LETTER OF ENGAGEMENT AND TAX QUESTIONNAIRE
FOR TAX YEAR 2009

(MUST BE COMPLETED AND SIGNED BEFORE TAXES ARE PREPARED)

Client's Name____

We will prepare your Federal and State individual income tax returns from information provided in the Tax Questionnaire and any supplemental organization system you wish to provide (Tax Organizer, Excel spreadsheets, etc.). Your data will not be audited or otherwise verified, although we may ask you to clarify some of it or furnish us with additional data.

When possible, questions involving application of tax rules will be resolved in your favor, if there is reasonable justification for doing so.

Your returns are subject to review by taxing authorities. In the event of an examination or other contact, we are available to represent you. You may appeal any adjustments proposed by an examining agent. Our fees for these additional services will be arranged in a separate engagement letter. If you elect to purchase the "Tax Maintenance Agreement" a portion or possibly all of the additional audit representation fees may be covered. Please refer to the terms and limitations of the agreement for detailed information.

We are responsible for preparing the tax returns listed above. We guarantee that your tax return will be completely accurate and correct based upon the information you provide at the time of preparation. If there is ever a problem with your return, we will fix it and pay any penalties incurred due to our mistake. However, you understand that we are not responsible for information that was not furnished to us, or the disallowance of deductions by the IRS or state authorities due to inadequately supported documentation, nor for any resulting taxes, penalties, and interest. Any additional work done in conjunction with IRS or state authorities will be billed at our standard rates at that time.

Our professional judgment will be used in preparing your tax returns. When we are aware that applicable tax law is unclear or that conflicting interpretations of the law by the courts and tax agencies exist, we will explain the positions that may be taken on your returns. 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 issued. If the IRS or state tax authorities should later contest the position taken, there may be an assessment or additional taxes plus interest and penalties. We assume no liability for any such assessment.

We will electronically file your tax returns at no additional charge to you. This is the fastest, most convenient and the most secure way to insure that the taxing authorities receive your returns in a timely manner. However, the identification process used when filing returns electronically makes it necessary that the last name and social security number you provide us matches exactly with your social security card. Incorrect information will result in the returns being rejected by the taxing authority, causing delays in filing and additional preparation by us to resubmit the return. This may result in additional charges being added to the tax preparation fees.

By your signature below, you agree that you have the proper records to substantiate all items of income and deductions, including travel and entertainment expenses and charitable contributions, and that you will carefully examine and approve your completed tax returns before signing the authorization to electronically file return those tax returns. If these are joint returns and only one spouse is signing the statement, he or she does so with the authority and consent of the other.

Signature______________________________________ Date____________________

Signature______________________________________ Date____________________

INCOME TAX QUESTIONNAIRE

THIS QUESTIONNAIRE IS MANDATORY, and requires your signature on the final page. Each question is designed to assist in preparing a complete and accurate tax return and will help to prevent the omission of income and valuable deductions. Be sure to read each question thoroughly and completely before answering. If you don't understand a question or are unsure about your answer, put an asterisk (*) in the margin. This will alert your tax preparer to discuss the question with you.

Some sections may not apply to you. If you come to one of those sections, please check the box next to the heading for that section and go to the next section. This will tell us that the section was not overlooked by accident.

Tax Organizer. It is not mandatory that you fill out the SlackTax, Inc. Tax Organizer. We offer it as a tool to assist you in preparing for your tax interview. Our organizer is customized to reflect the information that was used to prepare your prior year tax returns and includes space for you to document this year's tax information. The SlackTax organizer will be sent only upon request. If you would like to use the SlackTax organizer, please contact our office and we will be happy to send it to you at no additional charge. This year we have an electronic version of the Tax Organizer available.

> Some of our clients prefer to use their own organization systems and we have no objection to that, as long as your documents are organized. There may be an additional charge for reviewing your "shoebox filing system."
>
> Please be aware that each question that you answer "YES" in this questionnaire will require the documentation listed, and/or further explanation or discussion related to that question. Please be sure to bring the requested documentation with you to your tax interview (or include it if you are mailing your tax data to us). Your tax returns cannot be completed without it.

The SlackTax organizer is available in a standard printed format and new this year, electronic format. Please indicate your preference for future tax preparation:

_____ Yes, I want to use the printed Tax Organizer provided by SlackTax, Inc. Continue to send it to me.

_____ Yes, I want to use the electronic Tax Organizer, please email the link to it next year.

_____ No, do not send me the SlackTax, Inc. Tax Organizer. I prefer to use my own organizational system.

SLACKTAX, INC IS "GOING GREEN." To save on paper and mailing costs, we have included all of our required forms and other information on our website: www.slacktax.com. Click on the RESOURCES box to find SlackTax Forms.

Personal Information (This Section Must Be Completed)

Yes No

[ ] [ ] If it becomes necessary, do you authorize your preparer to discuss any unresolved issues regarding your current year tax return with the IRS? A yes answer allows us to call IRS regarding filing issues without a Power of Attorney (P.O.A.). However, anything that requires negotiation or written correspondence will still require a valid P.O.A. (We strongly suggest a "yes" answer to this question. You will not be charged for this type of communication without first being contacted by us to obtain your permission to pursue an issue).

[ ] [ ] Are you aware of any family, friends, or business associates who might benefit from our professional services? Clients in other states are welcome We've included information about our Refer A Friend program in your tax packet.

[ ] [ ] Did your address or any relevant phone numbers change during the year?

Personal Information continued

Yes No
[ ] [ ] Do you want to allocate $3 to the Presidential Election Campaign Fund?

[ ] [ ] Does your spouse want to allocate $3 to the Presidential Election Campaign Fund?

[ ] [ ] Indicate any of the following that occurred in your immediate family during the tax year.
- [ ] Births?
- [ ] Adoptions?
- [ ] Deaths? Date__________
- [ ] Marriages?
- [ ] Divorces?
- [ ] Separations?

[ ] [ ] Were you or your spouse at least 70 ½ by December 31st of last year?

[ ] [ ] Are you or your spouse legally blind?

[ ] [ ] Could you be claimed as a dependent on another person's tax return for the tax year?

[ ] [ ] Do you anticipate that you will file an Extension? Let us know by April 1st. Any balance due must be paid by April 15th, or there will be interest and penalties. Please contact us for our new extension fact sheet & questionnaire.

❑ Dependents (If This Does Not Apply To You, Check The Box & Go To The Next Section)

The definition of a dependent was changed in 2005 and now includes "Qualifying Child" and "Qualifying Relative." Both of these titles can be somewhat misleading and the tests for each category can be very complex and confusing.

[ ] [ ] Are you supporting someone other than your child, stepchild, sibling or stepsibling? If so, we need to review the new dependent rules to determine if they actually qualify as a dependent in the eyes of the IRS.

[ ] [ ] Did you have any dependents on last year's tax return who you no longer support, or who did not live with you, in your household, for more than half (½) of the year?
If yes, name(s) ______________________________________

[ ] [ ] Are you a divorced or legally separated parent with a dependent child(ren)?
How many nights did your child(ren) spend at your house last year? _______

If the child does not live with you more than ½ of the year, you will need a signed Form 8332 from your spouse to be able to claim a dependent exemption and child tax credit.

[ ] [ ] Did you care for any foster children more than half the year? If yes, you must provide a Social Security number for each child.
[ ] [ ] Did you care for them for the entire year?

[ ] [ ] Are any of your dependents not citizens or residents of the U.S., Canada, or Mexico?

[ ] [ ] Did your children under age 19 (or 24 if a full time student) receive interest and dividend income in excess of $900, or have other investment income, wages, or sales of investments including stocks and mutual funds?

[ ] [ ] Do you have any dependent children that are filing their own tax returns? If yes, be sure they do not claim themselves! We prefer to do their returns for them to insure that they are claimed only once.

Income Items (This Section Must Be Completed)

Many of the income items listed in this section will be reported to you on Form 1099. Please provide all 1099s that you receive. Income items not associated with a 1099 will be reported on different forms. *Please be sure that any item you have checked "Yes" has amounts noted for us in written form as part of your Tax Organizer or other system*!

Yes No

[ ] [ ] Did you receive any interest or dividends last year? If yes, please provide all 1099-INT and 1099-DIV forms. Some sources of interest are not taxable on your federal return, and may not be shown on a 1099-INT, but some of this interest is still taxable by the state (such as municipal bond interest from outside your home state). The state of California has begun cracking down on non-reported interest income, so for any account that you hold with federally non-taxable interest it is crucial that you provide us with year-end statements in addition to the 1099!

[ ] [ ] Did you cash in any Series EE or other savings bonds? If so, provide the amount, date purchased and date sold. The redeeming bank may issue a Form 1099. Please provide any documentation you receive regarding this transaction.

[ ] [ ] Did you receive any tax-free income (insurance proceeds, interest from muni bonds, etc.)?

[ ] [ ] Did you have any gambling income or lottery winnings? Provide amounts of income and expenses incurred to generate that income. Provide W-2G's. You are permitted to deduct expenses only to the extent of gambling income.

[ ] [ ] Did you receive any distributions from a retirement plan or IRA? If so, provide all 1099-R.

[ ] [ ] Did you rollover any retirement plan to an IRA, within 60 days of distribution last year? If so, provide 1099-R.

[ ] [ ] Did you rollover any IRAs to a Roth IRA last year? If so, provide 1099-R.

[ ] [ ] Did you receive any funds out of a college 529 plan? These funds are tax-free only if they are used for qualified educational expenses. Please provide a list of expenses and dates paid for all applicable expenses.

[ ] [ ] Did you receive any disability income other than SDI? If so, provide amounts received and information as to who paid premiums on the policy.

[ ] [ ] Did you receive any unemployment income last year? If yes, please provide the 1099's.

[ ] [ ] Did you receive any proceeds from lawsuits last year? Please provide complete details of the allocation of the settlement.

    [ ] [ ] If yes, did you pay legal or other fees in conjunction with the lawsuit?

[ ] [ ] Did you receive any Social Security income last year? If yes, please provide the 1099's.

[ ] [ ] Did you receive any inheritances or gifts totaling more than $13,000?

[ ] [ ] Did you receive any foreign income, such as rents, interest, dividends, or capital gains income from assets which are not in the United States? Please note that US Citizens and Resident Aliens are required to report worldwide income!

    [ ] [ ] Did you have an interest in, a signature or other authority over a financial account such as a bank account, securities account or other financial account in a foreign country?

    [ ] [ ] Did you live abroad during any part of last year? If yes, please provide dates.

[ ] [ ] Did you have any debts cancelled or forgiven other than through personal bankruptcy? If so, provide amounts, dates, and circumstances.

Income Items continued

Yes No

[ ] [ ] Did you have a short sale, foreclosure, deed in lieu of foreclosure or mortgage workout on your home. Provide copies of the 1099-C or 1099-A. Any of these transactions could create taxable income for you. However, you could be exempt from the taxable income if you were insolvent at the time of the transaction. Please provide a complete list of all your assets and debts at the time of the transaction. We may be able to qualify you for an exemption to the taxable income.

[ ] [ ] Did you receive a distribution from, transfer to, or were you the grantor of, or transferor to an irrevocable trust?

[ ] [ ] Did you receive any alimony, spousal support, or family support (not child support)?
How much? $______________

[ ] [ ] Did you sell your Personal Residence last year? If yes, we will need the following:
Final Escrow/Settlement Statement from Sale
Final Escrow/Settlement Statement from Original Purchase
List of all improvements ever made to the property
If you had previously deferred a gain from the sale of a previous residence into this residence sold, we will need to see a copy of the tax return from the year that property was sold.

[ ] [ ] Do you have an interest in a Partnership, S-Corporation, Limited Liability Company (LLC), or Trust last year? If "Yes," please provide the K-1 form. If you are planning on having SlackTax, Inc. prepare the tax return for this entity, it is important that you *contact our office* as soon as possible. We will need ample opportunity to arrange for the time to accommodate you and notify you of any documents we will need to complete the return. We would be very interested in preparing this return for you. However, this may require a separate appointment from your regular tax appointment.

❑ Sale Of Stocks, Bonds, Mutual Funds, Commodities, Investment Real Estate, And Other Assets

(If This Does Not Apply To You, Check The Box & Go To The Next Section)

[ ] [ ] Did you have any stocks that became worthless last year? Provide documentation to substantiate their worthless value.

[ ] [ ] Did you sell any stocks, bonds or other investment property? Specify the sale of any collectibles (e.g. works of art, gems, stamps, coins). Provide all 1099-B forms and year-end summary statements provided by brokers and be sure to provide information on purchase dates, purchase amounts and number of shares. If you have over 25 stock transactions, you can reduce your tax preparation fees by arranging your information on an Excel spreadsheet. Instructions for setting up your spreadsheet can be found on our website under RESOURCES.

Please note that we charge a minimum fee of $10.00 for each regular stock transaction. The fee is higher if we have to calculate basis or splits. If you prepare the spreadsheet, and we don't have to make major changes to it we will charge only $5.00 per transaction. If we are required to change a spreadsheet or communicate errors to you, the fees will be higher due to the additional required time. With your preparation of a spreadsheet we will still need to verify that each transaction exactly matches the 1099-B. We will generally not verify your cost basis on the stock unless you ask us to, and when we do not verify cost basis you will take all responsibility for the accuracy. If you do not have the time or inclination to do this extra work, we will do all the tracking for you and charge accordingly. Our verification of your stock transactions as described above is not an option on your part. IRS will be looking at stock transactions in greater detail in the coming years.

[ ] [ ] Did you have any other purchases or sales of other investment property not shown on 1099 forms or other year-end statements provided to us? Examples include income related to "*puts*" and "*calls*", *futures contracts*, *commodities*, and *regulated stock options*.

❑ Stock Options & Employee Stock Purchase Plans

(If This Does Not Apply To You, Check The Box & Go To The Next Section)

Yes No

[ ] [ ] Did you receive grants of stock options last year or in any prior year? If yes, were these ISO's or NQ's? ________.

[ ] [ ] Did you exercise any of your stock options last year? *If yes please bring in a copy of an exercise report for each exercise. You will probably have to ask your employer for this. We will not be able to complete your return without this.*

[ ] [ ] Did you make an early exercise election ((83b) election) last year? *If yes, please bring in a copy of that election. This is very important!*

[ ] [ ] Have you sold, gifted, or donated any stock that was acquired as an exercised stock option? If yes, please bring in a copy of the original exercise report, W-2 reconciliation (if any), and the 1099-B from the stockbroker that handled the sale transaction. We will also need to know the exact date of grant for each transaction. This information is also crucial.

[ ] [ ] Do you participate in an employer's Employee Stock Purchase Plan (ESPP)? An ESPP is a plan whereby an employee can buy the stock at a 15% discount. The purchase of the stock usually occurs via a deduction from your paycheck.

[ ] [ ] Have you sold, gifted or transferred any stock acquired through an ESPP? *If yes, please provide a copy of an ESPP history (you will get this from your employer), a W-2 reconciliation (if any), and a copy of the 1099-B from the stock broker that handled the sale transaction.* We will also need to know what date you first got into this plan.

Deductible Losses & Adjustments to Income (This Section Must Be Completed)

[ ] [ ] Did you have property stolen, damaged or destroyed last year due an accident, storm, flood, fire, etc? If so, bring in information related to original cost, improvements and loss of value as a result. If the loss involved non-business real or investment property, the loss after subtracting any insurance proceeds will not be deductible unless it exceeds 10% of your adjusted gross income.

[ ] [ ] Did you have an insurance contract such as a variable annuity which you cashed in at a loss? Provide purchase information and redemption information.

[ ] [ ] Did any non-relative owe you money which became uncollectible last year? Note that you must have a copy of the loan agreement, and have pursued collection through the courts (except for Chapter 7 bankruptcy) in order to deduct a loss. If so, provide names, addresses, amounts, dates, copies of notes and circumstances. (This does not include business accounts receivable for cash basis businesses.)

[ ] [ ] Did you, or do you plan to contribute to any of the following retirement plans:
( ) 401K, ( ) solo 401K, ( ) 403b-TSA, ( ) 457, ( ) SIMPLE, ( ) SEP, ( ) KEOGH, ( ) IRA, ( ) Roth IRA

[ ] [ ] Prior to having your tax return prepared by *SlackTax, Inc.*, have you made any non-deductible contributions to an IRA or other retirement plan? Please provide total amounts. These contributions must be accounted for separately, as they will not be taxed when distributed.

[ ] [ ] Did you have any early withdrawal penalties assessed on you by a bank or savings & loan?

[ ] [ ] Did you pay any alimony, spousal support, or family support? If yes, we will need the name and social security number of the person you paid (if we have this information from a previous year you will not need to provide this again).

Deductible Losses & Adjustments to Income continued.

Yes No

[ ] [ ] Did you have any job related expenses as a teacher, instructor, counselor, principal, or aide? This deduction applies to kindergarten through grade 12 employees who worked at least 900 hours during the school year.

[ ] [ ] Did you pay for any college or trade school education expenses for yourself or a dependent for whom you are entitled to claim an exemption? Allowed expenses include tuition, fees, course related books, supplies and required equipment paid directly to the institution as a condition of enrollment. If so, provide names of institutions, students, school year, tuition and fees paid. These expenses may qualify for a deduction or tax credit.

[ ] [ ] Did you contribute to a Health Savings Account (HSA)?

[ ] [ ] Did you pay interest on a higher education loan? This deduction may be limited based upon your gross income.

❑ Itemized Deductions (If This Does Not Apply To You, Check the Box & Go To Next Section)

[ ] [ ] Did you pay any significant amounts of medical expenses (over 7.5% of total income)?

[ ] [ ] Did you pay any premiums for Long-Term Care Insurance?

[ ] [ ] Did you track the amount of state Sales Tax paid last year? Beginning in 2004 there is a new deduction for sales tax paid if this amount exceeds the state income tax paid. This will probably not affect California residents since we generally pay a very high state income tax.

[ ] [ ] Did you purchase an automobile, boat, or similar vehicle last year? Note that sales tax on these items may be added to your sales tax deduction, above (if applicable). Please provide all vehicle purchase receipts.

[ ] [ ] Did you pay any auto registration fees to a state motor vehicle department last year? Please provide the DMV form sent to you rather than just the amount paid in the year, as some of the regular fees paid are not deductible. If you don't have the original DMV form you can find the tax deductible amount at https://mv.dmv.ca.gov/FeeCalculatorWeb/vlfForm.do

[ ] [ ] Did you pay any city, county, or state property tax last year? Provide a record of payments made. Generally, in California, payments are made in March/April and Nov./Dec. Please indicate if any scheduled payment was not made in the usual time period, or if any payment was made early! Tax paid on any homes (primary, 2nd home, etc.), investment property (including land), and timeshare property, are all deductible, as well as "supplementary" property taxes. (Property taxes on rental property are reported as a rental property expense)

[ ] [ ] Did you purchase or refinance your principal residence or second home (including Equity Lines of Credit and Home Equity Loans)? Provide final escrow, settlement or closing statements.

[ ] [ ] Did you pay any mortgage interest on your home, including interest on 2nd (or 3rd) mortgages and lines of credit? Provide all 1098 forms showing interest paid for the year on your primary home, and secondary home if applicable. (See also following question.)

[ ] [ ] Have you borrowed more than $100,000 cumulatively since 1987 against your house in the form of a refinance, lines of credit, equity loan, or 2nd mortgage? If yes, and if we have not previously had this discussion, there will be many follow-up questions! (See Potential Audit Issues in "Important – What's New" and if you deducted home mortgage interest last year, you should have an information sheet describing deductible mortgage interest in your packet.)

Itemized Deductions continued.

Yes No

[ ] [ ] Do you own a 2nd home such as a motor home or boat?

[ ] [ ] Did you pay any interest on margin debt?

[ ] [ ] Did you pay interest on any loans or credit card debt where the amount borrowed was used to purchase or sustain investments? Examples of this would include purchase of land, or using loan proceeds to invest in the stock market, mutual funds, or CDs.

[ ] [ ] Did you do volunteer services away from home on behalf of charities? If yes we will need to know the amount of any out of pocket expenses you paid. You will also need a verification letter from the charitable organization.

[ ] [ ] Did you donate any non-cash items with a cumulative value over $500 to a charitable organization? If yes, we will need to be provided with a summary list of items donated and their fair market value (we can provide you with a list of FMV's for commonly donated items), and how much you originally paid for them. If the Fair Market Value is $5,000 or more, you may <u>not</u> take a deduction for the donation unless other criteria are met. <u>Do not donate an item with a value of $5,000 or more without talking to us first.</u> If you donated a vehicle, we will need to know the year, make, model, and mileage on the vehicle when you donated it.

[ ] [ ] Did you use your car for charities? If yes, we will need to know how many miles were driven.

[ ] [ ] Did you make any cash/check contributions to a charitable organization? Beginning in 2006, all cash contributions to charitable organizations must be documented. This means if you are audited, you will have to provide a receipt or letter of acknowledgement for your cash contribution. That letter/receipt must indicate that you did not receive *"any goods or services"* in exchange for that donation, and that the donation does qualify for a tax deduction.

[ ] [ ] Did you work out of town for part of the year? If so, and you were not reimbursed in full by your employer, bring in information related to number of days, lodging, meals and incidental expenses incurred. Include taxi, tips, laundry and telephone calls.

[ ] [ ] Did you use your car on the job (other than to and from work)? If so, and you were not reimbursed, bring information related to total mileage, business mileage, commute mileage, and total expenses incurred, by type (gas and oil, maintenance, insurance, tires, parking, tolls, lease payments, license fees, etc.) for each vehicle during the year. <u>For vehicle purchases, we will need to see a purchase contract!</u> If you deducted auto expenses last year, you should have an information sheet included in your personalized organizer. A form to record your auto expenses is available to download from our website under RESOURCES.

[ ] [ ] Tax laws and IRS regulations allow deductions for Travel/Entertainment and business use of your vehicle if adequate records are maintained. Please check "Yes" if you claim these expenses but you are not sure what records are required.

[ ] [ ] Did you use your car, bus or taxi to travel between two different jobs on the same day?

[ ] [ ] Do you have any expenses for special licenses, permits or certificates, educational courses, seminars, or fees for professional societies relating to your employment?

[ ] [ ] Do you use the internet primarily for investment, employment, or business use? If yes any related online fees may be deductible.

[ ] [ ] Did you incur any job search expenses or have any job search mileage last year?

[ ] [ ] Did you pay any fees or expenses for the management of investments?

[ ] [ ] Did you pay by check any retirement plan maintenance fees?

Itemized Deductions continued.

Yes No

[ ] [ ] Did you incur moving expenses due to a change of employment? The move should be in excess of 50 miles to deduct moving expense. If so, bring information related to the cost of moving your household goods and autos, and the cost of traveling to your new location. Also provide mileage from old residence to old place of work and mileage from old residence to new location.

Tax Credits (This Section Must Be Completed)

[ ] [ ] Did you pay any income taxes to foreign governments last year? Please provide record of any amounts paid and dates paid.

[ ] [ ] Did you or your employer pay child care expenses, including before and after school? If so, bring information relative to day care providers: amounts paid, names, addresses, telephone numbers, Social Security and Taxpayer ID numbers. (This includes amounts reimbursed by your employer under cafeteria or other plans.)

[ ] [ ] Did you adopt a child? Provide all detailed adoption related expenses (including those from prior years!), as well as any employer provided benefits received.

[ ] [ ] Did you make any energy efficient improvements to your home last year? The eligible improvements include windows, doors, furnaces, solar electric property qualified solar water heating property, wind energy property and geothermal heat pumps. Please provide your receipts for these expenses.

[ ] [ ] Did you pay rent? If so, for how many months?_________

Payments and Taxes (This Section Must Be Completed)

[ ] [ ] Have you paid any estimated taxes, other than through withholding? If yes, enter amounts paid, dates paid and to whom they were paid on a separate sheet and attach to this page. Please research this carefully! Client errors in reporting these amounts account for the #1 reason for correspondence from the IRS and FTB!

[ ] [ ] Would you like any state or federal refund to be deposited directly into your checking or savings account? If "Yes" and you did not elect direct deposit last year, or if your bank account has changed, please write "VOID" on a check and staple it to this page. Please verify that we have your correct bank information. We will NOT be responsible for deposits to incorrect bank accounts.

[ ] [ ] Would you like to have your refund deposited into more than one account? If so, we will need the bank routing number and account number for any additional accounts

[ ] [ ] Would you like to pay any state or federal balance due electronically? Payments made with the extension, tax return, as well as estimated taxes, can all be handled in this manner. Please tell us if you'd like to learn more!

[ ] [ ] If you have a refund due on your tax return (Federal and/or State), would you like to have the refund applied to your estimated tax for this year (instead of receiving the refund)?

[ ] [ ] Do you expect your taxable income or withholding this year to significantly change from last year? If so, please discuss setting a separate appointment to review your changes. The purchase of the Tax Maintenance Plan is an excellent way to cover the cost of the appointment.

❑ Business Income & Expenses

(If This Does Not Apply To You, Check The Box & Go To The Next Section)

Yes No

[ ] [ ] Did you start_____, purchase_____, a business last year? If you purchased a business we will need a copy of the complete escrow from that business and the name, address, and ID or Social Security number of the seller of that business.

[ ] [ ] Do you have a business that SlackTax, Inc does not do the bookkeeping for? If so, please request our new business questionnaire. This questionnaire may have already been provided to you. If not, we will be happy to send you one or you can download it from our website under RESOURCES.

[ ] [ ] Did you purchase any business assets (furniture, equipment, vehicles, real estate, etc.)? If so, provide descriptions, dates acquired, and amounts paid for those assets. If there is a related escrow settlement document, we will need to see it. For cars and trucks, we will need to see purchase contracts. We will need a summary of all mileage logs kept.

[ ] [ ] Did you sell or dispose of any business assets (furniture, equipment, vehicles, real estate, etc.)? If so, provide descriptions, dates sold, and amounts received for those assets. If there is a related escrow settlement document, we will need to see it.

[ ] [ ] Did you barter in exchange for any goods or services?

[ ] [ ] Did you contribute to any Self-Employed business pension plan such as a SEP, Simple Plan, Money Purchase Plan, Profit Sharing Plan, 401K, Solo 401K, etc.? If "Yes", we will need the amount and type of each contribution.

[ ] [ ] Do you have a new retirement plan for employees?

[ ] [ ] Did you pay any interest on loans used to purchase business property, or interest on credit cards used exclusively for business purposes?

[ ] [ ] If you have self-employment income, did you also pay for medical insurance or long-term care insurance?

[ ] [ ] Did you use any part of your home exclusively for business purposes? If "Yes", provide details for square feet used for business, total square feet of the home, expenses related to the business portion, and general expenses for the interior of the home such as utilities, insurance and maintenance. (Sole Proprietors only)

❑ Rental Properties (If This Does Not Apply To You, Check The Box & Go To The Next Section)

Yes No

[ ] [ ] Did you purchase or acquire an interest in a rental property last year? If "Yes", we will need a list of your rents and expenses. Please read this carefully…. Bring a copy of the final escrow/settlement statement and a complete copy of the property tax bill/statement you received from the county where the property is located. Many clients assume we just need to know the amount of the property taxes paid. We will need to see this document!

[ ] [ ] Did you rent out property that you own for any part of the year? If "Yes", provide information related to income and expenses and the periods rented.

[ ] [ ] Did you sell a rental property or land last year? If yes, we will need the following:
Final Escrow/Settlement Statement from Sale
Final Escrow/Settlement Statement from Original Purchase

Rental Properties continued.

Yes No

[ ] [ ] List of all improvements ever made to the property unless they have been reported on a previous years depreciation schedule. If we have always been your tax preparer we will already have this! If you had previously deferred a gain from the sale of a rental property (1031 EXCHANGE) into this rental property, we will need to see a copy of the tax return from the year that property was exchanged!

[ ] [ ] Did you rent out any portion of your home for more than two weeks? If "Yes", provide details for square feet of rental portion, total square feet of the home, expenses related to the business portion, and general expenses for the interior of the home such as utilities, insurance and maintenance.

Miscellaneous Information (This Section Must Be Completed)

[ ] [ ] Did you pay property taxes on your personal residence, but could not itemize your deductions?

[ ] [ ] Did you purchase a NEW automobile but could not itemize your deductions? The sales tax on this vehicle can be added to your standard deduction.

[ ] [ ] *CA Residents only*: If you purchase large items (a car, boat, etc.) out of state and bring them into California, state law specifies that you must pay CA sales/use tax. Do you want to pay this tax on your CA income tax return? If "Yes," you will need to provide us with a list of items, purchase price of each item, and amount of sales tax paid to the other state(s) on each item. If not, you are required to file a separate form with the State Board of Equalization.

[ ] [ ] Did you make gifts of more than $13,000 to any individual last year? If so, a gift tax return may need to be filed. Our office will be happy to discuss this with you.

[ ] [ ] Did you contribute over $13,000 to a 529 education plan? If so, a gift tax return may need to be filed.

[ ] [ ] Have you filed any gift tax returns in previous years? If "Yes", and if they were not prepared by *SlackTax, Inc.*, please bring copies.

[ ] [ ] Have you received or paid *"cash"* in the amount of $10,000 or more for any transaction during the year (Cash, Money Orders, Cashiers Checks, and Travelers Checks)? In order to protect the U.S. from terrorist actions, the U.S. Treasury Department and the IRS Criminal Investigation Division are required to follow up on Cash transactions of $10,000 or more. All banks and businesses are required to report these transactions to the IRS when they occur

[ ] [ ] Did you have an interest in, signature, or other authority over a financial account in a foreign country, such as a bank account, securities account, or other financial account? If so, bring account information and year-end statement if your aggregate balance in such accounts exceeds $10,000.

[ ] [ ] Did you engage the services of any household employees during the year to whom you paid more than $1000? Do not include weekly gardeners, housekeepers, etc., who have their own business.

[ ] [ ] Were you a policyholder who received payments under a long-term care (LTC) insurance contract or received any accelerated death benefits from a life insurance policy? If so, provide relevant information.

[ ] [ ] Were you or any property you owned located in a federally or state declared disaster area?

Miscellaneous Information continued

Yes No

[ ] [ ] Did you buy a new home in 2009?

Yes No
[ ] [ ] Have you owned another personal residence within the last 3 years? If no, you may be eligible for a First Time Buyers tax credit. New home must be purchased between 1/1/09 and11/6/09.

[ ] [ ] Did you own your previous home for 5 out of the last 8 years? New home must be purchased between 11/7/09 and 4/30/10.

[ ] [ ] Have you received any correspondence from IRS or any other state government that you have not brought to us? This could include, but is not limited to, an assessment of additional tax and penalties, an unexpected refund, or an audit notice. If yes, please bring in copies of all correspondence.

[ ] [ ] Have you recently reviewed the beneficiaries of your pensions, IRA's, life insurance, etc?

[ ] [ ] Would you like to receive the monthly SlackTax e-mail newsletter? Please provide us with your current e-mail address. ________________________________

Questions for your Tax Preparer

I/we have read and completed this organizer to the best of our knowledge.

_______________________________________ ____________________
Taxpayer's Signature Date

____
Spouse's Signature (If Applicable)