? ________
- If you made any contributions to political campaigns for Ohio Statewide Offices, please provide the candidate, office and amount
- Please list any contributions to variable college savings account and/or purchases of tuition credits

LISTING OF TAX PAYMENTS MADE:

Due Date**	Payments	Federal	State	City	School District
01/15/09	4th Qtr 2008 Est	$________	$________	$________	$________
04/15/09	2008 Final Due	$________	$________	$________	$________
04/15/09	1st Qtr 2009 Est	$________	$________	$________	$________
06/15/09	2nd Qtr 2009 Est	$________	$________	$________	$________
09/15/09	3rd Qtr 2009 Est	$________	$________	$________	$________
01/15/10	4th Qtr 2009 Est	$________	$________	$________	$________

**Note – If a payment was not made by the due date indicated above, please provide the actual payment date

Please also complete the attached Federal Power of Attorney form and return it to our office along with this questionnaire. This will allow us to communicate with the Internal Revenue Service regarding matters related to your income tax returns. The items requiring your completion are highlighted as follows -

Page 1 - Item 1 (Name & Address, Social Security Number(s), Telephone Number)
Page 2 - Item 9 (Please sign, Date & Print Name for each Taxpayer)

Form **2848**
(Rev. June 2008)
Department of the Treasury
Internal Revenue Service

Power of Attorney and Declaration of Representative

► **Type or print.** ► **See the separate instructions.**

OMB No. 1545-0150

For IRS Use Only
Received by:
Name ____________
Telephone ____________
Function ____________
Date / /

Part I Power of Attorney

Caution: *Form 2848 will not be honored for any purpose other than representation before the IRS.*

1 **Taxpayer information.** Taxpayer(s) must sign and date this form on page 2, line 9.

Taxpayer name(s) and address	Social security number(s)	Employer identification number
	Daytime telephone number ( )	Plan number (if applicable)

hereby appoint(s) the following representative(s) as attorney(s)-in-fact:

2 **Representative(s)** must sign and date this form on page 2, Part II.

Name and address	
	CAF No. ______ Telephone No. 419-525-2828 Fax No. 419-525-2820 Check if new: Address ☐ Telephone No. ☐ Fax No. ☐
Name and address	CAF No. ______ Telephone No. ______ Fax No. ______ Check if new: Address ☐ Telephone No. ☐ Fax No. ☐
Name and address	CAF No. ______ Telephone No. ______ Fax No. ______ Check if new: Address ☐ Telephone No. ☐ Fax No. ☐

to represent the taxpayer(s) before the Internal Revenue Service for the following tax matters:

3 **Tax matters**

Type of Tax (Income, Employment, Excise, etc.) or Civil Penalty (see the instructions for line 3)	Tax Form Number (1040, 941, 720, etc.)	Year(s) or Period(s) (see the instructions for line 3)
INCOME TAX	**1040**	**2009, 2008, 2007, 2006**

4 **Specific use not recorded on Centralized Authorization File (CAF).** If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for **Line 4. Specific Uses Not Recorded on CAF** . . . . ► ☐

5 **Acts authorized.** The representatives are authorized to receive and inspect confidential tax information and to perform any and all acts that I (we) can perform with respect to the tax matters described on line 3, for example, the authority to sign any agreements, consents, or other documents. The authority does not include the power to receive refund checks (see line 6 below), the power to substitute another representative or add additional representatives, the power to sign certain returns, or the power to execute a request for disclosure of tax returns or return information to a third party. See the line 5 instructions for more information.

Exceptions. An unenrolled return preparer cannot sign any document for a taxpayer and may only represent taxpayers in limited situations. See **Unenrolled Return Preparer** on page 1 of the instructions. An enrolled actuary may only represent taxpayers to the extent provided in section 10.3(d) of Treasury Department Circular No. 230 (Circular 230). An enrolled retirement plan administrator may only represent taxpayers to the extent provided in section 10.3(e) of Circular 230. See the line 5 instructions for restrictions on tax matters partners. In most cases, the student practitioner's (levels k and l) authority is limited (for example, they may only practice under the supervision of another practitioner).

List any specific additions or deletions to the acts otherwise authorized in this power of attorney: ____________

6 **Receipt of refund checks.** If you want to authorize a representative named on line 2 to receive, **BUT NOT TO ENDORSE OR CASH**, refund checks, initial here ________ and list the name of that representative below.

Name of representative to receive refund check(s) ►

7 Notices and communications. Original notices and other written communications will be sent to you and a copy to the first representative listed on line 2.

a If you also want the second representative listed to receive a copy of notices and communications, check this box . . . . . ▶ ☐

b If you do not want any notices or communications sent to your representative(s), check this box . . . . ▶ ☐

8 Retention/revocation of prior power(s) of attorney. The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same tax matters and years or periods covered by this document. If you **do not** want to revoke a prior power of attorney, check here . . . . ▶ ☐

YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.

9 Signature of taxpayer(s). If a tax matter concerns a joint return, **both** husband and wife must sign if joint representation is requested, otherwise, see the instructions. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the authority to execute this form on behalf of the taxpayer.

▶ IF NOT SIGNED AND DATED, THIS POWER OF ATTORNEY WILL BE RETURNED.

Signature Date Title (if applicable)

Print Name ☐☐☐☐☐ PIN Number Print name of taxpayer from line 1 if other than individual

Signature Date Title (if applicable)

Print Name ☐☐☐☐☐ PIN Number

Part II Declaration of Representative

Caution: *Students with a special order to represent taxpayers in qualified Low Income Taxpayer Clinics or the Student Tax Clinic Program (levels k and l), see the instructions for Part II.*

Under penalties of perjury, I declare that:

- I am not currently under suspension or disbarment from practice before the Internal Revenue Service;
- I am aware of regulations contained in Circular 230 (31 CFR, Part 10), as amended, concerning the practice of attorneys, certified public accountants, enrolled agents, enrolled actuaries, and others;
- I am authorized to represent the taxpayer(s) identified in Part I for the tax matter(s) specified there; and
- I am one of the following:

a Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.

b Certified Public Accountant—duly qualified to practice as a certified public accountant in the jurisdiction shown below.

c Enrolled Agent—enrolled as an agent under the requirements of Circular 230.

d Officer—a bona fide officer of the taxpayer's organization.

e Full-Time Employee—a full-time employee of the taxpayer.

f Family Member—a member of the taxpayer's immediate family (for example, spouse, parent, child, brother, or sister).

g Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Internal Revenue Service is limited by section 10.3(d) of Circular 230).

h Unenrolled Return Preparer—the authority to practice before the Internal Revenue Service is limited by Circular 230, section 10.7(c)(1)(viii). You must have prepared the return in question and the return must be under examination by the IRS. See **Unenrolled Return Preparer** on page 1 of the instructions.

k Student Attorney—student who receives permission to practice before the IRS by virtue of their status as a law student under section 10.7(d) of Circular 230.

l Student CPA—student who receives permission to practice before the IRS by virtue of their status as a CPA student under section 10.7(d) of Circular 230.

r Enrolled Retirement Plan Agent—enrolled as a retirement plan agent under the requirements of Circular 230 (the authority to practice before the Internal Revenue Service is limited by section 10.3(e)).

▶ IF THIS DECLARATION OF REPRESENTATIVE IS NOT SIGNED AND DATED, THE POWER OF ATTORNEY WILL BE RETURNED. See the Part II instructions.

Designation—Insert above letter **(a–r)**	Jurisdiction (state) or identification	Signature	Date
B	**OHIO**		