

2020 Tax Year Checklist

We cannot start your tax return until you complete this checklist.

Name(s): _____ Married couples answer for both on one checklist.

Checklist

This checklist will help us complete a better, more complete tax return.

If you are uncertain how to answer a question, put a question mark so we can discuss the issue.

Personal Information

Yes No Unsure

- Have you changed your name during the year?
If "Yes", explain _____
What occupation do you want to list on your tax return?
Name _____ Name _____
- Did your address change during the year?
If "Yes", current address _____
- If "Yes" have you filed Form 8823 Change of Address with the IRS?
- Did your marital status change during the year?
If "Yes", explain _____
- Are you (and/or your spouse) a US citizen or a green card holder?
- Are you (and/or your spouse) a citizen of a country other than the US? VISA TYPE? _____
- Did your citizenship or US residency status change during the year?
If "Yes", explain _____
- Are either you or your spouse legally blind?

Proof of Identity

Expect to provide proof of identity for all persons included on the tax return

Driver's license or state-issued photo ID for tax payers, Dependents - social security card, or other ID

- Did you renew your driver's license in 2020 or earlier this year?
- Did the IRS send you an IP PIN this year? (Individual Taxpayer ID Number in cases of identity theft)
- Were you expecting an IP PIN letter and not receive one?

COVID-19

- COVID-19 diagnosis - Were you or anyone in your household diagnosed with COVID-19?
- Quarantine - Were you or anyone in your household in quarantine due to exposure to COVID-19?
- Were you or anyone in your household lose work due to workplace shutdown or unavailability of childcare?
- Were there adverse financial consequences to you or anyone in your household due to COVID-19?

Income from US sources

Did you receive

- A "stimulus payment"? If "Yes", how much? Round 1 _____ Round 2 _____
- W-2 income from employment? How many jobs? _____
- Income reported on a 1099?
- Cash or check payments for any work performed not reported on Forms W-2 or 1099?
- Tips not reported to your employer?
- Self employment income? **If "Yes", be sure to fill in the Self Employment section.**
- Interest income?
- Dividend income?
- Income from sale of stock?
- Social Security or Railroad Retirement Benefits?
- Withdrawals from a retirement account, including pension, 401(k), IRA, Roth, Keogh, inherited IRA, or other.
 Withdrawal was then rolled over into another retirement account.
- I took an early withdrawal from a retirement account.
 I plan to pay the distribution back into the retirement fund as allowed.
- I took my full Required Minimum Distribution (RMD) if required before the changes due to COVID-19.
- I took my RMD but then paid it back in as was allowed in 2020.
- Royalties? What type? _____
- Unemployment income?
- Disability income?
- Income from ride sharing (Uber, Lyft), freelancing? (TaskRabbit, Upwork)?
- Income from short-term (Airbnb, VHBO) or long-term rental? **If "Yes", complete the rental property section.**
- Income from crowdfunding? (GoFundMe, Kickstarter, Indiegogo)
- Income from crafting? (Etsy, craft fairs), buying & selling? (Ebay, fleamarkets)
- Prize or award?
- Jury duty?

Yes No Unsure *Income from US Sources Continued*

- Did you cash in any US savings bonds during the year?
- Did you **sell** any stocks, bonds, or investments during the year? (Not including stocks held in stock funds)
- Did you **buy** any stocks, bonds, or investments during the year? (Not including stocks held in stock funds)
- Did you receive any stock options, restricted stock units, or other stock incentives during the year?
- Please provide any Forms 3921 and 3922 as well as 1099-B*
- Did you sell your principal residence during the year?
- Did you foreclose or abandon a principal residence or real property during the year?
- Did you sell other real estate or other property during the year?
- Do you have income or losses from gambling?
- Did you sell or exchange an investment in a Qualified Opportunity Fund?
- Do you have income from a hobby?
- Do you think your hobby may have grown to be a business?
- Were any debts you owed cancelled or forgiven during the year?
- Does anyone owe you money that has become uncollectable?
- Are you a retired Public Safety Officer?
- Are you retired from the military?
- Are you an active member of the military or receiving military disability?
- Are you a member of the clergy?
- Did you have farm income?
- Did you have income from the cannabis industry or any other source deemed illegal by the US Federal government?
- Did you receive other income that is non taxable (child support, welfare benefits, etc.) during the year?
- Did you receive any income not mentioned elsewhere in this checklist?

Cryptocurrency / Virtual Currency

- Did you receive, sell, send, gift, lose, share, or exchange any financial interest in any virtual currency (Bitcoin, Ethereum, Litecoin, etc.) during the year?
- Are you aware that the IRS considers exchange of one virtual currency to another to be a taxable event?
- Are you aware that using virtual currency to buy a cup of coffee creates taxable income?
- Have you made unreported virtual currency transactions in prior years?

US Income not from WA

This does not include mutual funds and the like based in other states. It may include real estate partnerships.

- Did you receive any income from a state other than WA during the year?
- Did you sell any property in a state other than WA during the year?

Income from all sources outside of the US

- Did you have income from a foreign country?
- Did you pay taxes to a foreign country? (Not including foreign tax paid through a US-based investment account)
- Did you receive a distribution from, or were you a grantor of, or transferor to, a foreign trust?
- Do you own property in a foreign country?
- If "Yes", do you receive rental income from the property?

Asset reporting required by the IRS

- Do you have any investment in a Qualified Opportunity Fund?
- Did you have a financial interest in or signature authority over an account or asset located in a foreign country?
- Did you hold more than \$10,000 in virtual currency in one or more foreign accounts on any one day during the year?

Self Employment - Sole Proprietors, Partnerships, S Corps, C Corps, Farms

- Did you own all or part of a business during the year?

If "No", skip to the next section, Rental Property (page 3)

- Sole Proprietor
- Partnership
- S corporation
- C corporation

LLC is not recognized as a tax entity by the IRS. An LLC will fall into one of the four entities above.

- Did you receive a PPP loan or EIDL grant in 2020?
- Can you provide a Balance Sheet?
- Can you provide a Profit and Loss Statement?
- Do you think your business may be better classified as a hobby?
- Did you start, join, or purchase a business during the year?
- Did you acquire a new or additional interest in a partnership or S corporation during the year?
- Did you close down, sell, or abandon a business during the year?
- Did you purchase any business assets or convert any assets to business use?
- Did you sell any business assets or remove any assets from the business during the year?
- Do you have any Net Operating Loss carryover from prior years?
- Do you wish to postpone payment of part of your social security tax?

Rental Property

Yes No Unsure

- Did you have a rental property any time during the year? This could include a portion of your personal residence.
If "No", skip to the next section, Health Care Information
- Did you sell a rental property or take it out of rental during the year?
 Did you put a property into rental during the year?
 Did you purchase a property with the intent to rent during the year?
 Do you have carry over rental losses from prior years?
 Do you actively manage your rentals?
 Do you use a management service?
 Do you have a rental loss carryover from 2018?

Health Care Information*Health Savings Account, Medical Savings Account*

- Did you spend money from an HSA or MSA account?
 If "Yes", was it all spent on qualified medical expenses?
 Did you purchase medical insurance through WA Healthplanfinder or other health care exchange?
Provide copies of Forms 1095-A, 1095-B, or 1095-C

Dependent Information

- Can you or your spouse be claimed as a dependent by someone else?
 Has the number of your dependents changed from 2019? If so, explain _____
 Do you have one or more dependents?
Please list the dependents you wish to claim for 2020. _____
You must be able to document that the person claimed as a dependent on your return does qualify.
- Do you have any changes in dependents during the year?
If "Yes", explain _____
If you don't have a dependent then skip to the next section - Adjustments to Taxable Income (page 4)
If you have any doubt, check UNSURE so we can discuss your situation.
- Do you understand the IRS requirements to claim a dependent?
 Can you document that all dependent claims are allowable?
 Do all of your dependents have social security numbers?
There are a number of dependent credits that now require a social security number rather than a ITIN.
- Can another person qualify to claim any of the dependents you intend to claim?
 Is there an active Form 8332 or similar statement in place? (Release/Revocation of Claim for Exemption)
 Did you release the claim for exemption to another person?
 Did all dependents live with you for more than half the year?
 Can you document the nights stayed in your house for each dependent claimed?
(Half the nights plus one. Vacations and going away to school also count.)
- Did you provide more than half of each dependent's total support for the year?
 Can you document this?
 Can you document your relationship with each dependent?
 Did a child have more than \$2200 unearned (investment-type) income during the year? (Subject to the "kiddie tax".)
 Did a dependent child already file their own tax return claiming their own exemption?
*If you qualify for dependent based tax credits such as the **child credit, other dependent credit, childcare credit, education credit, or earned income credit** or if you file as **Head of Household**, you must document that you are eligible in each case. Appropriate documentation varies with the credit and may include proof of residency, proof of educational expenses, proof of disability, and/or Schedule C if self employed.*
- Have you received any of the mentioned credits in the past?
 Did the IRS reverse or reduce a credit you claimed in a prior year?
 Did all the children for whom you are claiming a credit reside with you?
 Can you provide documentation of your eligibility for and the amount of each credit being claimed?
 Did you have child care expenses during the year?
 Did you have any adoption expenses during the year?
 Did you pay education expenses for a dependent
 Did anyone in your household attend a post-secondary school during the year?
 Did you receive a distribution from an Education Savings Account or Qualified Tuition Program during the year?
 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 during a different year)?
 Can you document all educational expenses?

Adjustments to Taxable Income - Itemized Deductions, Estimated Payments, Retirement Contributions, and More**Yes No Unsure**

- Did you make estimated payments toward your 2019 taxes, or roll over a refund from 2018 to 2019?
- Did you make contributions to an IRA, Roth, or other qualified retirement plan during the year?
- Did you make a purchase with an associated credit such as hybrid vehicle, residential energy efficiency or solar in the year?
- Did you pay alimony during the year?
Date of divorce, name & social security number of recipient _____
- Did you receive alimony during the year?
Date of divorce, name & social security number of payer _____
- Did you incur a loss due to damaged property in a Federally designated disaster area?
- Did you pay student loan interest for yourself, your spouse, or your dependent(s) during the year?
- Did you make cash donations to charity during the year? *(NEW this year available with the Standard Deduction)*
- If "Yes", do you have receipts or letters from the charities?

Itemized Deductions

The medical deduction is that amount greater than 7.5% of your adjusted income.

- 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? (Not applicable to most WA residents.)
- Did you pay real estate property taxes or personal taxes (RTA on car tabs) during the year?
- Did you make any vehicle purchases during the year?
- Did you take out a new or refinance a home mortgage during the year?
- Did you pay mortgage interest during the year?
You may be able to deduct interest on a loan secured by the home to buy, build, or improve a 1st or 2nd home.
- Was any part of your loan used for any purpose other than the three listed here?
- Did you make cash donations to charity during the year?
- If "Yes", do you have receipts or letters from the charities?
- Did you make non cash donations to charity (clothes, furniture, etc.) during the year? Do you have receipts?
- If "Yes", do you have receipts or letters from the charities?
- Did you donate a car or boat during the year? You will need IRS Form 1098-C.
- If you had gambling winnings do you also have documented gambling losses?

Other Important Information

- Have you paid Alternative Minimum Tax in prior years?
- Did you pay wages to any household employees (babysitter, nanny, housekeeper, etc.) during the year?
Over \$2200 in the year, or over \$1000 in one calendar quarter.
- Did you make any gifts to any one person in excess of \$15,000 during the year?
- Do you have a tax issue not listed on this checklist? *Explain* _____
- Have you received any notices from the IRS that are not resolved?
- Are you up to date on all past tax filings and payments?
- Are you making installment payments to the IRS?
- Do you have a tax issue not listed on this checklist? *Explain* _____

Filing, Payment, Refund

- May the IRS discuss your tax return with your preparer?
- If you have tax due will you want to send a paper check instead of electronic payment?
- If you have refund will you want the IRS to send a paper check instead of direct deposit to your bank?
- If you have a refund would you want to apply all or part toward your 2021 taxes?
- Will you be making Estimated Tax Payments in 2021?

Tax Planning For Next Year

- I expect to retire.
- I expect a big change in my income.
- I am considering buying or selling my home or other property.
- I am considering starting or closing a business.
- My marital status might change.
- I expect a change in the number of my dependents.
- I have a child who will be attending college.
- I am considering moving out of state.
- Other : _____

Please sign to acknowledge that you have answered all questions on all four pages correctly.

Date: _____

Date: _____