

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Purchases less costs of items withdrawn for personal use	\$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

All Taxpayers		For Daycare Only	
A) Business use area (square footage)		1) Hours used for daycare	
B) Total area of home (square footage)		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
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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. | |

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Farm Income Worksheet



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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

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

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- 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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