Income Tax Specialist

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January 11, 2016

Dear Valued Client:

Thank you for placing your confidence in Income Tax Specialist. We are grateful for your business, and wish you and your family a very happy and prosperous year 2016.

Our clients should have excellent tax results this year filing. The Tax Law is very similar to last years. The new Health Care portion could result in a large refund or additional tax. There are 11 exceptions to the Health Care penalties. If you don't have Health Insurance, the penalties are about 4 times higher than last year. You need to send Form 1095A, which will go on your return, if one was issued.

Expert tax help is necessary to keep you informed of the laws that may affect you and to help find the best way to plan for the future and avoid embarrassing tax problems. Enclosed you will find your 2015 Tax Organizer. Please fill out as much as possible. On page 5 please list the Contributions for which you have receipts or bank or credit card records. The Internal Revenue Service reports that identity theft has more than doubled over last year. To prevent electronic identity theft we will prepare form 8948 to insure your Constitutional Right to op-out of electronic filing to avoid possible IRS intrusion. It is important you sign to opt-out on Page 6.

Our office remains open year round for your convenience. We have your records from last year and have obtained all the software, necessary forms, schedules and training to enable us to properly and accurately complete your computerized tax return. We are ready to serve you.

Thank you again and we look forward to hearing from you soon.

R.. William Wehrli EA
Owner/Manager

Gisela Cervantes
Tax Accountant

Michelle Wehrli
Tax Accountant

Misty Garcia
Receptionist

Visit our Website at www.incometaxspecialist.com to download our Tax Organizer
(Ministers look for our Minister's Organizer)

Tax Preparation by Mail

If you wish to have Income Tax Specialist do your tax return by mail, please do the following:

1. Send all required information, including W-2's if any. (It isn't necessary to send tax forms or booklets. We have our own forms, including all states.)
2. Send by first class mail or UPS if within the United States or Canada. You might consider Priority Mail. We use it. If overseas, send by email.
3. If you wish to charge the fee to your credit card, please fill in the following: (we will call you for approval when taxes are complete.)

   A. Credit Card Name: ______________________________

   B. Credit Card Number: ______________________________

   C. Expiration Date:____________________ Security Code No.____________

4. We do not send completed tax returns c.o.d. or without payment. We will call or email and tell you the results of the returns and the fee so you can send a check, money order or credit card info. We will send the tax return to you for your inspection and signature by first class, priority mail or UPS at our expense.
5. Please remember to include your phone number where you can be reached during the day and evening. We will call you to discuss the information you provided us with and to make sure there isn't anything missing.
6. You may call at any time to find out the status of your return.
7. If we receive your information after March 1st, it may be necessary for us to file an extension for both federal and state returns. These extensions will stop late filing penalties. The extension will not stop payment penalties & interest. If you will owe money you should send it in with the extension. We charge $29.00 for the extensions
8. A telephone appointment will help expedite your return. If we receive your information after September 15, 2016, we may not be able to complete by the extension deadline.

DIRECT DEPOSIT

Your refund will come about 7 days earlier if you direct deposit.

Routing Number____________________ Account Number ____________________
** Circle: Checking or Savings

Some Interesting Tax Information

If you had a Cancellation of Debt, you may have no tax to pay on this cancellation, but required to report it.
The business portion of Auto Mileage rate of 2015 is 57.5 cents.
If you have as interest of signatory rights to a foreign bank or financial account you are required to file Form TD F 90-22-1. If the aggregate value of these accounts exceeds $10,000.00 at any time during the year a (FBAR) is required.
If you are having trouble with a foreign bank account, Bill Wehrli would be very interested in hearing about it and how you solved the problem.
Home Office deduction now has a short form and a Save Harbor method for reduced deduction. Ministers normally don't have office in home Form, but parsonage which includes the whole home.
If you purchased Business Equipment, you may be eligible for up to 100% 1st Year Expensing.
If you don't have an IRA now you might be eligible for a large credit to start one. **Federal finances are in disarray, saving for retirement seems prudent.**

TAX ORGANIZER

INCOME TAX SPECIALIST OF AMERICA

141 NORTH BROADWAY
BLYTHE, CALIFORNIA 92225
(760) 922-8181 FAX (760) 922-4008
E-mail: bwehrli@uneedspeed.net

(If you are a Minister, please ask for the Minister's page of our Tax Organizer)
(If you are a new client, please send a copy of last years tax return)

FOR TAX YEAR __________

Your Name	S.S. # - -	Birthdate / /
Spouses Name	S.S. # - -	Birthdate / /
Mailing Address	Home Phone Number ( ) -	Work or Cell Phone Number ( ) -
	E-mail Address	

DEPENDENTS

NAME	S.S. #	D.O.B.	RELATIONSHIP

Was there anyone else you contributed support, that resides in the U.S., Canada or Mexico?

NAME	S.S. #	D.O.B.	RELATIONSHIP	% SUPPORTED	INCOME OF PERSON
					$
					$

CHILD OR DEPENDENT CARE

Did you pay a baby-sitter last year?

NAME OF SITTER	S.S. #	ADDRESS	AMT. PD.
			$
			$

If your sitter is an adult & works in your home, you are required to file W-2 forms by January 31. If you want us to prepare these forms contact us right away.

ESTIMATED TAXES

CREDIT FROM PRIOR YEAR'S VOUCHER PAYMENTS	FIRST QUARTER (APRIL 15)	SECOND QUARTER (JUNE 15)	THIRD QUARTER (SEPT. 15)	FOURTH QUARTER (JAN. 15)	TOTAL FOR YEAR
Federal $	$	$	$	$	$
State $	$	$	$	$	$

INCOME

Wages, Salaries, Tips, Etc. (Attach W-2s)
Interest income from Seller-Financed Mortgages & Individuals:
Interests from Banks & Financial Institutions (Attach 1099s)
Include all that have your Social Security number on them.

NAME	AMOUNT	NAME	AMOUNT
______________	$______________	______________	$______________
______________	$______________	______________	$______________

Did you sell or turn in any U.S. Savings Bonds? YES ☐ NO ☐
If yes, Please list information:______________________________
Nontaxable Interest: (Attach Information)
Did you have any foreign bank accounts? YES ☐ NO ☐
If yes, please explain______________________________
Did you have any penalties on Early Withdrawal of Savings Certificates? YES ☐ NO ☐
If yes, list or attach information______________________________
Dividends: (Attach 1099s) **Capital Gain Distributions**: (Attach 1099s)
Nontaxable Distributions: (Attach 1099s) **Pensions:** (Attach 1099s)
Exclusions of Reinvested Dividends from Public Utility: Attach Information
Did you contribute to your pension plan?__________ If yes, have you already recovered your contribution?__________
Did you have any Rollovers?__________ If yes, attach 1099 Distribution & Rollover papers **Alimony:** How much did you receive? $_____

OTHER INCOME

Estate & Trusts	$______________	(Attach K-1s)	Jury Duty	$______________
S-Corporations	$______________	(Attach K-1s)	Other	$______________
Partnerships	$______________	(Attach K-1s)	Other	$______________

Did you have any tips that you did not report to your employer? If not reported, how much did you receive? $______________
Prizes & Awards $______________ State Tax Refund $______________ Unemployment Compensation $______________
Lump Sum Distributions $______________ (attach 1099s) Gambling Winnings (attach W-2 G) $______________

Gains & Losses from Sale of Property, Stock, Etc.

Description	Date Bought	Date Sold	Sale Price	Cost & Expense	Gain or Loss
______________	___/___/___	___/___/___	$__________	$__________	$__________
______________	___/___/___	___/___/___	$__________	$__________	$__________
______________	___/___/___	___/___/___	$__________	$__________	$__________

SALE OF RESIDENCE - Please send or bring escrows of purchase & sale of new house. Also list improvements on old house.

DID YOU HAVE ANY OTHER INCOME FROM ANY OTHER SOURCE?

Source	______________	Amount	$______________
Source	______________	Amount	$______________
Source	______________	Amount	$______________

SOCIAL SECURITY

How much did you receive? $______________ How much did your spouse receive? $______________ (Attach 1099s)

If you paid any individuals or Partnership $600.00 or more for rent or services, you are required to file 1099s prior to February 28th. If you would like us to prepare these, please contact us right away.

FARM INCOME - If you had any Farm Income, attach or bring in the information.

BUSINESS INCOME / BUSINESS EXPENSES (FOR SELF EMPLOYED)

What is the main business activity?____________________
Business Name____________________
Business Address____________________

HOW MUCH IS YOUR GROSS BUSINESS INCOME ? $__________ (Attach 1099s)

HOW MANY MILES DID YOU DRIVE FOR BUSINESS PURPOSES? __________

Merchandise	$	Real Estate Taxes	$
Costs of Goods	$	Other Taxes & Licenses	$
Materials & Supplies	$	Travel (no meals)	$
Advertising	$	Meals & Entertainment	$
Bad Debts	$	Utilities & Telephone	$
Car & Truck Expense	$	Wages & Salaries	$
Commissions	$	Bank Service Charges	$
Insurance (other than health)	$	Tools	$
Mortgage Interest	$	Uniforms	$
Other Interest Paid	$	Safety Items	$
Legal & Professional Fees	$	Freight & Shipping	$
Office Expenses	$	Dues & Publications	$
Rent on Business Property	$	Laundry & Cleaning	$
Equipment Rentals	$	(other)	$
Repairs	$	(other)	$
Supplies	$	(other)	$

INCOME FROM PROPERTY RENTAL

	RENTAL 1	RENTAL 2	RENTAL 3
Rents Received (Attach all 1099s)	$	$	$
Advertising Costs	$	$	$
Association Dues	$	$	$
Auto & Travel	$	$	$
Cleaning & Maintenance	$	$	$
Commissions	$	$	$
Gardening	$	$	$
Insurance	$	$	$
Legal & Professional Fees	$	$	$
Licenses & Permits	$	$	$
Management Fees	$	$	$
Miscellaneous	$	$	$
Mortgage Interest	$	$	$
Other Interest Paid	$	$	$
Painting & Decorating	$	$	$
Painting Equipment (brushes, ladders, etc.)	$	$	$
Pest Control	$	$	$
Plumbing & Electrical	$	$	$
Repairs	$	$	$
Supplies	$	$	$
Cleaning Supplies	$	$	$
Tools	$	$	$
Taxes	$	$	$
Telephone	$	$	$
Utilities	$	$	$
Wages & Salaries	$	$	$
Other (list)	$	$	$
Other (list)	$	$	$
Other (list)	$	$	$

RENTAL INCOME (continued)

What type of property is the rental? (i.e. four bedroom house, warehouse, trailer park, etc.)

RENTAL 1________________________ RENTAL 2________________________ RENTAL 3________________________

When did you purchase your rental property? (Mm/Yy)

RENTAL 1..............._______/_______ RENTAL 2..............._______/_______ RENTAL 3 ...._______/_______

How much did the rental property cost you?

RENTAL 1 $______________________ RENTAL 2 $______________________ RENTAL 3 $____________________

Did you have any Farm Rental Income? __________ If yes, attach information.

Did you have any Royalties? __________If yes, attach information & 1099s.

DEDUCTIONS

MEDICAL

Medicines $____________________ Drugs $____________________

NAME	Amount Paid After Insurance Reimbursement	NAME	Amount Paid After Insurance Reimbursements
Doctors:____________________	$__________	Specialists:____________________	$__________
____________________	$__________	____________________	$__________
____________________	$__________	____________________	$__________
Dentists: ____________________	$__________	Chiropractors:____________________	$__________
____________________	$__________	____________________	$__________
____________________	$__________	____________________	$__________
Orthodontists: ____________________	$__________	Clinics:____________________	$__________
____________________	$__________	____________________	$__________
____________________	$__________	____________________	$__________
Practitioners:____________________	$__________	Hospitals:____________________	$__________
____________________	$__________	____________________	$__________
Transportation & Lodging_	$__________	Insurance Premiums (include Medicare)	$__________

Prenatal Care	$__________________	Postnatal	$__________________
Eyeglasses	$__________________	Hearing Aids	$__________________
X-Rays	$__________________	Lab Fees	$__________________
Medical Lodging	$__________________	Bandages	$__________________
Therapy Equipment	$__________________	Crutches	$__________________
Medical Supplies & Appliances	$__________________	Diabetic Expense	$__________________
Prosthesis Expense	$__________________	Therapy Pool	$__________________
Required Air Conditioning Expense	$__________________	Electrical Expense	$__________________
Repairs & Filters	$__________________	Stop Smoking Expense	$__________________

TAXES

Did you pay State Taxes last year? ________________________________ How much? $______________________

Did you pay State Taxes last year for prior years? ____________________ How much? $______________________

Auto License Fee	$__________________	Auto Sales Tax	$__________________
Real Estate Taxes	$__________________	Property Taxes	$__________________
Irrigation Taxes	$__________________	Personal Property Taxes	$__________________
Boat Taxes	$__________________	Other Taxes	$__________________

Did you buy any cars, boats, motorcycles, R.V.s, trailers, mobile homes, airplanes, etc.?______________ (Attach Information.)

DEDUCTIONS (CONTINUED)

INTEREST: (Attach all 1098s)

1ST HOME	NAME	AMOUNT	2ND HOME	NAME	AMOUNT
Mortgages.................	______	$______	Mortgages.................	______	$______
2nd Home Mortgage..	______	$______	2nd Home Mortgage...	______	$______
Late Charges..............	______	$______	F.H.A. Charges	______	$______
Mortgage Insurance...	______	$______	Real Estate Loan Fees	______	$______
College Loan Interest	______	$______	Points	______	$______
College Loan Interest	______	$______	College Loan Interest	______	$______

CONTRIBUTIONS: (Must have receipts, canceled checks or bank records)

Churches	$______	Payroll Deductions	$______
Missions	$______	Youth Programs	$______
Evangelists	$______	Muscular Dystrophy	$______
Bazaar	$______	Salvation Army	$______
Public Schools	$______	County Fairs	$______
Jaycees	$______	Boy - Girl Scouts	$______
Heart Fund	$______	Xmas / Easter Seals	$______
Cancer Fund	$______	United Way	$______

Did you donate any non - cash items such as food or used clothing? Please list description and value: ______________________

____

MISCELLANEOUS

Union Dues	$______	Spouse Dues	$______
Tax Preparer Fee	$______	Audit Fees	$______
Extension Fees	$______	Business Dues	$______
Books & Publications	$______	Safety Items	$______
Fire Retardant Clothing	$______	Safety Boots	$______
Protective Eye Wear	$______	Mosquito Spray	$______
Gloves	$______	Work Watch	$______
Tools	$______	Flashlights	$______
Batteries	$______	Water Jugs	$______
Uniforms	$______	Telephone for Business	$______
Cleaning	$______	Protective Headgear	$______
Investment Expense	$______	Sales & Promo Costume	$______
Adoption Expense	$______	Safety Deposit Box	$______
Record Keeping Costs	$______	Safety Glasses	$______
Other (list)	$______	Other (list)	$______

CONTINUED EDUCATION COLLEGE STUDENT CREDIT

Name of Student	______		
Name of Institution	______	Travel Expense	$______
Education Purpose	______	Tuition Expense	$______
Dates Attended	______	Supplies Expense	$______

Name of Student	______		
Name of Institution	______	Travel Expense	$______
Education Purpose	______	Tuition Expense	$______
Dates Attended	______	Supplies Expense	$______

EMPLOYEE BUSINESS EXPENSE

Did you use your personal vehicle to run errands, chase parts, carry job tools, etc. for your employer? Include Job Hunting.
Please explain : ______________________________

How many miles did you drive for the year ? ____________ How many miles did you drive for business ? ____________
Description of vehicle: Make ____________ Model ____________ Year ____________

Did you purchase an automobile last year ? ____________ Please enclose purchase papers.

Auto License Fee	$	Auto Sales Tax	$
Auto Interest	$	Parking & Tolls	$
	OPTIONAL		
Oil & Lubrication	$	Auto Club	$
Washing & Polishing	$	Tires, Batteries, Etc.	$
Repairs	$	Insurance	$
Fuel	$	Other (list)	$
	TRAVEL & EXPENSES OTHER THAN AUTO		
Plane & Rail Fares	$	Bus Fares	$
Taxi & Public Transit	$	Car Rentals	$
Lodging	$	Meals	$
Telephone, Fax, Postage	$	Tips & Baggage Charge	$
Laundry & Cleaning	$	Other (list)	$
	SALES EXPENSE		
Lunches, Dinners, Etc.	$	Show & Event Tickets	$
Organization Dues	$	Gifts	$
Stationary & Postage	$	Basic Phone	$
Long Distance Phone	$	Other (list)	$

Did you make any modifications to your home for the handicapped ? Please Describe : ____________
Cost of modifications $____________
Did you move last year? ________ How many miles did you move? ________ Date Moved ___/___/___
Transportation Cost $________ Storage Cost $________ Travel & Lodging $________
How much were you reimbursed that was not included in your wages? $________
Did you or your spouse contribute to a REGULAR IRA, ROTH IRA, SIMPLE or KEOGH ? $____________
Do you or your spouse have a retirement plan at work ? ____________
Did you pay alimony ? ________ How much ? ____________
Recipients Name & S. S. # ____________

DECLARATION : My tax return preparer R William Werhli has informed me that he may be required to electronically file my 2015 Income Tax Return form 1040, 1040A, form 1040EZ, if he files it with the IRS on my behalf (E.G., submits it by mail to the IRS). I understand that electronic filing my provide a number of benefits to taxpayers, including an acknowledgment that the IRS received the returns, a reduced chance of errors in processing the returns, and faster refunds. I do not want to have my return electronically filed, and I choose to file my return on paper forms. I will mail or otherwise submit my paper return to the IRS myself. My preparer will not file or otherwise mail or submit my paper return to the IRS.
I have provided the information on this form to the best of my knowledge and hereby declare it is complete and ready for the preparation of my/our income tax returns. Where business deductions shown, I acknowledge having spent these amounts and have kept a log or diary of such activities, pursuant to section 274(a) and can fully substantiate such deductions.

____________________ ____________________
SIGNATURE (must be signed) **DATE**

EARNED INCOME CREDIT
(Self-Employed Portion on the back)

A family with three children can receive Earned Income totaling as much as $6,143.00 from the Internal Revenue Office. Most families who qualify get less. The government is convinced that this credit is greatly misused. To help solve the misuse of Earned Income Credit they developed a new Form 8867 called Due Diligence. It is a several page form that must be filled out in detail or the preparer is automatically assessed an enormous fine. For 2013 returns preparers were assessed a total of $400,000,000.00. This Due Diligence must be completed.

Qualifying Child (For each child which each question applies)

1. **Children who are students**
   a. Is the child a student?
   b. What school does the child attend?
   c. Documentation showing the child was a student?
2. **Was the Child / Adult claimed have permanent & total disability?**
   a. What kind of disability does the child have?
   b. Does the child/Adult receive SSI or other disability payments?
   c. Letter from the child's / adults doctor, other healthcare provider, or any social service program or agency verifying that the child / adult is permanently and totally disabled?
3. **Relationship other than son or daughter.**
   a. If the biological parent is not living with the child, where is the Parent?
4. **Adopted children**
   a. Is the adoption final or pending?
   b. If the adoption is pending send a copy of a letter from an authorized adoption agency?
5. **Foster children**
   a. Do you have a letter from the authorized placement agency or applicable court document?
6. **Brother, Sister, Niece, Nephew, Grandchildren, Great-grandchildren.**
   a. Copy of Birth certificate that verifies your relationship to the child?
7. **Stepchildren or Descendent of them, Step-grandchildren, Great-grandchildren.**
   a. Copy of Birth Certificate & Marriage certificate verifying your relationship to the child.
8. **Residency- Qualifying Child.**
   a. Documentation required by the IRS. Letters on official letterhead from a school, medical provider, social service agency, place of worship, daycare provider or other acceptable entity that shows the address of where the child lived.
   2 letters or records if possible.
9. **Adjusted Gross Income - Qualifying Child.**
   a. If you are not a parent of the qualifying child, is your AGI higher than any parent of the Child?

FILING STATUS - HEAD OF HOUSEHOLD

1. Marital Status Questions for head of household filers circle which is correct

Never married	Married, but lived apart from spouse during
Spouse deceased	the last 6 months of the year
Divorced or separated	Separation agreement

2. If you are divorced or legally separated a copy of your Divorce Decree or Separate. Maintenance Agreement or Separation Agreement.

3. If you are married but did not reside with your spouse for the last 6 months submit documents such as

lease agreement	Letter from social services
utility bills	Other supporting documentation
letter from a clergy	

4. What can you send us that the IRS requires to substantiate the cost of maintaining more than half or the cost of your home.

utility bills	Rent receipts or mortgage interest statment
Property tax bills	Maintenance & repair bills
Grocery receipts	Other household bills

5. Did you receive any non-taxable support or income?

family support	childcare assistance
food stamps	other
housing assistance	

EARNED INCOME SELF-EMPLOYMENT QUALIFIYING QUESTIONS

To prove Due Diligence that self-employed income is justified to consider for filing for Earned Income Credit. Documents that would that can be submitted.

Business Cards	1099's
Business Stationery	completed organizer for self-employment or A&B for ministry
Business/occupational license	
Sales/excise, employment tax returns	monthly business bank accounts
Advertisements	

***Question on each business or ministry. Who prepared your business records?**

____

Alert

Important information from Bill Wehrli EA about requirements for 1099's

The IRS has new legislation to enforce the use of 1099's to collect taxes from the (so called) underground economy.
The form that all businesses, churches, Corporations and Non-Profits are required to use issue W-9s. This includes anyone who files Schedule C's & E's. Rentals are also considered as a business. W-9 form is given to each service provider that is not a corporation for work performed in the United States and its possessions and receives $600.00 or more. It is best to have it in your file before you pay the provider of services. Physical purchases are not services, and therefore, doesn't required this W-9 form. This W-9 form must be filled out by individuals, partnerships and ministers. This form is not sent into the IRS, but is filed & kept by the payer. There is a $50.00 fine for each performer of a service that this form is not kept for at least 3 years.

<u>Missionaries working overseas are not subject to filing a W-9 and receiving a 1099 and the end of the year, and should not be filed. If they perform work in the US for part of the year, even a single day, then that part is subject to these laws & should be filed.</u>

If a performer a services refuses to fill out a W-9 then you are required to withhold 25% of the money and send in to the IRS in a timely manner.

This form asks if the performer of the service is subject to 25% back up withholding. It the performer turns out to be subject to back up withholding, then this 25% must be withheld and sent in a timely manner to the IRS. If a performer is subject to back up withholding and didn't fill out a W-9 form and you didn't withhold the 25% then the payor is liable for the 25% and additional penalties and interest. If you pay in cash you are required to withhold the 25% and timely send it to the IRS. With this and Social Security withholdings the IRS receives billions of dollars that no Social Security Number can be attributed to any person. So each provider of services must fill out a W-9 that is not a corporation or overseas entity.

Then after the calendar year a Form 1099's is sent to each provider of services. This Form is due to be sent to the provider by the end of January and copies of the total amount of 1099,s with a 1096 Transmittal to the IRS by the end of February. This is the practical deadline as there is a fine that could be as high as $50.00 for each 1099 that is not filed by the end of February. These dates are also significant because a provider may file their taxes early, not remembering these earnings and not reporting them on this early return. They would be forced to amend their return and even then may have trouble with the IRS that could last for about a year. If then didn't amend they could have trouble for several years.

It is important to have at least a simple bookkeeping system in place to accurately file all these requirements. Most accounting software has provisions to keep at least the bookkeeping portion. Some will print the 1099's that can be optically read.

You would need a file for each provider's W-9s to show the IRS if required. This would have the providers Name, Address and ID number such as Social Security. I would mail the 1099's to their address with an envelope with Address Correction Requested. If the provider moved the Post Office will send it back to you with the new address if they know it. Then you can mail to the new address. You might keep the providers cell phone number, so you can call them if the Post Office doesn't know their new address. People usually keep the same cell phone even if they move out of state. If you get the envelope back keep it in a file so you can show you did your best.

If you keep your books by hand or by spreadsheet you might think about a worksheet something like this for each provider.

Name & Social Security Number
Address & phone number

Date	Check Number	The Service Provided	Amount Paid
Total			0.00

We may not like this, but this is the law and serious penalties are now in place. You can get information from irs.gov, and copies of forms you cannot use. IRS offices and the forms you need or you can order online or from your software provider.
We prepare these 1099's and transmittals for a nominal charge and have the forms and everything we need. We don't charge enough to be worth our time and costs but provide it for a service hoping we can make up for it in some other way. We do guarantee our work and form preparation. They have to be optically readable. This year we think we will get more of these that we ever really wanted.

IMPORTANT

If you have a business form, Schedule C or E you have to sign on page 2 of the 1040 that you have complied with this W-9 law and 1099 law, and sign that under the penalties of perjury that you have complied with this 1099 law.

<u>Do you have to 1099 your tax accountant?</u> Yes if you paid by checks or cash, and it was over $600.00 last year, and you filed a Schedule C or E. If you paid with a credit card the accountant will receive a form from the credit card company and you are not suppose to duplicate that amount.

HEALTH CARE TAX REQUIRMENTS

We always need all the 1099's, W-2's & 1098's for the year we are preparing.

The I.R.S has new forms that are to be reported on your Tax Return, from Health Insurance Companies, Form 1095-A. .

How difficult is this new requirement?

If you and your family had coverage for the whole year and you have a Form 1095-A which reports this fact, it is quite easy.

If you have several forms, including part-year coverage, it's more involved but quite doable. It is required to report each month for each family member.

If you got divorced or married last year or had several different Insurance Carriers & some months with insurance coverage and some months without coverage, it is much more involved.

If you didn't have Health Insurance, we need to legally avoid the penalty.

What needs to be done is a complete tax return with no audits and continuous letters and requests from the I.R.S. You and I don't want all that additional headache.

WHAT WE NEED

1. Form 1095-A: Your Health Insurance Company sends this to you. Send this form to us.

2. If you didn't have Health Insurance: You need to let us know why you didn't purchase health insurance. If there is more than one reason, list them so we can pick the best on the new penalty form. Without the reasons, the penalty is automatic.