



2020 Tax Preparation Checklist

Please Read This Prior To Completing the Checklist

Thank you for choosing Pro Financial for your tax and financial matters! I want to provide you with some insight as to what items will be required this year to complete your taxes. In addition, I would like to outline how we will be processing your returns.

Required Items:

- Stimulus Payment – We are going to need you to provide us with the EXACT AMOUNT of both of the stimulus payments you received (**even if received in 2021**). You should have received a letter (form 1444) a short time after you received your stimulus payment. Please send that letter to us with your tax documents. If you do not have that letter, please refer to your bank statements to confirm the total stimulus received. If you do not provide us with the correct amount, it may impact your refund or amount due.
- Direct Deposit/Withdrawals – Due to the increase in fraud, processing issues with the IRS, and better tracking, direct deposit / direct withdrawals will be our DEFAULT method for refunds and balance due payments. If you have a balance due, you can choose the date for the funds to be withdrawn from your checking account.
- PPP Loans – The Treasury Department has confirmed that PPP loans that have been forgiven or that you anticipate will be forgiven do not need to be reported as income. In addition, you can deduct all your expenses as you have been doing in the past. We will however, need for you to provide us with the amount of PPP your business received in 2020.
- Unemployment – If you have received unemployment benefits during 2020, you would need to provide us with form 1099-G. This form provides the total amount of benefits received and withholding if any.
- Charitable Contributions – Please make certain you can document the amount you've contributed to charities. If you get audited and can't document the charitable contributions you deducted, the IRS will charge you with a 20% underpayment penalty plus the additional taxes due. This penalty increases to 50% in 2021.

2020 Tax Process

The following is how we will be providing you with your completed tax returns and your documents:

- If you send us your documents via our portal, we will return your tax return using the portal. You will have access to your return and your documents as long as you're a client.
- If you drop off and/or mail us your tax documents, we will scan them to our portal. You will then have those documents and your tax returns available to access. You may then either pick up your documents, we can shred them, or we can mail them to you via Priority Mail for a \$10 fee.
- If you would like a paper copy of your completed tax return, there will be a \$25 processing fee.

PERSONAL INFORMATION: *(New clients, please provide previous two years of tax returns)*

Taxpayer info:

Name: _____ Email: _____
 Occupation: _____ SS#: _____ Birthday: _____ Phone: _____
 Address: _____ City, State, Zip: _____ County: _____

Spouse Info:

Name: _____ Email: _____
 Occupation: _____ SS#: _____ Birthday: _____ Phone: _____

Dependent Info:

(List only dependents that you are eligible to **claim** this year. If there are more than 3, please list under comment section)

Dependent name: _____ SS#: _____ Birthday: _____
 Dependent name: _____ SS#: _____ Birthday: _____
 Dependent name: _____ SS#: _____ Birthday: _____

- Please provide a copy of a valid driver's license or state ID card for both the Taxpayer and Spouse.
- Voided check or bank account and routing number
 - o *Returning Clients:* If your bank account is the same as last year, please provide the last 4 digits of the account number and bank name: _____
- Please mark how you would like your completed tax return:
 - o Portal (no charge)
 - o Paper (\$25)
 - o Priority Mail (\$10)

How would you like to pay your fee to PFSGI?

- Check box if you would you like your PFSGI fee auto withdrawn from your checking account on file
 - o This is the quickest and easiest form of payment
- Pay by check, cash or credit card at time of completion
- Have your PFSGI fee **deducted** from your **refund**. There is an additional fee of \$125 for this service.

ANY MAJOR LIFE CHANGES IN 2020

- | | | | |
|--------------------------------------|---|---------------------------------------|----------------------------------|
| <input type="checkbox"/> Got married | <input type="checkbox"/> Bought a house | <input type="checkbox"/> Sold a house | <input type="checkbox"/> Retired |
| <input type="checkbox"/> Had a baby | <input type="checkbox"/> Got divorced | <input type="checkbox"/> Got divorced | <input type="checkbox"/> Death |

SOURCES OF INCOME

Employed

- W-2 forms for you and your spouse

Unemployed

- Provide form 1099-G

Self-Employed

- Forms 1099-MISC or NEC
- Profit and Loss statement
- Business-use asset information (cost, date placed in service, etc.) for depreciation
- Do you have an office in home? **Yes** or **No**
- Did you receive income from ride sharing, freelancing, fashion sharing or crowdfunding?
- Did you receive a PPP loan? If so, how much: \$_____ Was it forgiven: **Yes** or **No**

Rental Income

- Please complete the Rental P&L found at www.pfsgi.com
- Did you buy any new rental properties in 2020 (What was the cost and date placed in service)

Retirement Income

- Pension/IRA/annuity income (1099-R)
- IRA distribution was a Covid-19 related
- Social security/RRB income (1099-SSA, RRB-1099)

Savings & Investments or Dividends

- Interest, dividend income (1099-INT, 1099-OID, 1099-DIV)
- Year end brokerage statements (1099-B)
- Do you have a financial interest in or signature authority over a financial account or asset in a foreign country?
- Dates of acquisition and records of your cost or other basis in property you sold (if basis is not reported on 1099-B)

Other Income & Losses

- Did you receive stimulus payments? If so, how much:**
- o **Please include amounts of both payments, even if received in 2021.**
 - o **Stimulus #1: \$_____ Stimulus #2: \$_____**
- Gambling income: \$_____ (Provide W-2G's) | Gambling losses: \$_____
- Did you receive, sell, exchange or otherwise acquire any financial interest in any Crypto Currency?
- K-1 forms from: Trusts, Estates, Partnerships, Sub S Corps
- Record of alimony paid/received with Ex-spouse's name and SSN
- o Date of original divorce decree: _____
- Cancellation of debt (1099 A and/or C forms)

TYPES OF DEDUCTIONS

Home Ownership

- Forms 1098 or other mortgage interest statements
- Real estate taxes paid during 2020: \$ _____
- Cost for HVAC, hot water heater, and/or windows/doors installed during 2020: \$ _____
- Cost for solar panels installed in 2020: \$ _____

Charitable Donations

- Cash amounts donated to qualified charities: \$ _____
- Total non-cash charitable donations: \$ _____
- Miles driven for charitable purposes: _____ Miles

Childcare Expense

- Child care costs: provider's name, address, tax ID and amount paid
- Do you have **dependent care benefits (W2 box 10)**

Educational Expenses

- Forms 1098-T from educational institutions
- Form 1098-E if you paid student loan interest
- Form 1099-Q for qualified education programs/ Funds used from 529 accounts
- K-12 tuition paid to parochial, private, public school or for home schooling

Medical Expenses

- Amounts paid out of pocket for healthcare insurance: \$ _____
- Out of pocket medical expenses paid for eye glasses, doctors, dentists, hospitals, etc: \$ _____
- Form 1095-A if you and/or one of your dependents enrolled in an insurance plan through the Marketplace

Retirement & Other Savings

- Form 5498-SA showing HSA contributions
- Health Savings Account and long-term care reimbursements (1099-SA or 1099-LTC)
- IRA contribution
 - o Roth or Traditional: Taxpayer _____ Spouse _____
 - o Contribution Amount: Taxpayer _____ Spouse _____

Other Deductions

- Did you purchase a new hybrid, alternative motor or electric motor energy efficient vehicle during the year?

OTHER INFORMATION

- Federal estimated tax payments paid:
 - Apr. 2020 - \$ _____ June 2020 - \$ _____ Sept. 2020 - \$ _____ Jan. 2021 - \$ _____
- State estimated tax payments paid:
 - Apr. 2020 - \$ _____ June 2020 - \$ _____ Sept. 2020 - \$ _____ Jan. 2021 - \$ _____

Comments:

Engagement Agreement

Thank you for selecting Pro Financial Services Group, Inc to assist you with your 2020 tax matters.

This engagement agreement provides the terms and conditions, as well as the nature and extent of the income tax services we will provide and confirms your agreement to all terms as outlined.

Pro Financial will prepare your 2020 federal and state income tax returns from information that you have provided. We will not audit or verify the data you submit to us, although we may ask for clarification of some items. You will assume responsibility for the accuracy of all data and the maintenance of said records. It is also your responsibility to provide all necessary information, in a timely manner so we can complete your income tax returns as soon as possible.

The fees for the services to be rendered will be based upon our standard form rates. We will bill at our current hourly rate for additional services as required, which may include extra conferences, bookkeeping, responding to legal matters and any other necessary work. We do reserve the right, in some matters to request a retainer fee to be paid in advance.

Our invoices are due and payable upon completion of your income tax returns. If you cancel or discontinue our services and we have already performed work on your tax return, you agree to pay us for such work performed based upon our current hourly rates. As additional consideration for us to provide you tax services, you agree that the extent of our liability for damages to you for any actions will not exceed the total amount paid by you for our services.

If your returns are audited by any taxing authorities, we will be available to represent you at an additional fee. If any interest or penalties are assessed, they will be your responsibility. Any additional services, including, complying with subpoena requests, will be billed at our current hourly rate of \$125 per half hour. The hourly rate for any services required between February 1st through April 15th is \$175 per half hour.

The taxpayer’s signature below indicates that the engagement terms as described above are understood and accepted. We wish to express our appreciation for this opportunity to work with you.

All tax related documents have been submitted to PFSGI
Providing additional documents after PFSGI has completed your tax returns may result in an additional fee

By signing below, I/we authorize Pro Financial Services Group, Inc. to complete my/our tax returns

Taxpayer signature: _____ Date: _____