CLIENT TAX PREPARATION INTAKE PACKET
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Due Diligence Information & Questionnaire Instructions

This packet concerns documentation requirements for EITC CTC AOTC ODC and HOH filing status. The IRS is cracking down on the documentation for these credits and filing status. In this packet, please find information regarding some of the documentation that is required before we can prepare your return. For dependents on your return we will need birth certificate and socials. We will also need proof the lived with you. See forms attached shows exactly what the IRS is expecting for documentation in each area of your case. You are being supplied with this questionnaire because you may claim one of these credits in the past or you have indicated that you will be claiming one of them this year. The questionnaire is designed to assist us in qualifying you for some valuable refundable tax credits. While the questions may seem to be a little intrusive at times, they are questions that we are required to ask under the Due Diligence Requirements of the new Tax Laws.

Please complete them in as much detail as possible. Not all questions will apply to you. If they do not apply to you please answer them as NA (not applicable) so that we will know that you read the question and didn't just miss it.
Abbreviations used on the Questionnaire: CTC = Child Tax Credit
ACTC = Additional Child Tax Credit
EITC= Earned Income Tax Credit (Low Income Households)
AOTC= American Opportunity Tax Credit (College Credit)

FOR NEW CLIENTS with Dependents: Please remember to submit copies of social security cards, birth certificates and proof of residency (possibly birth certificates, ID, school records or medical records showing the dependents named and proof of YOUR address).
Dependent Information: Birth Certificates and Proof of Residency is required for children under age 18. Please fill out the information below for any dependents you are claiming on this tax return:

FOR TAXPAYERS CLAIMING COLLEGE TAX CREDITS: Please remember to submit copies of the Form 1098T that you received from the college AND a copy of the Bursar's statement from the college showing the spring and/or fall semester charges and payments. The Credit applies to all payments made in cash or via student loans to tuition, fees and related expenses. IT does NOT apply to Room and Board or travel expenses.

FOR TAXPAYERS CLAIMING HEAD OF HOUSEHOLD FILING STATUS: It is important to complete both the dependent questions and the Household [NOTE: If the divorce is NOT final or you and your spouse lived together AT ANY TIME in the last 6 months of the tax year, you CANNOT claim Head of Household filing status] IF you have any questions about the questionnaire please do not hesitate to ask tax specialist. We will be glad to assist you.

Please fill out attached forms completely. Answer all questions pertaining to you and your dependents. **If questions do not apply to you <u>please do not leave blank,</u>** either draw a line or put N/A in the space. Once completed Sign and date all sheets.

Required security questions*: Bank application requires below information Please provide an answer to only one question for bank application purposes. CHOOSE ONE ONLY*

Mothers' maiden name ____
Oldest Child name ____
Father's middle Name ____
High School Attended ____

BANK APPLICATIONS REQUIRES 2 PHONE NUMBERS & EMAIL

Provide 2 contact phone numbers #1)___________________________#2)______________________________

Email:____Taxpayer signature_______________________

2020 INDIVIDUAL INCOME TAX RETURN ENGAGEMENT LETTER

Tax Specialist Name:_____________________________ Dear Client(s):____

We are pleased to provide you with the professional services described below. This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide. We will perform our services in accordance with the Statements on Standards for Tax Services issued by the Internal Revenue Service.

Scope of Engagement

We will prepare your federal and home state income tax returns for you for the 2020 tax year from information that you provide to us. We will also prepare any other state income tax returns that you identify and authorize us to prepare. We will not audit or otherwise verify the data you submit to us, although we may ask you to clarify some of the information, Due to necessary diligences required

Client Responsibilities

We will provide you with an income tax organizer or tax information checklist to help you gather and document the information we will need to prepare your income tax returns. We ask that you complete the tax organizer/checklist and provide us with all supporting tax information (i.e. Forms W -2, 1099's, etc.)

You are responsible for determining your state or local tax filing obligations with any state or local tax authority, including, but not limited to, income, franchise, sales and use, and property taxes. If you ask us to prepare these returns additional charges for those services may apply. You should retain all documents that provide evidence and support for your reported income and deductions on your returns. You are responsible for the adequacy of all such documents. You may need to provide these documents to a taxing authority to substantiate the accuracy and completeness of the returns.

You have the final responsibility for the accuracy and filing of your income tax returns. Accordingly, please check them carefully for accuracy before you sign them.

Non-Payment

Should any government agency or creditor have first rights to your tax refund for accounts in default, you will be responsible to pay for tax preparation fees at the time that filing is completed and/or refund is scheduled to be released. ***Preparation fees not paid are subject to late fees at 1.5% per month and civil suit court cost and fees associated due to your nonpayment is your responsibility.***

Tax Prepare Responsibilities

All services performed in connection with the preparation of your income tax returns will be performed by your tax specialist. We will prepare your Tax returns based on information provided by you. To help us determine your filing status (single, married filing jointly, married filing separately, head of household or qualifying widow[er] with dependent child). If your marital status has changed, you want to change your filing status, or you have questions about your filing status, please advise us.

Business (Schedule C), Rental (Schedule E) and Un-reimbursed Employee Business Expenses (Form 2106):

Unless otherwise advised, ***you confirm that expenses such as meals, travel, entertainment, vehicle use, gifts, and related expenses for your business are supported by necessary records required by the Internal Revenue Service ("IRS").*** At your request we are available to answer your questions and advise you on the types of records required.

We will follow whatever position you request, so long as it is consistent with the current codes and regulations and their interpretations. If the IRS or state tax authorities should later contest the position taken, there may be an assessment of additional tax, interest, and penalties. We assume no liability for any such additional tax, interest, and penalties or other fees and assessments.

Our work in connection with your income tax returns does not include any procedures designed to discover fraud, theft, or other irregularities, should any exist.

Our engagement does not include bookkeeping, tax planning services, or audit help, which are available as a separate engagement. During preparing the tax returns identified above, we may bring to your attention certain available tax saving strategies for you to consider as possible means of reducing your income taxes in subsequent tax years. However, we have no responsibility to do so, and will take no action with respect to any such recommendations, as the responsibility for implementation remains with you, the taxpayer.

This engagement does not include responding to inquiries by any governmental agency or tax authority. If your tax return is selected for examination or audit. We do offer Audit protection via our vendor AMP if you are interested, we can add that service for your protection. However, you may request that we assist you in responding to such inquiry. In that event, we would be pleased to discuss helping you under the terms of a separate engagement letter for that specific purpose.

We appreciate the opportunity to service you. Please sign and date the enclosed copy of this engagement letter to acknowledge your agreement with its terms. It is our policy to initiate services after we receive the signed copy of this engagement letter from you.

______________________	______________________	____________
Taxpayer Name (Print)	Signature	Date
______________________	______________________	____________
Spouse Name (Print)	Signature	Date

CLIENT INFORMATION SHEET

TAX YEAR 2020/ OTHER______

YOUR INFORMATION PLEASE WRITE LEGIBLY

Your Full Name	Social Security Number	Birth Date	Occupation

SPOUSE'S INFORMATION

Spouse's Full Name	Social Security Number	Birth Date	Occupation in

ADDRESS & CONTACT INFORMATION

Mailing Address	City	State	Zip

Physical Address (If different, or if Mailing Address is a P.O. Box)	City	State	Zip

Your Cell Phone	Spouse's Cell Phone	Other Phone	Email Address

2020 TAX YEAR/ OTHER YEAR______

Marital status at the end of 2020 tax year/ OTHER______YEAR

☐ Single ☐ Married

If married, did you live apart from your spouse during the last 6 months of **Tax Year**?

☐ Yes ☐ No

By answering "Yes," you are confirming that if requested by the IRS, you can provide documentation that verifies your spouse did not live with you during the last 6 months of the year, such as a lease agreement, utility bills, a letter from a clergy member, or a letter from social services.

Can you be claimed as a dependent on someone else's tax return?

☐ Yes ☐ No

Did you pay for over half the cost of keeping up your home during **Tax Year**?

☐ Yes ☐ No

Upkeep expenses include rent, utilities, food eaten in the home, mortgage interest, real estate taxes, and insurance on the home. If you use payments you received under any public assistance program to pay for part of the cost of keeping up your home, you cannot count them as money you paid. However, you must include them in the total cost of keeping up your home to figure if you paid over half the cost.

By answering "Yes," you are confirming that if requested by the IRS, you can provide documentation that verifies you paid for over half the cost of keeping up your home, such as rent receipts, utility bills, grocery receipts, and other household bills.

Are you an US Citizen?________

DEPENDENTS

First Name	Last Name	Birth Date	Social Security Number	Relationship to You. Son, Daughter,Niece, Parent...	# of Months Lived with You

Did you have Marketplace Health Insurance? Yes_____No______ if yes we need form 1095A

If answered yes and form not provided this will delay your refund

If requested by the IRS, what documentation can you provide that shows evidence that each of your dependents lived with you for the number of months stated above during **the current tax year of filing** (school, medical, insurance, childcare provider, social service records, mail etc.)? Please provide a copy

DUE DILIGENCE QUALIFYING INFORMATION INTAKE SHEET

Did you receive stimilus Check?_________if yes, How much? 1.________2.________ What year ____2020 or ____2021

1. Were you (or spouse) nonresident alien for any part of the year? *____Yes ____ No **Are you US Citizen**____Yes___No
2. Are you (or spouse) a qualifying child of another person? * _____Yes ______ No
3. Information you are giving is for filing for tax year 2020 that you are providing. * _____Yes ______ No (IF NO)? ____year
4. Are you eligible to claim the credit(s) and/or HOH filing status? * _____Yes ______ No
5. To meet the record retention and due diligence requirement, can you provide documents that we may determine eligibility or to compute the amount for credit(s)? * ____Yes ____ No (#10 Birth Certificate, letter from parent, residency doc, Age)
6. Can you provide documentation to substantiate eligibility for and the amount of the credit(s) and/or HOH filing status claimed on the return? * _____Yes ______ No (Utility bill, lease, mailing etc.)
7. Were any credits disallowed or reduced in a prior year? * _____Yes ______ No
8. Were any of these credits disallowed or reduced in a previous year? * _____Yes ______ No
9. If filing a business on Form 1040, is it a Schedule C for business you did in 2020? *____Yes ____ No (may you provide documents (income & expense ledger, Business card/flyer, EIN etc.)

NO DEPENDENT INFORMATION

For determination, in fact, for eligibility to claim the EIC for the number of children for whom the EIC is claimed, or to claim the EIC if the taxpayer has no qualifying child? *

10. can you provide documents to show proof of Relationship, Residency, and age? * _____Yes _____ No
11. Was your main home (and or spouse if filing jointly) in the U. S. for more than half the year? (Military* ___Yes ___ No
12. personnel on extended active duty outside the U.S. are living in the U.S. during that duty period. * ___Yes ___ No

CHILD TAX CREDIT QUESTIONS

13. In order to claim the CTC/ACTC, does the child(dren) reside with you? * _____Yes ______ No
14. As explained, you do understand that ***you may not claim the CTC/ACTC if you have not lived with the child for over half of the year, even if you have supported the child,*** unless the child's custodial parent *has released a claim to exemption for the child?* * ___Yes ____ No
15. As explained, you do understand the rules about claiming the CTC/ACTC/ODC ***for a child of divorced or separated parents (or parents who live apart),*** including any requirement to attach a Form 8332 or similar statement to the return? *Having custody of your child usually means you can claim that child as a dependent on your taxes. But if you don't have to file a tax return, or you reach an agreement with your child's noncustodial parent, you can let them take the child as a dependent instead with Form 8332. * ____Yes ____ No

DUE DILIGENCES FOR NON-PARENT

Why Parents not Claiming Children? CHOOSE OR EXPLAIN AND SIGN TO WHAT APPLIES

16. Parent did not work, and child lived with me & I am the care giver providing more than ½ my income X___________
17. Parents worked, lived with me and I am the care giver providing more than half my income, residency and AGI higher than child's parent. X____please see #14 of Child Tax Credit sec.
18. Awarded by the courts (do you have documents if requested by the IRS?)________
19. Other, Explain____

HEAD OF HOUSEHOLD QUESTIONS

20. Are you unmarried or considered unmarried on the last day of the tax year and provided more than half of the cost of keeping up a home for the year and have a qualifying dependent? * _____Yes _____ No
21. Do you certify that all answers in the due diligence is to be used to fill out due diligence Form 8867 and in preparation of your 2020 tax preparation services has been answered, to the best of your knowledge, true, correct and complete? * ____Yes ____ No

By reading and answering the above questions accordingly to your status helps your tax specialist to prepare an accurate return based on documents and information provided by you.

Taxpayer Signature____Date_______________________

HOW WOULD YOU LIKE TO RECEIVE YOUR REFUND? CHOOSE BELOW

BANK PRODUCTS:

Will you like to use one of our bank products to have your fees to be deducted from your refund? ( )**Yes**( )**No**

( )Direct Deposit Routing #______________________________Account# ______________________________
( )Check Print in our office or ( ) Check by Mail
( )Meta Bank Visa Debit Card -

Will you like to apply for Refund Advance? ( )**Yes**( )**No** **OPTION:** ( ) Check ( ) or Meta Bank ( ) Direct Deposit

*Non-Bank Products: Requires payment of fees upfront.

Would you like to purchase Audit Protection? ( )Yes ( )No OR Identity Theft protection? ( )Yes ( )No

OTHER AREAS YOU MAY HAVE OBTAINED IN 2020 MUST BE FILED

1. Did you win any money from gambling or lottery? If yes, paperwork is required.__________ (form W2G)
2. Did you have any problems last year with your child (ren) EIC? Circle Yes or No. If yes use form 8962
3. Did you receive unemployment compensation? Yes or no? If yes, paperwork is required
4. Did you adopt any child/children this year? If yes, form 8839 needed. Cash tax only (13,360)
5. Did you attend College this tax year? If yes where?

Will you or your dependent be claiming education credits? If yes do you have your school form 1098T and a copy of expenses not covered by grants. You must have school document to claim the credit and have attended a 2-4-year College, for American Hope Credit.(Not a technical school or high school)

SELF EMPLOYED DUE DILIGENCE SECTION` If you are including self-employment please complete this section

Have you been issued a 1099-MISC to support the income? 1099____ W2_____do you have any other source of income?____
•What type of Business is this? __________________________________Do you have receipts_______
•Can you furnish a list of income and expenses ledger ? _________________ Do you have Business card/flyer______
•How long have you owned your business?______Did you keep appointment booklets?____________Do you have receipts for cash made?_________About how many Clients do you have?_________Is this a cash business?________Did you keep a mileage log for Business miles? If yes, how many miles___________ Was business vehicle in service if so date:______
•If you do not have mileage log or ledger please complete Self-Employed detailed Taxpayer's summary Sheet to furnish information.

THIS CONCLUDES TAX SERVICES PLEASE SIGN BELOW. THANK YOU FOR YOU R BUSINE

*I (we) state under penalty of perjury that I (we) are the biological parent, or have legal guardianship, & dependent(s) lived with me (us) & have I (we) provided more than half income and provision of the listed dependents above. I (we) state that I (we) have the legal right to claim the listed dependents on my tax return. The IRS reserves the rights to request documents supporting the verification of residency and relationship of the qualifying child(ren) regarding EIC. Upon circumstances in which IRS request verification, I'm (we) are willing to surrender supporting documents (i.e. school records, medical records, child care provider records, social service records, place of worship statements, Indian Tribal Official statements, and/or landlord or property management statements) to the IRS.I (We) have given my (our) tax preparer permission to prepare my federal/state tax return on my behalf. I (we) acknowledge to the best of my ability that the information I (we) have provided today is true and accurate. By signing this application, I (we) agree that I (we) will be held responsible for any misleading information that I (we) provide to my TAX SPECIALIST and in no way hold tax prepare liable. This application shall serve as evidence for further references.

All information I have given is true and correct to the best of my knowledge. I also agree to and accept the Terms of Engagement.

Your Signature	Spouse's Signature	Date