



Client

2020 Tax Organizer

Dear Client:

This Tax Organizer is designed to help you gather the tax information needed to prepare your 2020 personal income tax return. To help you complete the Organizer with minimal time and effort, when available, you will find certain information from your 2019 personal income tax return. **We have also created a video that discusses how to complete the Tax Organizer. The video, "How to Complete Your Tax Organizer," can be found at <https://methodcpa.com/resources/videos>.**

-If you provide forms (W2, 1099, 1098, etc.), you do not need to fill out those sections within the client organizer. For example, if you provide a W-2 from your employer, you do not need to fill in your wage information. We will use the source document you provide.

-Please review your Identity Authentication section (page 7) for accuracy. If your driver's license has expired or you've received a new one, please provide a copy of the front of your license to our office. If you are dropping off your tax documents in person to our office, we will get a copy of your license at that time.

-If you have a rental activity or a business activity within your organizer & our office does not provide monthly bookkeeping for you, please provide the income/expenses in the appropriate sections. For example, commissions paid, rent received, condo fees paid, business mileage, supplies, repairs, etc.

-If you are printing this organizer to complete, **please print single sided to facilitate our assembly** of our internal work papers that support all numbers reported on your income tax return.

If any information does not apply to you or is incorrect, please draw a line through it or make the necessary corrections.

Notices to client:

1. We will file all individual income tax returns electronically, unless you choose to opt out.
2. We will automatically "check the box" on your Federal and state income tax returns which authorizes the proper tax agency to speak with us about your tax return, unless you instruct us not to.

As the new year starts, so does a new income tax filing season. 2020 not only brought about many changes to our way of life, but also resulted in many new tax laws. On March 19, 2020, Congress passed the Families First Coronavirus Response Act. On March 27, 2020, Congress passed the CARES Act, which provided for stimulus payments ("recovery rebates") to taxpayers as well as additional Federal Unemployment. In December of 2020, Congress passed the

Consolidated Appropriations Act, which provided additional stimulus payments (tax credits) to individuals and also extended many tax provisions that were set to expire. In late 2019, the SECURES Act was passed which brought about many changes to retirement accounts. In December of 2017, we saw the enactment of the Tax Cuts and Jobs Act of 2017, the largest tax code overhaul since the Tax Reform Act of 1986, not to mention the continual up-dating and inflation adjusting of tax brackets, exemption amounts, etcetera. The Tax Cuts and Jobs Act of 2017 could continue to have significant affects on taxpayers in the 2020 tax year.

The I.R.S. is requiring disclosure of foreign income and assets. Failure to report income and disclose assets can result in severe penalties. These penalties can represent a significant portion of the foreign financial assets. Be sure to answer the foreign income / asset questions in the organizer (within Miscellaneous Information section) so that we can help you determine your reporting and filing requirements.

Whether you use the Tax Organizer or not, PLEASE PROVIDE US WITH ALL OF THE FOLLOWING DOCUMENTS:

- Forms W-2 for wages, salaries and tips.
- All Forms 1099 for interest, dividends, retirement, miscellaneous income, Social Security, state or local refunds, gambling winnings, etc.
- Brokerage 1099 statements showing investment transactions for stocks, bonds, etc.
- Schedule K-1 from partnerships, S corporations, estates and trusts.
- Statements supporting educational expenses, deductions or distributions, including any Forms 1098-T, 1098-E, or 1099-Q.
- All Forms 1095-A, 1095-B, and/or 1095-C for the advance payment of the Premium Tax Credit for lower cost health care coverage under healthcare.gov.
- Statements supporting deductions for mortgage interest (Form 1098), taxes, and charitable donation of a vehicle (reported on Form 1098-C).
- Copies of closing statements regarding the sale or purchase of real property.
- Legal papers for adoption, divorce, or separation involving custody of your dependent children.
- **Notice 1444 showing the amount of the Economic Impact Payment (EIP) you received.**
- Six-digit Identity Protection PIN if sent to you by the IRS.
- Any tax notices sent to you by the IRS or other taxing authority.
- Any changes in address, phone numbers and/or dependents
- A copy of your income tax return from last year, if NOT prepared by our Firm.

Affordable Care Act

1. If you bought insurance from the exchange, we must report and reconcile the premium assistance credit on your tax return. Please provide Form 1095-A that the exchange sent to you with your tax information.

2. If your insurance company or employer sent you a form 1095-B or Form 1095-C, please provide the forms to us.

We are staying up-to-date with all of the many tax law changes. This past year, as always, we have attended numerous seminars and read much tax law, analysis and court decisions to ensure that we have the understanding and ability to prepare your income tax returns in full compliance with the new tax laws, while taking maximum advantage of the "tax breaks" that may apply to your tax situation. Our job is to look out for **YOUR** best interests and prepare your income tax return to your best advantage.

The better organized and prepared you have your data, generally the more accurate your tax return will be, resulting in the lowest tax legally possible, and generally, the lower the fee will be for the preparation of your tax returns.

The **Client Questionnaire** asks about pertinent tax items necessary for preparing the most accurate tax return possible. Please answer all applicable questions and attach a statement when necessary for additional information not provided in the Client Organizer.

If you have any questions concerning this letter or your Tax Organizer, or if you simply wish to make an appointment for the preparation of your 2020 income tax returns, please do not hesitate to call our office at 540-635-7729. Our website address is www.methodcpa.com. We look forward to seeing you and providing you with the most effective tax service possible.

To protect your privacy, your Tax Organizer contains masked data. Masked data displays as asterisks. For example, a Social Security number could display as ***-**-6789, an account number as *****6789, and a date of birth as **/**/2000. If you would like to confirm the masked data or make a change to your data, please contact this office. Do not indicate any changes to your data on your Tax Organizer. When you receive your completed tax return(s), make sure you review all Social Security numbers, bank account numbers, and dates of birth for accuracy.

Thank you for the opportunity to serve you.

Sincerely,

Method CPA, Inc.



FOR YOUR INFORMATION: Documentation Required for Charitable Contributions

By law all charitable contributions claimed as a deduction on your tax return must be substantiated by keeping a written record of the contribution. Acceptable written records used to substantiate each contribution include a cancelled check or bank record that supports the donation, or a written receipt or similar statement that includes (1) the name of the donee organization and (2) the date and amount of the contribution and (3) if any goods or services were received in exchange for the contribution. Contributions of \$250 or more require a statement from the charitable organization. If the resulting returns are examined by the IRS, requests may be made for the written record of the contribution. It is recommended that for any charitable contributions claimed, you retain the written records for at least seven years.

The substantiation rules for noncash contributions require the donated property's fair market value (FMV) to be determined. FMV is the depreciated, or used, value of the donated property. It is not the purchase price of a similar "new" item. The following methods can be used to determine FMV:

- Valuation guides available from organizations such as the Salvation Army or Goodwill. Many guides include a value range that can be used to determine FMV based upon location and condition of the property. Keep any guides used to determine FMV with your tax records.
- Compare prices at area thrift stores for items in comparable condition. Visit a few stores to determine price and demand for the property.
- Search online auctions or classified ads for comparable items. Keep printouts of such listings used to determine FMV of the donated property.
- For donated items with a FMV of more than \$5,000, valuation by a qualified appraiser will be required in most cases. Keep the appraiser's report with your tax documents.

To further substantiate your noncash contribution, keep any acknowledgment letters, receipts, or similar statements from the organization. Consider keeping a picture of the donated item(s) with your tax documents. See IRS Publication 561, Determining the Value of Donated Property for further information.

******We do not require copies of cash charitable contribution documentation in order to prepare your tax return. You can provide summaries of cash charitable contributions.***

******You can also provide summaries of noncash charitable donations that do not exceed \$500 for 2020. When noncash donations exceed \$500 for 2020, you may want to provide receipts since we will need the date of contribution, a description of the property, the fair market value of the property donated, the donee organization's name, and the donee organization's address.***



Our Privacy Policy

We value your trust and confidence and we want to assure you that your personal information is kept completely confidential by us. We adhere to the highest level of professional ethical responsibility and obligations to protect the confidentiality of all client information.

This statement is to help you understand what information we collect about you, the limited times we may share it with others and what measures we take to protect your privacy.

What Personal Information Do We Collect?

In order to meet your needs in the course of tax return preparation, tax and financial planning, and tax compliance engagements for you, we collect various types of personal information about you from the following sources:

* Information we receive from you in person, by phone, mail or e-mail, on tax preparation worksheets and on other documents or forms we use in providing services to you. Such information includes, for instance, your name, address, social security number, income investment and other assets, and other tax and financial information about you.

* Information we receive from others about your transactions or relationships with them. Such information includes investment, loan or banking activity, balances or account numbers, legal agreements and documents, and other information we gather in the course of providing services to you.

Is Personal Information Shared With Others?

We do not share any personal information about you with anyone without your expressed consent, except as permitted by law and as described herein. The law permits or requires disclosure in certain instances, such as if we must share information to protect against fraud, in response to a court subpoena, or as part of actual or threatened legal proceedings or alternate dispute resolution.

We may share any information we collect to nonaffiliated companies which perform support services on our behalf (such as tax or data processing, transmission of electronic returns or data, records retention, and mailing services). We **DO NOT SELL** or otherwise disclose our client list or any of your information to outside companies.

We may also share your information with other parties who help assure our compliance with professional accounting standards (such as peer review), or who conduct due diligence procedures, such as if we consider a sale or merger of our practice.

How Do We Protect The Confidentiality And Security Of Your Personal Information?

Keeping your information confidential and secure is of utmost importance to us. We follow standard industry practices to actively protect the confidentiality, security and integrity of your personal information. We also maintain physical, electronic and procedural safeguards to guard your personal information. Our employees are bound by internal confidentiality policies and are subject to disciplinary action for any policy violations. And we take appropriate precautions such as confidentiality agreements before sharing your information with any outside parties.

Should you become an inactive client or should our relationship end, we will continue to protect the confidentiality and security of your personal information in accordance with this privacy policy.

Our Pledge To You

Our professional ethical obligations and responsibilities have always demanded no less than the highest regard and duties for the confidentiality of your personal information and the security of your privacy. We will protect your information, use it only as necessary, and perform our engagements so as to always maintain your trust and confidence in us.

Thank you for allowing us to serve you, we truly value our relationship with you. We hope you view our firm as your most trusted advisor, and we will work to continue earning that trust.

Questions

Please check the appropriate box and include all necessary details and documentation.

| | Yes | No |
|---|--------------------------|--------------------------|
| Personal Information | | |
| Did your marital status change during the year? | <input type="checkbox"/> | <input type="checkbox"/> |
| If yes, explain: _____ | | |
| Did your address change from last year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Can you be claimed as a dependent by another taxpayer? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you change any bank accounts, or did routing transit numbers (RTN) and/or bank account number change for existing bank accounts that have been used to direct deposit (or direct debit) funds from (or to) the IRS or other taxing authority during the tax year? | <input type="checkbox"/> | <input type="checkbox"/> |
| If you have a refund, do you want the refund direct deposited? If yes, please provide a voided check OR the bank name, whether checking or savings, routing number and account number. | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you receive an Identity Protection PIN (IP PIN) from the IRS or have you been a victim of identity theft? If yes, attach the IRS letter. | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you reside in or operate a business in a Federally declared disaster area? The Federally declared disaster areas include victims of hurricanes, tropical storms, floods, as well as wildfires. | <input type="checkbox"/> | <input type="checkbox"/> |
| COVID-19 Information | | |
| Did you receive an Economic Impact Payment (EIP) as reported on Notice 1444? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you receive a Paycheck Protection Program (PPP) loan? | <input type="checkbox"/> | <input type="checkbox"/> |
| If yes, did you apply for Paycheck Protection Program (PPP) loan forgiveness? | <input type="checkbox"/> | <input type="checkbox"/> |
| Are you a telecommuting employee that was required to "shelter in place" due to local COVID-19 protocols while working in a state that was not your home state? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you receive emergency leave sick pay? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you receive emergency family leave wages? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you receive any special unemployment benefits or compensation under the Coronavirus Relief Act during the year? | <input type="checkbox"/> | <input type="checkbox"/> |
| If you are self-employed, were you unable to perform your self-employed activities due to coronavirus related care you needed? | <input type="checkbox"/> | <input type="checkbox"/> |
| If you are self-employed, were you unable to perform your self-employed activities due to coronavirus related care you provided to your son or daughter under the age of 18? | <input type="checkbox"/> | <input type="checkbox"/> |
| If you are self-employed, were you unable to perform your self-employed activities due to coronavirus related care you provided to another? | <input type="checkbox"/> | <input type="checkbox"/> |
| Dependent Information | | |
| Were there any changes in dependents from the prior year? | <input type="checkbox"/> | <input type="checkbox"/> |
| If yes, explain: _____ | | |
| Do you have any children under age 19 or a full-time student under age 24 with unearned income in excess of \$2,200? | <input type="checkbox"/> | <input type="checkbox"/> |
| Do you have dependents who must file a tax return? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you provide over half the support for any other person(s) other than your dependent children during the year? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you pay for child care while you worked, looked for work, or while a full-time student? | <input type="checkbox"/> | <input type="checkbox"/> |
| Did you pay any expenses related to the adoption of a child during the year? | <input type="checkbox"/> | <input type="checkbox"/> |
| If you are divorced or separated with child(ren), do you have a divorce decree | | |

- or other form of separation agreement which establishes custodial responsibilities?
- Did any dependents receive an Identity Protection PIN (IP PIN) from the IRS or have they been a victim of identity theft? If yes, attach the IRS letter.

Purchases, Sales and Debt Information

- Did you start a new business or purchase rental property during the year?
- Did you sell, exchange, or purchase any assets used in your trade or business?
- Did you acquire a new or additional interest in a partnership or S corporation?
- Did you sell, exchange, or purchase any real estate during the year?
- Did you purchase or sell a principal residence during the year?
- Did you foreclose or abandon a principal residence or real property during the year?
- Did you acquire or dispose of any stock during the year?
- Did you take out a home equity loan this year?
- Did you refinance a principal residence or second home this year?
- Did you sell an existing business, rental, or other property this year?
- Did you lend money with the understanding of repayment and this year it became totally uncollectable?
- Did you have any debts canceled or forgiven this year, such as a home mortgage or student loan(s)?
- Did you purchase a qualified plug-in electric drive vehicle or qualified fuel cell vehicle this year?

Income Information

- Did you have any foreign income or pay any foreign taxes during the year, directly or indirectly, such as from investment accounts, partnerships or a foreign employer?
- Did you receive any income from property sold prior to this year?
- Did you receive any unemployment benefits during the year?
- Did you receive any disability income during the year?
- Did you receive tip income not reported to your employer this year?
- Did any of your life insurance policies mature, or did you surrender any policies?
- Did you receive any awards, prizes, hobby income, gambling or lottery winnings?
- Did you receive any income considered to be nonemployee compensation?
- Do you expect a large fluctuation in income, deductions, or withholding next year?
- Did you have any sales or other exchanges of virtual currencies (including from an airdrop or a hard fork, or used virtual currencies to pay for goods or services)?

Retirement Information

- Are you an active participant in a pension or retirement plan?
- Did you receive any Social Security benefits during the year?
- Did you make any withdrawals from an IRA, Roth, myRA, Keogh, SIMPLE, SEP, 401(k), or other qualified retirement plan?
- If yes, were any withdrawals due to a Federally declared disaster or COVID-19?
- If you received any qualified disaster retirement plan distributions, did you repay any of the distributions in 2020?
- Did you receive any lump-sum payments from a pension, profit sharing or 401(k) plan?
- Did you make any contributions to an IRA, Roth, myRA, Keogh, SIMPLE, SEP, 401(k), or other qualified retirement plan?
- If available, are you interested in making a retirement contribution to reduce your 2020 taxes?

Education Information

- Did you, your spouse, or your dependents attend a post-secondary school during the year, or plan to attend one in the coming year?
- Did you have any educational expenses during the year on behalf of yourself,

- your spouse, or a dependent? If yes, attach any Form(s) 1098-T and receipts for qualified tuition and related expenses
- Did anyone in your family receive a scholarship of any kind during the year?
- If yes, were any of the scholarship funds used for expenses other than tuition, such as room and board?
- Did you make any withdrawals from an education savings or 529 Plan account?
- If yes, were any of these withdrawals rolled over into an ABLE (Achieving a Better Life Experience) account?
- Did you make any contributions to an education savings or 529 Plan account?
- Did you pay any student loan interest this year?
- Did you cash any Series EE or I U.S. Savings bonds issued after 1989?

Health Care Information

- Did you have qualifying health care coverage, such as employer-sponsored coverage or government-sponsored coverage (i.e. Blue Cross/United Healthcare /Kaiser/TRICARE/Medicare/Medicaid) for your family? "Your family" for health care coverage refers to you, your spouse if filing jointly, and anyone you can claim as a dependent. If yes, attach any Form(s) 1095-B and/or 1095-C you received.
- Did you enroll for lower cost Marketplace Coverage through healthcare.gov under the Affordable Care Act? If yes, attach any Form(s) 1095-A you received. We will reconcile the premium tax credit on your tax return.
- Did you make any contributions to a Health savings account (HSA) or Archer MSA?
- Did you receive any distributions from a Health savings account (HSA), Archer MSA, or Medicare Advantage MSA this year?
- Did you pay long-term care premiums for yourself or your family?
- Did you make any contributions to an ABLE (Achieving a Better Life Experience) account? If yes, attach any Form(s) 5498-QA you received.
- Did you receive any withdrawals from an ABLE (Achieving a Better Life Experience) account? If yes, attach any Form(s) 1099-QA you received.
- If you are a business owner, did you pay health insurance premiums for your employees this year?
- Did you receive any Health Coverage Tax Credit (HCTC) advance payments?
- If yes, attach any Form(s) 1099-H you received.

Itemized Deduction Information

- Did you incur a casualty or theft loss or any condemnation awards during the year?
- If yes, did the loss occur in a Federally declared disaster area?
- Did you pay out-of-pocket medical expenses that **exceeded 7.5%** of your adjusted gross income (where you did not receive reimbursement) (Co-pays, prescription drugs, etc.)? We prefer summaries of medical expenses over receipts. We do not need receipts for our records.
- Did you make any cash or noncash charitable contributions (clothes, furniture, etc.)?
- If yes, please provide amounts of such donations. When total noncash donations exceed \$500, we will need the date of contribution, donee organization name, donee organization address, brief description of donated items (such as clothing, furniture, household effects), and estimated fair market value of donation of each donation.
- Did you donate a vehicle or boat during the year? If yes, attach Form 1098-C or other written acknowledgment from the donee organization.
- Did you pay real estate taxes for your primary home and/or second home?
- Did you pay any mortgage interest on an existing home loan? If yes, attach any Form(s) 1098 you received.
- Did you incur interest expenses associated with any investment accounts you held?
- Did you make any major purchases during the year (cars, boats, etc.)?

Miscellaneous Information

- Did you make gifts of more than \$15,000 to any individual?

- Did you utilize an area of your home for business purposes? "Business Purposes" does not include use as an employee.
- Did you retire or change jobs this year?
- Did you incur moving costs because of a permanent change of station as a member of the Armed Forces on active duty?
- Did you pay any individual as a household employee during the year?
- Did you make energy efficient improvements to your main home this year?
- Did you receive a distribution from, or were you a grantor or transferor for a foreign trust?
- Did you have a financial interest in or signature authority over a financial account such as a bank account, securities account, or brokerage account, located in a foreign country?
- Do you have any foreign financial accounts, foreign financial assets, or hold interest in a foreign entity?
- Did you receive correspondence from the State or the IRS?
- If yes, explain: _____
- Do you have previous years of tax returns that are either unfiled or filed with unpaid balances due?

