

2023 Individual-SoleProp/Rental/LLC Taxpayer Organizer

(See next page for Organizer)

MV Tax & Accounting, Inc.

Karen Nelson, EA

1956 Patterson Dr

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801-791-3264

www.karens.tax

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LOCATIONS

Karen is now working EXCLUSIVELY from her home office. 1956 Patterson Dr. of Morgan Utah. Entrance via Home Porch. Icy conditions may exist - please prepare accordingly.

I appreciate your patience as we make this transition. Darcie is working from her home and is no longer available for in person drop offs. She will be available by your portal chat, phone, or email when Karen is unable to answer and will also continue to work with you during the information gathering process.

REMOTE OR IN PERSON OPTIONS:

- **Remote:** We can complete the entire process via your client portal or mail. <https://portal.karens.tax>
- **In-Person** Tax Prep by appointment-bring everything at that time. You may still complete the on-line organizer or load docs prior to prep day. More complex returns may not qualify for this option.
- **Drop off** or provide all docs. Once the return is complete, we will send you a scheduling link for an in-person or remote review.

OPTIONS FOR DELIVERY

- Use your **portal:** Step by Step instructions will guide you through each required action
- Drop off **option 1:** Lock Box in the lobby of Daylight Glass in Morgan (167 N State St Mon-Thurs 7-5)
- Drop off **option 2:** Karen's front porch office door - USE MAIL SLOT (available 24x7) just don't sneak around too late at night please.
- **Option 3 use Mail:** PO Box 165 Morgan, UT 84050

MUST DO'S

- ✓ you **MUST** complete and provide the annual questionnaire via the portal or paper one mailed to you. ALL business will do a paper organizer - see enclosed.
- ✓ Be prepared to pay a Deposit once we begin working on your file as we have done in prior years.
- ✓ Be prepared to pay the remaining balance due at the time of completion. We will be unable to file or provide any completed returns until your account is paid in full.
- ✓ Please note that any drop offs to my home location may not include being able to meet with me if I am engaged in another appointment or task that cannot be interrupted. Please arrange prior to drop off if you must have a word with me at this time.

You may start booking in-person appointments now on our website or request a link via text to 801-791-3264. Please do not hesitate to reach out if you have any questions or concerns and we will respond as timely as possible.

EVERYONE IS GETTING A PAPER ORGANIZER *however* we prefer you use the portal one, but this seems to help people physically see what's needed. If you own a business, see attached applicable organizer based on your entity set up. Use it... fill it out... don't toss it out unless you do the online one!! Thank you!!! We will be asking for it.

2023 Individual Taxpayer Organizer

- o New Clients: Provide last year's return
- o Copy of ID
- o Provide all tax forms: 1099s, W-2s, notices, etc
- o Receipts for energy credits
- o Back up docs as needed
- o Donation receipts
- o Provide appropriate organizer for each business entity
- o Additional accounting fees apply to navigate your Quickbooks file.
- o Stacks of receipts need to be added up by you (Generally, I don't really need them)
- o receipts for depreciable assets
- o All fees subject to change based on complexity and time on your return. Pricing factors include time spent in communication with you, as well as the complexity and time required to complete the necessary forms, calculations, research, and # of entities or partners involved in the reporting requirements. We may adjust fees at our own discretion.
- o Initial deposits will be requested once we begin work on the return. \$150 for personal returns and \$250 for business.
- o 1040 Base Fee: \$255 (Includes basic 1040, less than 5 W-2s or 1099S, Standard deduction, simple credits or deductions and normal consulting time)
- o Sch. C/E/F Base Fee: \$75 (Includes basic small business reporting, adjusted as needed)
- o 1120S/1065 Base Fee: \$650
- o Estimations for 2024 created at time of return prep based on 2023 return details: \$50.
- o If more complex estimations or discussions are requested, we will bill using our hourly consult and tax planning and advising rate of \$175 per hour.
- o Future estimation and tax planning services are not included in tax preparation fees. Tax Planning, quick question phone calls that last beyond 20 minutes and consultation services are billed hourly as incurred.

| | | | | | |
|----------------------|---------------|------------|---------------------------------|------------|--|
| Taxpayer | | | | Tax ID # * | |
| First Name | M.I. | Last Name | Email | IP PIN | |
| Occupation | Date of birth | | Are you new to our firm? Yes No | | |
| Address | City | | State | Zip | |
| County | Primary phone | | Secondary phone | | |
| Driver's License No. | State | Issue Date | Exp. Date | | |

| | | | | | |
|--|---------------|------------|---------------------------------|------------|--|
| Spouse | | | | Tax ID # * | |
| First Name | M.I. | Last Name | Email | IP PIN | |
| Occupation | Date of birth | | Are you new to our firm? Yes No | | |
| Address <small>(If different from Taxpayer)</small> | City | | State | Zip | |
| County | Primary phone | | Secondary phone | | |
| Driver's License No. | State | Issue Date | Exp. Date | | |

| | |
|--|--------------|
| If you moved during 2023, enter your previous address. | Date of move |
|--|--------------|

Marital status on 12/31/23: Single Married Separated Surviving Spouse Registered Domestic Partnership (RDP)
 Were you divorced or separated during the year? Yes No Were there any deaths in the family? Yes No
Note: Individuals in registered domestic partnerships (RDPs) and civil unions are not considered married for federal tax purposes.
Notices: Have you received any notice from the IRS or state revenue department within the past year? Yes No

| Names of dependent children Child's full name | Tax ID # * | IP PIN | Date of birth | Months lived in home in 2023 | Relationship to taxpayer | College student? |
|--|------------|--------|---------------|------------------------------|--------------------------|------------------|
| | | | | | | |
| | | | | | | |

Did any of the children have unearned income above \$1,250 for the year? Yes No Do any of the children have a disability? Yes No
 Is it anticipated that a different taxpayer will seek to claim a child listed above as their dependent for tax year 2023? Yes No

| Other dependents or people who lived with you | | | | | | |
|---|------------|--------|---------------|------------------------------|--------------|--------|
| Name | Tax ID # * | IP PIN | Date of birth | Months lived in home in 2023 | Relationship | Income |
| | | | | | | |

| | | | |
|---------------------------|--------------------------|-----------------------------|----------------|
| Bank information: Use for | Direct deposit of refund | Direct debit of balance due | Name of bank |
| Checking | Savings | Routing transit number | Account number |

Ask your tax preparer for information about depositing a refund into an IRA account or splitting the deposit into more than one account.
 *A Tax ID # is either a Social Security Number (SSN), adoption taxpayer identification number (ATIN), or an individual taxpayer identification number (ITIN).

Questions — All Taxpayers

(Provide related statements or other documentation.)

“You” refers to both taxpayer and spouse—ask your preparer if unsure about a question.

| | | | | | | |
|---|-----|--|--|-------------------------------|-----------------------|-------------------------------|
| LIFESTYLE & TAXES | Yes | No | Are either you or your spouse legally blind? | | | |
| | Yes | No | Did you pay or receive alimony in 2023? | | Recipient's SSN | Date of divorce or separation |
| | | | Paid Received \$ | | | |
| | Yes | No | Did you purchase health insurance through a public exchange/marketplace? (Provide Form 1095-A.) | | | |
| | Yes | No | Will there be any significant changes in income or deductions next year, such as retirement? | | | |
| | Yes | No | Did you pay anyone for domestic services (e.g., nanny, housekeeper, cook, caretaker) in your home? | | | |
| | Yes | No | Did you purchase a new or used energy-efficient, hybrid, or electric car, truck, or van? | | | |
| | Yes | No | Are you involved in bankruptcy, foreclosure, repossession, or had any debt (including credit cards) cancelled? | | | |
| | Yes | No | Are you a member of the military? | | State of residency | |
| | Yes | No | Were you a citizen of or lived in a foreign country? | | Foreign country | |
| | Yes | No | Do you own or have financial interest in a foreign bank or financial account? Maximum value \$ | | | |
| Yes | No | Would you like to allow your tax preparer or another person to discuss your return with the IRS? | | | | |
| | | Designee's name | | Phone number | PIN (any five digits) | |
| CHILDREN & EDUCATION | Yes | No | Were any children born or adopted in 2023? (Provide statement for other expenses.) | | | |
| | Yes | No | Were any children attending college? (Provide Form 1098-T and Form 1098-E.) | | | |
| | | | Year in college | Paid by you: Tuition \$ | Books \$ | Student loan interest \$ |
| | | | | Paid by student: Tuition \$ | Books \$ | Student loan interest \$ |
| | Yes | No | Did you pay any tuition for a private school for a dependent or take classes yourself? | | | |
| | | | Student | | Amount paid \$ | |
| | | | Name and address of school | | | |
| | Yes | No | Did you pay for child or dependent care so you could work or go to school? (Provide statement if applicable) | | | |
| | | | Name of provider | | EIN or SSN | |
| | | | Address | | Amount paid \$ | |
| Yes | No | Do you have any children who have unearned income of \$1,250 or more? | | | | |
| Yes | No | Did you make any contributions to a 529 plan in 2023? | | | | |
| INVESTMENTS | Yes | No | Did you, or will you, contribute any money to an IRA for 2023? | | Traditional IRA | Roth IRA |
| | Yes | No | Did you roll over any amounts from a retirement account in 2023? | | | |
| | Yes | No | Did you sell or transfer any stock or sell rental or investment property? | | | |
| | Yes | No | Did you receive any income from an installment sale? | | | |
| | Yes | No | Did you have any investments become worthless or were you a victim of investment theft in 2023? | | | |
| | Yes | No | Were you granted, or did you exercise, any employee stock options during 2023? | | | |
| | Yes | No | Did you (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (Digital assets include cryptocurrencies, NFTs, and stablecoins) | | | |
| DEDUCTIONS | Yes | No | Did you, or do you plan to, contribute money before April 15, 2024 to an HSA for 2023? If yes, provide details. | | | |
| | Yes | No | Did you pay any interest on a loan for a boat or RV that has living quarters? If yes, provide details. | | | |
| | Yes | No | Did you pay sales taxes on a major purchase in 2023, such as a vehicle, boat, or home? | | | |
| | Yes | No | Did you make any charitable contributions in 2023? If yes, provide details. | | | |
| BUSINESS | Yes | No | Did you work from a home office or use your car for your business? | | | |
| | Yes | No | Did you receive income from a sharing/gig economy activity (e.g. Airbnb, Uber, etc.)? | | | |
| | Yes | No | Do you own a business or an interest in a partnership, corporation, LLC, farming activities, or other venture? | | | |
| HOME | Yes | No | Did you purchase or sell a main home during the year? If yes, provide closing statement. | | | |
| | Yes | No | If you sold a home, did you claim the First-Time Homebuyer Credit when it was purchased? If yes, provide details. | | | |
| | Yes | No | Did you refinance a mortgage or take a home equity loan? If yes, provide closing statement. | | | |
| | Yes | No | Did you use any mortgage loan proceeds for purposes other than to buy, build, or substantially improve your home? | | | |
| | Yes | No | Did you make any new energy-efficient improvements to your home? If yes, provide details. | | | |
| State information | | Full-year resident | Part-year resident | Nonresident | School district | |
| States of residence during 2023 and dates | | | | Do you rent or own your home? | Rent | Own |
| | | | | Total rent paid \$ | Includes heat? | Yes No |

Income Worksheet

Provide to your preparer all Forms W-2, 1099-INT, 1099-DIV, 1099-R, 1099-MISC, 1099-NEC, 1099-K, and other income reporting statements. Do not list dollar amounts for the following forms. Your preparer will report the appropriate amounts.

Indicate "T" for taxpayer, "S" for spouse, "J" for joint

Provide additional statements if more room is needed

Forms W-2 — Wage and Tax Statement

| T/S | Employer name | T/S | Employer name |
|-----|---------------|-----|---------------|
| | 1) | | 4) |
| | 2) | | 5) |
| | 3) | | 6) |

Forms 1099-INT — Interest Income

| T/S/J | Name of issuer | T/S/J | Name of issuer |
|-------|----------------|-------|----------------|
| | 1) | | 4) |
| | 2) | | 5) |
| | 3) | | 6) |

Forms 1099-DIV — Dividends and Distributions

| T/S/J | Name of issuer | T/S/J | Name of issuer |
|-------|----------------|-------|----------------|
| | 1) | | 4) |
| | 2) | | 5) |
| | 3) | | 6) |

Forms 1099-R — Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, Etc.

| T/S | Name of issuer | T/S | Name of issuer |
|-----|----------------|-----|----------------|
| | 1) | | 4) |
| | 2) | | 5) |
| | 3) | | 6) |

If the distribution is before age 59½, give a reason to determine if an exception to penalty applies.

Tax-Exempt Interest (such as municipal bonds — include statement)

| Payer | \$ | Payer | \$ |
|-------|----|-------|----|
| | | | |

Other Income

| | | | |
|---|----|------------------------|--|
| State tax refund | \$ | Unreported tips | \$ |
| Unemployment compensation | \$ | Other | \$ |
| Social Security (taxpayer)— provide SSA-1099 or RRB-1099 | \$ | | \$ |
| Social Security (spouse)— provide SSA-1099 or RRB-1099 | \$ | | \$ |
| Gambling income — provide Form W-2G | \$ | | \$ |
| Business income (see <i>Sole Proprietorship Tax Organizer</i>) | | Stock sales | See "Sales and Exchanges Worksheet" below. |
| Rental income (see <i>Rental Property Tax Organizer</i>) | | Sale of other property | |

Sales and Exchanges Worksheet

Provide information about sales of stock, real estate, or other property, along with Forms 1099-B, 1099-S, or other supporting statements.

| Description of property | Purchase date | Cost/basis | Sale date | Sale price |
|-------------------------|---------------|------------|-----------|------------|
| | | \$ | | \$ |
| | | \$ | | \$ |
| | | \$ | | \$ |

Notes:

- When stock is sold, you will usually receive Form 1099-B, *Proceeds From Broker and Barter Exchange Transactions*, reporting the proceeds from the sale. However, your statement will not always provide the cost/basis information necessary to compute gain or loss. If the statement does not contain the cost/basis information, you must provide it. You may need to contact your broker for questions about cost/basis and purchase dates of your stock accounts.
- Often, "transfers" of stock or mutual funds within a brokerage account are actually sales of one type of stock and purchase of another. Even if you did not receive any cash from the transaction, you may have taxable gain or loss.
- If your stock dividends are automatically reinvested, the dividends will be taxable even though you did not receive any cash. The transaction is treated as if you had received cash and purchased additional stock. When the stock is sold, the amount reinvested over the years is taken into account. You may need to contact your broker for questions about the amount of reinvested dividends.
- If you sold property other than stock, your taxable gain or loss will be determined by your cost/basis. The cost/basis is usually the original purchase price plus improvements (the cost of repairs and maintenance are not taken into account for cost/basis).

Itemized Deductions Worksheet

Deductions must exceed \$13,850 Single, \$27,700 MFJ/QSS, \$20,800 HOH, or \$13,850 MFS to be a tax benefit.

Medical Expenses. Must exceed 7.5% of income to be a benefit—include cost for dependents—do not include any expenses that were reimbursed by insurance or paid with funds from an FSA, HSA, or HRA.

| | | | |
|------------|----|---------------|----|
| Dentists | \$ | Hospitals | \$ |
| Doctors | \$ | Insurance | \$ |
| Equipment | \$ | Prescriptions | \$ |
| Eyeglasses | \$ | Other | \$ |

Medical miles: _____ @ 22¢

Taxes Paid. Do not include taxes paid for full or partial business or rental-use property, including business use of the home.

| | |
|---|------------------------|
| State withholding | <i>Reported on W-2</i> |
| State estimated taxes—paid in 2023 | \$ |
| Real estate tax—residence | \$ |
| Real estate tax—other | \$ |
| Personal property taxes | \$ |
| Property tax refund—received in 2023 | \$ () |
| Foreign tax paid | \$ |
| Other | \$ |
| Other | \$ |
| Other | \$ |
| Balance paid in 2023 from prior year state returns (do not include interest or penalties) | \$ |
| Did you keep receipts for sales tax paid during 2023? | Yes No |
| Did you purchase a car, plane, boat, or home in 2023? | Yes No |
| Sales tax paid \$ | Purchase paid \$ Date |

Interest Paid. Do not include interest paid for full or partial business-use or rental-use property, including business use of the home. Provide all Forms 1098 or lender information and ID numbers.

| | | | |
|-------------|----|---------------------|----|
| Main home | \$ | Equity loan | \$ |
| Second home | \$ | Equity loan | \$ |
| Points | \$ | Investment interest | \$ |

Charitable Contributions. If over \$500 in noncash charitable contributions, provide details of contributions. Rules require that the taxpayer retain documentation for all contributions.

| | |
|--|----|
| Monetary (cash, check, credit card) | \$ |
| Noncash contributions (FMV). Clothing or household items must be in good used condition or better. | \$ |
| Did you transfer funds from an IRA directly to a charity? Yes No | \$ |
| Charitable mileage _____ @ 14¢ | |

Casualty and Theft Losses

If you suffered any sudden, unexpected damage or loss of property, or a theft in a federally-declared disaster area, provide details to your tax preparer. Yes No

Miscellaneous Itemized Deductions. Miscellaneous itemized deductions subject to the 2% AGI limitation are not deductible on the federal return. However, these expenses may be deductible on your state return. For use of home, auto mileage, or other job-related expenses, provide information on a separate sheet. Were any expenses reimbursed by your employer? Yes No

| | | | |
|---------------------|----|---------------|----|
| Dues | \$ | Subscriptions | \$ |
| Investment expenses | \$ | Supplies | \$ |
| Job education | \$ | Tax prep fees | \$ |
| Job seeking | \$ | Tools | \$ |
| Legal fees | \$ | Uniforms | \$ |
| Licenses | \$ | Union dues | \$ |
| Safety equipment | \$ | Other | \$ |

Other Deductions. The following deductions are not subject to the 2% AGI limit.

| | | | |
|-----------------------------|----|---------------------------|----|
| Gambling losses | \$ | Federal estate tax on IRD | \$ |
| Impairment-related expenses | \$ | Other | \$ |

Other Deductions or Questions

- Notes:**
- Gambling losses are deductible only up to the amount of gambling winnings reported. A log must be kept to verify losses.
 - Work clothing is not deductible if adaptable for every day wear. Exception for safety equipment, such as steel-toe boots.
 - Expenses to enable individuals, who are physically or mentally impaired, to work are generally deductible.

Adjustments Worksheet

| | |
|---|--------------|
| <i>Educator expenses.</i> Classroom expenses of teachers, counselors, and principals. Maximum \$300 each. | \$ |
| <i>Health savings account (HSA).</i> Contributions for 2023 may be made up until April 15, 2024. (Only include contributions you made out-of-pocket). | \$ |
| <i>Self-employed SEP, SIMPLE, and qualified plans.</i> Contributions for 2023 may be made up until April 15, 2024. | \$ |
| <i>Self-employed health insurance.</i> Sole proprietors, partners, and 2% S corporation shareholders if not eligible for employer coverage. | \$ |
| <i>Penalty on early withdrawal of savings.</i> | \$ |
| <i>IRA deduction.</i> For traditional IRAs. Roth IRAs are not deductible. Contributions for 2023 may be made up until April 15, 2024. | \$ |
| <i>Student loan interest.</i> Paid for taxpayers and dependents. | \$ |
| <i>Moving expenses.</i> Available only to members of the Armed Forces (or their spouses or dependents) on active duty that move pursuant to a military order and incident to a permanent change of station. | Ask preparer |
| <i>Business expenses of reservists, performing artists, and fee-based government officials.</i> | Ask preparer |
| <i>Other adjustments.</i> Include description. | \$ |

Estimated Tax Payments — Tax Year 2023

| <i>Installment</i> | <i>Date paid</i> | <i>Federal</i> | <i>Date paid</i> | <i>State</i> |
|--------------------------------------|------------------|----------------|------------------|--------------|
| First | | \$ | | \$ |
| Second | | \$ | | \$ |
| Third | | \$ | | \$ |
| Fourth | | \$ | | \$ |
| Amount applied from 2022 overpayment | | \$ | | \$ |
| Total | | \$ | | \$ |

Tax Preparation Checklist

Please provide the following documentation:

- All Forms W-2 (wages), 1099-INT (interest), 1099-DIV (dividends), 1099-B (proceeds from broker or barter transactions), 1099-R (pensions and IRA distributions), Schedules K-1 from partnerships, S corporations, estates and trusts, and other income reporting statements, including all copies provided from the payer.
- Form 1095-A (for health insurance purchased through a public exchange/marketplace), Form 1095-B (for health insurance purchased outside of a public exchange), or Form 1095-C (for employer-provided health insurance coverage).
- If you are a new client, provide copies of last year's tax returns.
- The completed Individual Income Tax Organizer. *Note:* If you choose not to fill out the organizer, you must at least answer the "Yes" or "No" questions under "Questions—All Taxpayers."
- Copy of the closing statement if you bought, sold, or refinanced real estate.
- Mileage amounts for any automobile expenses claimed, including total mileage, commuting mileage, and business mileage.
- Detail of estimated tax payments made, if any.
- Income and deductions categorized on a separate sheet for business or rental activities.
- List of itemized deductions categorized on a separate sheet for medical, taxes, interest, charitable, and miscellaneous deductions.
- Copy of all acknowledgement letters received from charitable organizations for contributions made in 2023.

Taxpayer Responsibilities

- You agree to provide us all income and deductible expense information. If you receive additional information after we begin working on your return, you will contact us immediately to ensure your completed tax returns contain all relevant information.
- You affirm that all expenses or other deduction amounts are accurate and that you have all required supporting written records. In some cases, we will ask to review your documentation.
- You must be able to provide written records of all items included on your return if audited by either the IRS or state tax authority. We can provide guidance concerning what evidence is acceptable.
- You must review the returns carefully before signing to make sure the information is correct.
- Fees must be paid before your tax returns are delivered to you or filed for you. If you terminate this engagement before completion, you agree to pay a fee for work completed. A retainer may be required for preparation of returns.
- You should keep a copy of your tax return and any related tax documents. You may be assessed a fee if you request a duplicate copy in the future.

Signatures. By signing below, you acknowledge that you have read, understand, and accept your obligations and responsibilities. For a joint return, both taxpayers must sign.

Taxpayer

Spouse

Date

Privacy Policy

The nature of our work requires us to collect certain nonpublic information. We collect financial and personal information from applications, worksheets, reporting statements, and other forms, as well as interviews and conversations with our clients and affiliates. We may also review banking and credit card information about our clients in the performance of receipt of payment. Under our policy, all information we obtain about you will be provided by you or obtained with your permission.

Our firm has procedures and policies in place to protect your confidential information. We restrict access to your confidential information to those within our firm who need to know in order to provide you with services. We will not disclose your personal information to a third party without your express written permission, except where required by law. We maintain physical, electronic, and procedural safeguards in compliance with federal regulations that protect your personal information from unauthorized access.

Sole Proprietorship Tax Organizer

Use a separate organizer for each business

Sole Proprietor General Information

| | | |
|---|-----------------------|--|
| Name of sole proprietor | | |
| Business name (if different) | | EIN (if applicable) |
| Business address (if different from home address) | | |
| Principal business activity | Date business started | Date business closed |
| Principal product or service | | |
| Yes | No | Was the primary purpose of the business activity to realize a profit? |
| Yes | No | Did you materially participate (involved in a regular, continuous, and substantial basis) in the operation of this business? |
| Yes | No | Has the business reported any losses in prior years? |
| Accounting method: Cash Accrual Other (specify) | | |
| Yes | No | Does the business file under a calendar year? (If no, list the fiscal year.) |

Sole Proprietor Specific Questions

| | | |
|-----|----|---|
| Yes | No | Did you pay any family members for business services? |
| Yes | No | Did you make any payments of \$600 or more to subcontractors, attorneys, accountants, directors, etc.? |
| | | If Yes, did you issue Form 1099-NEC? List name and social security number (SSN) for each person to whom you paid \$600 or more. |
| | | Name SSN |
| | | Name SSN |
| Yes | No | Did you make, or do you plan to make, any contributions to a self-employed retirement plan? |
| | | Type of plan Amount contributed \$ |
| Yes | No | Did you pay for your own health/dental insurance? If Yes, provide amount of premiums paid during the year. \$ |
| Yes | No | Did you have any employees? |
| Yes | No | Did you have any bartering transactions in 2023? |
| Yes | No | Did you have a Paycheck Protection Program (PPP) loan that was forgiven in 2023? |

Sole Proprietor Business Income

| | | |
|---|----|----------------|
| Gross receipts or sales (if you received Forms 1099-NEC or 1099-K, list name of payer and amount separately from gross receipts or sales) | | \$ |
| Form 1099-NEC | \$ | Form 1099-K \$ |
| Total of all Forms 1099-NEC and 1099-K received | | \$ |
| Returns (cash or credit refunds) and allowances (discounts or reductions in selling price) | | \$() |
| Other income (not included in gross receipts above) | | \$ |

Form 1099-NEC. You may receive Form 1099-NEC (instead of Form W-2) if you are not classified as an employee. If you receive Form 1099-NEC, you are generally required to file Schedule C, Profit or Loss From Business, claim any expenses associated with the income received, and must pay self-employment (SE) tax on the net income.

Sole Proprietor Cost of Goods Sold (for manufacturers, wholesalers, and businesses that make, buy, or sell goods)

| | |
|--|----|
| Inventory at the beginning of the year | \$ |
| Purchases less costs of items withdrawn for personal use | \$ |
| Cost of labor | \$ |
| Materials and supplies | \$ |
| Inventory at the end of the year | \$ |

Sole Proprietor Business Expenses

| | | | | | |
|---|----|---|----|--------|----|
| Advertising | \$ | Management fees | \$ | Wages* | \$ |
| Bad debts | \$ | Meals – business (50% deduct.) | \$ | Other | \$ |
| Bank charges | \$ | Office supplies | \$ | | \$ |
| Business licenses | \$ | Start-up costs (first year of business) | \$ | | \$ |
| Commissions and fees | \$ | Pension and profit-sharing plans | \$ | | \$ |
| Contract labor* | \$ | Rent or lease – car, machinery, equipment | \$ | | \$ |
| Employee benefit programs | \$ | Rent or lease – other business property | \$ | | \$ |
| Employee health care plans | \$ | Repairs and maintenance | \$ | | \$ |
| Entertainment (not deductible) | \$ | Supplies (not included in inventory cost) | \$ | | \$ |
| Gifts | \$ | Taxes – payroll* | \$ | | \$ |
| Insurance (other than health insurance) | \$ | Taxes – property | \$ | | \$ |
| Interest – mortgage | \$ | Taxes – sales | \$ | | \$ |
| Interest – other | \$ | Taxes – state | \$ | | \$ |
| Internet service | \$ | Telephone | \$ | | \$ |
| Legal and professional services | \$ | Utilities | \$ | | \$ |

* Provide copies of Form W-3, Form 940, Form 941, Form 1096, Form 1099-NEC, Form 1099-MISC, and any state tax forms filed.

Other Business Expenses – List out type and expense amount

| | | | |
|--|----|--|----|
| | \$ | | \$ |
| | \$ | | \$ |
| | \$ | | \$ |
| | \$ | | \$ |
| | \$ | | \$ |
| | \$ | | \$ |
| | \$ | | \$ |
| | \$ | | \$ |
| | \$ | | \$ |
| | \$ | | \$ |
| | \$ | | \$ |

Car Expenses (use a separate form for each vehicle)

| | | | | |
|----------------------------|----|---|---|----------------|
| Make/Model | | | Date car placed in service | |
| Yes | No | Car available for personal use during off-duty hours? | | |
| Yes | No | Do you (or your spouse) have any other cars for personal use? | Did you trade in your car this year? Yes No | |
| Yes | No | Do you have evidence? | Cost of trade-in | Trade-in value |
| Yes | No | Is your evidence written? | \$ | \$ |
| <i>Mileage</i> | | | <i>Actual Expenses</i> | |
| Beginning of year odometer | | | Gas/oil | \$ |
| End of year odometer | | | Insurance | \$ |
| Business mileage | | | Parking fees/tolls | \$ |
| Commuting mileage | | | Registration/fees | \$ |
| Other mileage | | | Repairs | \$ |

Generally, you can use either the standard mileage rate or actual expenses to calculate the deductible costs of operating your car for business purposes. However, to use the standard mileage rate, it must be used in the first year the car is available for business. In later years, you can then choose between either the standard mileage rate method or actual expenses.

Travel Expenses

• **Meals.** You can deduct the cost of meals while traveling away from home on business. You can use the actual cost of your meals or the standard meal allowance per diem, which can vary by location.

• **Travel/Lodging.** You can deduct the ordinary and necessary expenses of traveling away from your home for business purposes. Included expenses are transportation, airfare, taxi, lodging, etc.

| City visited (for per diem) | # of days in city | City visited (for per diem) | # of days in city |
|-----------------------------|-------------------|-----------------------------|-------------------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

Travel expenses

| | | | |
|--------------------------------|----|--|----|
| Airfare | \$ | Other travel expenses (describe below) | |
| Bus, train, taxi | \$ | | \$ |
| Entertainment (not deductible) | \$ | | \$ |
| Lodging | \$ | | \$ |
| Parking and tolls | \$ | | \$ |
| Meals (actual receipts) | \$ | | \$ |

Equipment Purchases – Enter the following information for depreciable assets purchased that have a useful life greater than one year

| Asset | Date purchased | Cost | Date placed in service | New or used? |
|-------|----------------|------|------------------------|--------------|
| | | \$ | | |
| | | \$ | | |
| | | \$ | | |
| | | \$ | | |
| | | \$ | | |
| | | \$ | | |
| | | \$ | | |
| | | \$ | | |
| | | \$ | | |
| | | \$ | | |

Depreciation. Depreciation is the annual deduction that allows you to recover the cost or other basis of your business property over a certain number of years. Depreciation starts when you first use the property in your business. It ends when you either take the property out of service, deduct all your depreciable cost or basis, or no longer use the property in your business. The IRS has outlined a useful life (a set number of years) for most assets.

Equipment Sold or Disposed of During Year

| Asset | Date out of service | Date sold | Selling price/FMV | Trade-in? |
|-------|---------------------|-----------|-------------------|-----------|
| | | | \$ | |
| | | | \$ | |
| | | | \$ | |
| | | | \$ | |

Disposition of Property. A disposition of property occurs when you sell property for cash or other property, you exchange property for other property, you transfer property to satisfy a debt, you abandon property, your bank forecloses or repossesses your property, or your property is damaged, destroyed, or stolen and you receive property or money in payment.

Business Use of the Home

Area of home must be used regularly and exclusively for business except for storage or daycare.

Note: Managing rental activities or investments does not qualify for business use of the home.

All Taxpayers

A) Business use area (square footage)

B) Total area of home (square footage)

For Daycare Only

1) Hours used for daycare

2) Total hours in year

8,760 hrs.

Enter below only the expenses paid during the period the home was used for business.

Direct expenses benefit only the business use portion of the home. This includes painting or repairs exclusively for the business area.

Indirect expenses are for keeping up and running the entire home, such as mortgage interest and property taxes.

If you bought or sold your home during 2023, copy this worksheet and fill out one for each home.

| | Direct | Indirect | | Direct | Indirect |
|-------------------|--------|----------|-------------------------|--------|----------|
| Mortgage interest | \$ | \$ | Repairs and maintenance | \$ | \$ |
| Property taxes | \$ | \$ | Utilities | \$ | \$ |
| Insurance | \$ | \$ | Other | \$ | \$ |
| Rent | \$ | \$ | Other | \$ | \$ |

Depreciation of the Home

Lower of cost or fair market value of home

\$

Improvements?

Yes No

Value of land

\$

Casualty losses in 2023?

Yes No

1) Exclusive Use Test—Business Use of Home

The exclusive use test is met if an area of the home is used only for business. The area can be a room or other separately identifiable space. The space does not need to be marked off by a permanent partition. This test is not met if you use the area both for business and for personal purposes, such as a den used for business during the day and TV viewing during the evening.

The exclusive use test is not required for:

- An area used on a regular basis for storage of inventory or product samples.
- A home used as a daycare facility.

Storage of inventory or product samples—exception to exclusive use test. If you use part of a home for business to store inventory or product samples, you are not required to meet the exclusive use test. However, you must meet all the following tests.

- You are in the business of selling products at wholesale or retail.
- The inventory or product samples are kept in the home for use in the business.
- You home is the only fixed location of the business.
- The storage space is used on a regular basis.
- The storage space is a separately identifiable space suitable for storage.

2) Regular Use Test—Business Use of Home

The regular use test means you must use a specific area of the home for business on a regular basis. Incidental or occasional business use is not regular use. All facts and circumstances are considered in determining whether the business use is regular.

3) Trade or Business Use Test—Business Use of Home

To satisfy the trade or business use test, the portion of the home used for business must be used in connection with a trade or business. If the business use is for a profit-seeking activity that is not a trade or business, the deduction is not allowed.

4) Principal Place of Business Test—Business Use of Home

A trade or business can have more than one location. To qualify for a business use of home deduction, the home must be the principal place of business for that trade or business. To make this determination, the following are considered.

- The relative importance of the activities performed at each place where business is conducted, and
- The amount of time spent at each place where business is conducted.

A home office qualifies under this test if:

- The home office is used exclusively and regularly for administrative or management activities of the trade or business.
- There is no other fixed location where substantial administrative or management activities are conducted.

Self-Employment (SE) Tax

• SE tax is a Social Security and Medicare tax primarily for individuals who are self-employed. It is similar to the Social Security and Medicare tax withheld from the pay of most wage earners. Your payments of SE tax contribute to your coverage under the Social Security system. Social Security coverage provides you with retirement benefits, disability benefits, survivor benefits, and hospital insurance (Medicare) benefits.

• You must pay SE tax if your net earnings from self-employment were \$400 or more, or you had church employee income of \$108.28 or more. The SE tax rules apply no matter how old you are and even if you are already receiving Social Security or Medicare benefits.

• The SE tax rate on net earnings is 15.3% (12.4% for Social Security plus 2.9% for Medicare). Only the first \$160,200 (2023) of combined wages, tips, and net earnings is subject to the 12.4% Social Security part of SE tax.

Rental Property Tax Organizer

Rental Income and Expenses

Indicate type of property as 1 - Single Family Residence, 2 - Multi-Family Residence, 3 - Vacation/Short-Term Rental, 4 - Commercial, 5 - Land, 6 - Self-Rental, or 7 - Other (describe).

| | <i>Property A</i> | | <i>Property B</i> | | <i>Property C</i> | |
|---------------------------------|-------------------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------|
| | Address of property: | | Address of property: | | Address of property: | |
| | | | | | | |
| | Type | | Type | | Type | |
| | Any personal use? | Yes No | Any personal use? | Yes No | Any personal use? | Yes No |
| | <i>Fair Rental Days</i> | <i>Personal Use Days</i> | <i>Fair Rental Days</i> | <i>Personal Use Days</i> | <i>Fair Rental Days</i> | <i>Personal Use Days</i> |
| | | | | | | |
| Date placed in service | | | | | | |
| Rents received | \$ | | \$ | | \$ | |
| Expenses | | | | | | |
| Advertising | \$ | | \$ | | \$ | |
| Auto and travel | \$ | | \$ | | \$ | |
| Cleaning and maintenance | \$ | | \$ | | \$ | |
| Commissions | \$ | | \$ | | \$ | |
| Insurance | \$ | | \$ | | \$ | |
| Legal and professional fees | \$ | | \$ | | \$ | |
| Management fees | \$ | | \$ | | \$ | |
| Mortgage interest paid to banks | \$ | | \$ | | \$ | |
| Other interest | \$ | | \$ | | \$ | |
| Repairs | \$ | | \$ | | \$ | |
| Supplies | \$ | | \$ | | \$ | |
| Taxes | \$ | | \$ | | \$ | |
| Utilities | \$ | | \$ | | \$ | |
| Other (list) | \$ | | \$ | | \$ | |
| | \$ | | \$ | | \$ | |
| | \$ | | \$ | | \$ | |
| | \$ | | \$ | | \$ | |
| | \$ | | \$ | | \$ | |

Property Information

If this is your first year with our firm, please provide a depreciation schedule for all property placed in service before 2023.

Property Purchased. Treat the cost of improvements made to real property as the purchase of a new asset.

| <i>Asset</i> | <i>Date purchased</i> | <i>Cost</i> | <i>Date placed in service</i> |
|--------------|-----------------------|-------------|-------------------------------|
| | | \$ | |
| | | \$ | |
| | | \$ | |
| | | \$ | |
| | | \$ | |

Property Sold or Taken Out of Service

| <i>Asset</i> | <i>Date sold or taken out of service</i> | <i>Selling price</i> | <i>Trade in?</i> |
|--------------|--|----------------------|------------------|
| | | \$ | |
| | | \$ | |
| | | \$ | |
| | | \$ | |
| | | \$ | |

LLC Tax Organizer

Use a separate organizer for each LLC

LLC General Information

| | | |
|--|----|--|
| Legal name of LLC | | EIN |
| LLC address <input type="checkbox"/> (check if new address) | | |
| LLC Representative | | Title |
| | | Email |
| | | Phone |
| Principal business activity | | |
| Principal product or service | | |
| Yes | No | Was the primary purpose of the LLC activity to realize a profit? |
| Accounting method: Cash Accrual Other (specify) | | |
| Yes | No | Does the LLC file under a calendar year? (If no, what is the fiscal year?) |
| Yes | No | Has the LLC made the election to be taxed as a corporation? |
| If the LLC is an S corporation, provide a copy of Form 2553, <i>Election by a Small Business Corporation</i> , and the acceptance letter from the IRS. | | |

LLC Specific Questions

| | | |
|-----|----|--|
| Yes | No | Does the LLC have an operating agreement? (If this is the first year of the LLC's existence, please provide a copy of the operating agreement and the articles of organization) |
| Yes | No | Are all members actively participating in the business? |
| Yes | No | Is any member in the LLC a disregarded entity, a partnership, a trust, an S corporation, or an estate? |
| Yes | No | Is the LLC a partner in another partnership? |
| Yes | No | Did any foreign or domestic corporation, partnership, trust, tax-exempt organization, individual, or estate own directly or indirectly 50% or more of the profit, loss, or capital of the LLC? |
| Yes | No | Did the LLC own directly 20% or more, or own directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? |
| Yes | No | Did the LLC have any debt that was cancelled, was forgiven, or had the terms modified so as to reduce principal amount of debt? |
| Yes | No | At any time during the year, did the LLC have an interest in, or signature authority over a financial account in a foreign country? |
| Yes | No | Was there a distribution of property or a transfer (by sale or death) of an LLC interest during the tax year? |
| Yes | No | Does the LLC satisfy the following conditions? <ul style="list-style-type: none"> • The LLC's total receipts for the tax year were less than \$250,000, and • The LLC's total assets at the end of the tax year were less than \$1 million. |
| Yes | No | Did the LLC pay \$600 or more to any individual? If yes, include a copy of Form 1099-NEC for each. |
| Yes | No | Did the LLC have a Paycheck Protection Program (PPP) loan that was forgiven in 2023? |

Principal Members Ownership Information

| Name | Tax ID number (SSN or EIN) | Address | Ownership percentage | Member or member-manager | U.S. citizen? |
|------|----------------------------|---------|----------------------|--------------------------|---------------|
| | | | 0.00% | | |
| | | | 0.00% | | |
| | | | 0.00% | | |
| | | | 0.00% | | |
| | | | 0.00% | | |
| | | | 0.00% | | |

LLC Other Transactions

| Member name | Guaranteed payments | Health insurance premiums paid | Capital contributions from member | Distributions to member | Member loans to the LLC | Loans repaid by LLC to member |
|-------------|---------------------|--------------------------------|-----------------------------------|-------------------------|-------------------------|-------------------------------|
| | | | | | | |
| | | | | | | |
| | | | | | | |

All Clients – Additional information and documents required

- Provide the income/financial statements for the year (per books), balance sheet, depreciation schedule per books, and cash reconciliation of business bank accounts with ending cash balance.
- If the LLC has employees or paid independent contractors, provide a copy of all Forms W-2, W-3, 940, 941, 1096, 1099-NEC, 1099-MISC, and any other forms issued to workers.
- If any members live in a different state or outside the U.S., provide details. The business may be subject to withholding requirements.

New Clients – Additional information and documents required

- Date LLC formed
- State LLC formed in
- Provide copies of LLC's Articles of Organization and Operating Agreement (if any).
- Provide copies of depreciation schedules for book, tax, and AMT.
- Provide copies of tax returns for last two years, including state returns (if applicable).

| Equipment Sold or Disposed of During Year | | | | |
|---|---------------------|-----------|-------------------|-----------|
| Asset | Date out of service | Date sold | Selling price/FMV | Trade-in? |
| | | | \$ | |
| | | | \$ | |
| | | | \$ | |
| | | | \$ | |

| LLC Business Credits (if answered Yes for any of the below, please provide a statement with details) | | | |
|--|----|--|---------------------------|
| Yes | No | Did the business pay expenses to make it accessible by individuals with disabilities? | |
| Yes | No | Did the business pay any FICA on employee wages for tips above minimum wage? | |
| Yes | No | Did the business own any residential rental buildings providing qualified low-income housing? | |
| Yes | No | Did the business incur any research and experimental expenditures during the tax year? | |
| Yes | No | Did the business have employer pension plan start-up costs? | Total number of employees |
| Yes | No | Did the business pay health insurance premiums for employees? | Total number of employees |
| Yes | No | Did the business purchase and place in service any electric vehicles or energy efficient commercial building property? | |

| Estimated Tax Payments — Tax Year 2023 | | | | |
|--|-----------|---------|-----------|-------|
| Installment | Date paid | Federal | Date paid | State |
| First | | \$ | | \$ |
| Second | | \$ | | \$ |
| Third | | \$ | | \$ |
| Fourth | | \$ | | \$ |
| Amount applied from 2022 overpayment | | \$ | | \$ |
| Total | | \$ | | \$ |

Tax Return Preparation

We will prepare the tax return based on information provided. In the event the return is audited, you will be responsible for verifying the items reported. It is important that you review the return carefully before signing to make sure the information is correct. Unless otherwise stated, the services for preparation of the return do not include auditing, review, or any other verification or assurance.

Taxpayer Responsibilities

- You agree to provide us all income and deductible expense information. If additional information is received after we begin working on the return, you will contact us immediately to ensure the completed tax returns contain all relevant information.
- You affirm that all expenses or other deduction amounts are accurate and that you have all required supporting written records. In some cases, we will ask to review documentation.
- You must be able to provide written records of all items included on the return if audited by either the IRS or state tax authority. We can provide guidance concerning what evidence is acceptable.
- You must review the return carefully before signing to make sure the information is correct.
- Fees must be paid before the tax return is delivered to you or filed for you. If you terminate this engagement before completion, you agree to pay a fee for work completed. A retainer may be required for preparation of returns.
- Keep a copy of the tax return and any related tax documents. You may be assessed a fee if you request a duplicate copy in the future.

Signatures. By signing below, you acknowledge that you have read, understand, and accept your obligations and responsibilities.

| Taxpayer | Title | Date |
|----------|-------|------|
|----------|-------|------|

Privacy Policy

The nature of our work requires us to collect certain nonpublic information. We collect financial and personal information from applications, worksheets, reporting statements, and other forms, as well as interviews and conversations with our clients and affiliates. We may also review banking and credit card information about our clients in the performance of receipt of payment. Under our policy, all information we obtain about you will be provided by you or obtained with your permission.

Our firm has procedures and policies in place to protect your confidential information. We restrict access to your confidential information to those within our firm who need to know in order to provide you with services. We will not disclose your personal information to a third party without your express written permission, except where required by law. We maintain physical, electronic, and procedural safeguards in compliance with federal regulations that protect your personal information from unauthorized access.

WHAT YOU NEED TO KNOW ABOUT THE CORPORATE TRANSPARENCY ACT -

This applies to all LLC's and penalties apply for failure to comply.

The Corporate Transparency Act (CTA), enacted in 2021, was passed to enhance transparency in entity structures and ownership to combat money laundering, tax fraud, and other illicit activities.

When do reports need to be filed for the Corporate Transparency Act?

The Corporate Transparency Act comes into effect on January 1, 2024. Reporting companies that are in existence on the effective date must file their initial reports within one year.

Reporting companies created after the effective date have 30 days after receiving notice of their creation or registration. However, FinCEN has proposed to extend the initial filing deadline for BOI reports from 30 to 90 days for entities created or registered in 2024.

Reports must be updated within 30 days of a change to the beneficial ownership, e.g., through the sale of a business, merger, acquisition, or death, or 30 days upon becoming aware of or having reason to know of inaccurate information previously filed

Corporate Transparency Act/Beneficial Ownership Reporting Assisting you with your compliance with the Corporate Transparency Act (“CTA”), including beneficial ownership information (“BOI”) reporting, is NOT within the scope of this engagement. You have sole responsibility for your compliance with the CTA, including its BOI reporting requirements and the collection of relevant ownership information. We shall have no liability resulting from your failure to comply with CTA. Information regarding the BOI reporting requirements can be found at <https://www.fincen.gov/boi>. Consider consulting with legal counsel if you have questions regarding the applicability of the CTA’s reporting requirements and issues surrounding the collection of relevant ownership information.

I have read about the Corporate Transparency Act and am aware of the requirements and am aware of penalties for failure to comply. I also understand that MV Tax & Accounting is not responsible for the filing, reporting or ensuring that clients are in full compliance.

Taxpayer

Title

Date

Agricultural Program Payments

Commodity Credit Corporation (CCC) Loans

Loan proceeds are generally not included in income. But if a farmer pledges a portion of crop production to secure a CCC loan, the proceeds can be treated as if it were a sale of crops. If this method is elected, the amount reported as income is added to the basis of the commodity.

Conservation Reserve Program (CRP)

Under this program, the government pays farmers with highly erodible or other specified cropland to convert its usage to a less intensive use. Rental payments and one-time incentive payments are taxable and are subject to self-employment tax.

Exception: CRP payments made to taxpayers who are receiving Social Security retirement or disability benefits are exempt from self-employment tax.

Crop insurance and Crop Disaster Payments

Insurance proceeds (including government disaster payments) received due to damaged crops are taxable in the year received. This includes payments for the inability to plant crops because of drought, flood, or any other natural disaster. The taxpayer can elect to postpone reporting income until the following year if:

- The cash method of accounting is used,
- Insurance proceeds are received in the same year the crops were damaged, and
- Under normal business practice, the taxpayer would have included income from the damaged crops in any tax year following the year the damage occurred.

Feed Assistance and Payments

The value of benefits received under this program is taxable. The government provides benefits to qualifying livestock producers when a natural disaster causes a livestock emergency. Benefits may be in the form of partial reimbursement of the cost of feed, certain transportation expenses, and donations of, or sale at, below market price of feed owned by the CCC. The following are included in taxable income.

- The market value of donated feed received.
- The difference between the market value of feed and the reduced price of feed purchased by the taxpayer.
- Any cost reimbursements received.

These benefits are taxable in the year received. They cannot be postponed under the crop insurance or weather-related sale of livestock rules. A corresponding deduction for the cost of feed, plus the benefit included in income, is allowed.

Contact Us

There are many events that occur during the year that can affect your tax situation. Preparation of your tax return involves summarizing transactions and events that occurred during the prior year. In most situations, treatment is firmly established at the time the transaction occurs. However, negative tax effects can be avoided by proper planning. Please contact us in advance if you have questions about the tax effects of a transaction or event, including the following:

- Pension or IRA distributions.
- Retirement.
- Significant change in income or deductions.
- Notice from IRS or other revenue department.
- Job change.
- Divorce or separation.
- Marriage.
- Self-employment.
- Attainment of age 59½ or 73.
- Charitable contributions of property in excess of \$5,000.
- Sale or purchase of a business.
- Sale or purchase of a residence or other real estate.

This brochure contains general information for taxpayers and should not be relied upon as the only source of authority. Taxpayers should seek professional tax advice for more information.

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Farm Income Worksheet



MV Tax & Accounting, Inc

Karen Nelson, EA
388 E State St Ste 2
Morgan, UT 84050

801-791-3264

www.karens.tax

Email: mvta@karens.tax





Farm Income Worksheet

| <i>Date</i> | <i>Check Number</i> | <i>Received From</i> | <i>Sale of Livestock</i> | <i>Sale of Crops</i> | <i>Cooperative Dividends</i> | <i>Agriculture Program Payments</i> | <i>Commodity Credit Corporation Loans</i> | <i>Crop Insurance Proceeds</i> | <i>Custom Hire Work</i> | <i>Breeding Fees</i> | <i>Other Income</i> |
|-------------|---------------------|----------------------|--------------------------|----------------------|------------------------------|-------------------------------------|---|--------------------------------|-------------------------|----------------------|---------------------|
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| | | Totals | | | | | | | | | |



Farm Expenses Worksheet

| Depreciation | | | | | | | |
|--------------|----------------|-------------------------|------|------------------------|-----------------------------------|---------------|--------------------|
| Asset | Date Purchased | Business Use Percentage | Cost | Date Placed in Service | Date Sold or Taken Out of Service | Selling Price | Trade-In Allowance |
| | | | | | | | |
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If this is your first year with our firm, please provide a depreciation schedule for all property placed in service in prior years.

Prepaid Farm Supplies

Prepaid farm supplies include feed, seed, fertilizer, and similar farm supplies that are not used or consumed as of the end of the tax year. A deduction for prepaid farm supplies may be limited to 50% of the total other deductible farm expenses for the year.

Real Estate Taxes on Farm Land

Taxes on the portion of the farm used as the taxpayer's personal residence should be deducted as itemized deductions rather than as business deductions.

Soil and Water Conservation Expenses

A farmer can choose to deduct certain expenses for soil or water conservation or for the prevention of erosion of land used in farming. Otherwise, these expenses are capital expenses added to the basis of the land. The deduction is limited to 25% of gross income from farming. Excess amounts are carried forward.

Contact Us

There are many events that occur during the year that can affect your tax situation. Preparation of your tax return involves summarizing transactions and events that occurred during the prior year. In most situations, treatment is firmly established at the time the transaction occurs. However, negative tax effects can be avoided by proper planning. Please contact us in advance if you have questions about the tax effects of a transaction or event, including the following:

- Pension or IRA distributions.
- Significant change in income or deductions.
- Job change.
- Marriage.
- Attainment of age 59½ or 73.
- Sale or purchase of a business.
- Sale or purchase of a residence or other real estate.
- Retirement.
- Notice from IRS or other revenue department.
- Divorce or separation.
- Self-employment.
- Charitable contributions of property in excess of \$5,000.

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