Our Questionnaire ensures we don't miss potential deductions for you.
**WE CAN NOT WORK ON YOUR RETURN WITHOUT A COMPLETED QUESTIONNAIRE.**

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# Lake Kennedy McCulloch, CPAs PS
# 2016 Income Tax Preparation Questionnaire

* Please Use Blue or Black Pen to complete this Form. Thank You. *

## Personal Information and Dependents

| | YES | NO | |
|---|---|---|---|
| 1 | ☐ | ☐ | Is all of the information listed on the *Personal Information* page correct? If No, please indicate changes. |
| 2 | ☐ | ☐ | Did your marital status change during the year? |
| 3 | ☐ | ☐ | Are you in a same-sex relationship and legally married in a state allowing same-sex marriage? |
| 4 | ☐ | ☐ | Are you in a Registered Domestic Partnership? |
| 5 | ☐ | ☐ | Could you be claimed as a dependent on another person's tax return for 2016? |
| 6 | ☐ | ☐ | Were there any changes in dependents? (births, deaths, adoptions, foster children, newly disabled, live-in non-working adults) |
| 7 | ☐ | ☐ | Were any of your unmarried children who might be claimed as dependents 19 years of age or older at the end of 2016? |
| | ☐ | ☐ | If Yes, were they full-time students for five or more months or disabled? |
| | ☐ | ☐ | If neither students nor disabled, did they earn more than $4,050 during 2016? |
| 8 | ☐ | ☐ | Did you provide over 50% support for an adult who lived with you (or is related to you) who earned less than $4,050 during 2016? |

**Dependents will need to file their own tax returns if:**
**1. Their earned income is greater than $6,300 or**
**2. They want a refund of their Federal Withholding**

*** Remember, if YOU claim them, they MUST NOT claim themselves ***

## Refunds and Electronic Filing

| | YES | NO | |
|---|---|---|---|
| 9 | ☐ | ☐ | If you get a refund, would you like it directly deposited to your bank account? If Yes, please attach a blank, voided check from the account. |
| 10 | ☐ | ☐ | Would you like to apply your refund to your 2017 estimated payments? |
| 11 | ☐ | ☐ | If you owe, would you like to pay via direct debit from your bank account? If Yes, please attach a blank, voided check from the account. (This option is not available AFTER April 18, 2017) |

The IRS REQUIRES that tax returns be filed electronically. We will file your return electronically if it qualifies.

☐ If you Do Not want your return filed electronically, check this box. We will have you sign a waiver form that the IRS requires

How would you like to receive your copy of your tax return? ☐ Paper ☐ PDF via Email ☐ PDF via Portal

## Estimated Payments

YES NO

12 ☐ ☐ Did you make 2016 FEDERAL quarterly estimated income tax payments? If Yes, complete attached *Estimated Taxes Worksheet*. If one is not attached to your Organizer, please call our office.

13 ☐ ☐ Did you make 2016 STATE or CITY quarterly estimated income tax payments? If Yes, complete *State Estimated Taxes Worksheet* (Does not apply to the State of Washington).

14 ☐ ☐ Would you like to set-up auto-withdrawals for your 2017 Estimated Tax Payments via direct debit? If Yes, please attach a blank, voided check from the account.

## Regular Income

YES NO

15 ☐ ☐ Are you or your spouse an employee of one or more businesses? If Yes, we need all your **W-2s**.

16 ☐ ☐ Are you a volunteer fire fighter?

17 ☐ ☐ Were you on active military duty during 2016?

18 ☐ ☐ Did you receive unreported tip income of $20 or more in any month?
If Yes, we need a **log of tip income.** Call if you have questions.

19 ☐ ☐ Did you receive Interest or Dividends from a bank or investment (not retirement) account?
If Yes, we need all **2016 FORMS 1099** you received.

20 ☐ ☐ Did you receive Interest or Principal from a private party? (i.e. contract or installment sale, personal loan, etc.) If Yes, please give us **all information** (including **contracts, settlement statements**, and **address and social security number of borrower** for 2016 transactions).

21 ☐ ☐ Did you receive income from the Alaska Permanent Fund? If Yes, we need all **2016 Forms 1099** you received or other documentation.

22 ☐ ☐ Did you cash any Series EE U.S. savings bonds issued after 1989 and pay qualified higher education expenses for yourself, your spouse, or your dependents? If Yes, we need to know the amount spent on education: ___________________________.

23 ☐ ☐ Did you receive a tax refund from a STATE? (*Does not apply to the State of Washington*)
If Yes, we need the **1099-G** from the State.

24 ☐ ☐ Did you receive any Alimony? (Child Support is **not** taxable - do not include.) If Yes, we need you to write down the amount actually received in 2016: ________________________.

25 ☐ ☐ Did you sell any stocks, bonds or other investment property? (***Not*** *in a retirement account*)
If Yes, we need the **brokerage firm's 1099** (if applicable) as well as the purchase dates, purchase prices, sale dates and sale proceeds for all investments sold.

**** If you had several sales, please call our office to discuss efficient ways of capturing data.**

26 ☐ ☐ Did you sell or refinance (circle one) your principal home or second home in 2016?
If Yes, and a **refinance,** we need the **settlement statements** from the **refi** of the home.
If Yes, and a **sale,** we need the **settlement statements** from the **sale and original purchase of** the home plus cost of improvements

☐ ☐ If Yes and a sale, was this your main home?

☐ ☐ Did you ever rent out this property or use it as a business-related home office?

☐ ☐ If Yes and a sale, did you live in this house for two of the last five years?

☐ ☐ If Yes and a sale, have you been widowed in the past two years?

☐ ☐ If Yes and a sale, did you receive this house as part of a Like-Kind Exchange in the last 5 years?

27 ☐ ☐ Did you have a distribution from an IRA or Pension? If Yes, we need all **Forms 1099-R**.

**YES NO** (Regular Income section continued)

28 ☐ ☐ Did you have rental property? If Yes, we need you to fill out the enclosed *Rental and Royalty Worksheets.* (If you did not receive one, please contact our office)

☐ ☐ Did you buy appliances for the rental in 2016? If Yes, list the item(s) you bought, the cost (including sales tax) and the date purchased on the enclosed *Rental and Royalty Worksheets.*

☐ ☐ Did you personally use the rental for 14 days or more during the year?

29 ☐ ☐ Did you have an interest in a Partnership, LLC, S Corporation, Estate, Trust or REMIC? If Yes, we need the **K-1** from each entity.

30 ☐ ☐ Did you receive any Unemployment Compensation? If Yes, we need the **Form 1099-G**.

31 ☐ ☐ Did you receive any Social Security or Railroad Retirement Benefits? If Yes, we need **Forms SSA-1099** or **RRB-1099**.

32 ☐ ☐ Did you receive any disability income? If Yes, we need any documentation you have.

33 ☐ ☐ Did you receive a legal settlement? If Yes, we will contact you to request information.

34 ☐ ☐ Did you receive any other income? (i.e., Jury Duty Pay, Grants or Scholarships, Hobby or Gambling income, etc.) If Yes, we need any documentation you have.

**** Please note: gifts and child support are not taxable and do not need to be reported. ****

35 ☐ ☐ Did you lend anyone money that became uncollectible in 2016? If Yes, we will call you.

36 ☐ ☐ Did you have any loans cancelled or forgiven or did you receive **Form 1099-C** in 2016?

37 ☐ ☐ Did you abandon any property or were you foreclosed on in 2016? If so, we need your **1099-C** or **1099-A**.

## Foreign Income Taxes and Accounts

*Use this section if you have signature authority for any foreign bank accounts or investment.* ***** The penalty for not reporting a foreign account is 50% of the account value!! *****

**YES NO**

38 ☐ ☐ Did you have **or were you a signer on** any foreign bank, security or other financial account?
If Yes, was the combined value over $10,000 at any time during the year? Yes ☐ No ☐
If Yes, complete the enclosed *Foreign Financial Account* worksheets. (If you did not receive these worksheets, please contact our office)

39 ☐ ☐ Were you a grantor or transferor for a foreign trust?

40 ☐ ☐ Did you have foreign income or pay any foreign taxes other than what is reported on your **2016 investment 1099**? If Yes, we need any documentation you have

## Self-Employment and Farming Income

*Did you pay for services from any subcontractor for $600 or more in 2016? If so, you need to provide them with a* ***Form 1099*** *by 2/01/17.* See enclosed *Requirements for Filing Forms 1099* or request from us*.*

**YES NO**

41 ☐ ☐ Did you have business (self-employment) income? If Yes, please provide us with financial statements, QuickBooks file OR fill out the enclosed *Schedule C Income & Expenses Worksheets*.

42 ☐ ☐ If you are self-employed, are you registered with the State of Washington Department of Revenue?

**** We also need your state Excise/B&O returns ****

43 ☐ ☐ Did you have employees? If Yes, we need **2016 W-3** and **Form 941** Reports; State **ESD** and **L&I** Reports

44 ☐ ☐ Did you have a working farm? If Yes, we need you to fill out the enclosed *Farm Income and Expenses* Worksheets. (If you did not receive one, please contact our office)

**YES NO** (Self-Employment and Farming Income section continued)

45 ☐ ☐ Did you purchase or sell any business/farm assets (furniture, equipment, vehicles, real estate, etc.) or convert any personal assets to business use?

If Yes, please give us purchase and/or sale dates, prices and item description.

46 ☐ ☐ Did your business donate books or computer equipment to a school or library?

47 ☐ ☐ Did your business make leasehold improvements this year?

48 ☐ ☐ Was part of your home rented out or used exclusively for your business or farm? **

49 ☐ ☐ Did you use your car for your business or farm work? **

** If Yes to questions **48 or 49**, we will need you to fill out the enclosed *Home Office* and/or *Auto Worksheet* **EVEN IF YOU USE QUICKBOOKS**

## Adjustments

**Be aware, Traditional and Roth IRA contributions are due April 18, 2017. You may withdraw an over-contribution by October 18, 2017 if you are on extension.**

Note: T = Taxpayer; S = Spouse

**YES NO**

50 ☐ ☐ Did you contribute to an IRA (not through work)? (If Yes, please fill in amount next to each type)

Traditional IRA Contributions: (T) ______________________ (S) _______________________

Roth IRA Contributions: (T) _______________________ (S) ________________________

51 ☐ ☐ Are you going to make additional contributions to your Roth or Traditional IRA for 2016?

52 ☐ ☐ If you have not yet made a contribution, would you like to? Interested in knowing the maximum? Ask us.

53 ☐ ☐ Did you convert from a Traditional IRA to a Roth IRA? If Yes, please provide all Year End Statements.

54 ☐ ☐ If you are Self-Employed, did you contribute to a retirement plan?

☐ ☐ If you have not yet contributed, do you intend to?

SIMPLE IRA Contributions: (T) _____________________ (S) __________________________

SEP-IRA Contributions: (T) ________________________ (S) _________________________

KEOUGH Contributions: (T) ________________________ (S) _________________________

**For all plan types in #54, please provide your year-end statement.**

55 ☐ ☐ Did you incur any unreimbursed expenses working as a teacher, aide, counselor, or principal for classes K-12? If Yes, list full amount (even if over $250): (T) _________________ (S) ___________

56 ☐ ☐ Did you pay interest on a student loan? If Yes, we need **Form 1098-E** from the lender.

57 ☐ ☐ Did you incur unreimbursed moving expenses (50+miles) due to a change of employment?

58 ☐ ☐ Were you penalized for taking money out of savings or a certificate of deposit?

If Yes, we need the **1099-INT** or **1099-OID** that lists the amount of penalty.

59 ☐ ☐ Did you pay any alimony (**NOT CHILD SUPPORT)**? Amount Paid: _________________________

Payee's Name and Social Security #:_______________________________________________

## Health Care

Note: T = Taxpayer; S = Spouse

**YES NO**

60 ☐ ☐ Do you have a Medical or Health Savings Account?
In order to take the deduction, we'll need Form **5498-SA**, **Form 1099-SA**

61 ☐ ☐ If you are **Self-Employed**, did you pay for your own Health or Long-Term Care insurance?
Amount paid for Health Ins: _______________ (T) _______________ (S)
Amount paid for Long-Term Care Ins: _______________ (T) _______________ (S)

62 ☐ ☐ If you are **Self-Employed**, did you pay health insurance for your employees?

63 ☐ ☐ Did you make COBRA payments in 2016?
If Yes, how much did you pay? _______________________

☐ ☐ If Yes, were the payments subsidized?

64 ☐ ☐ Did <u>you</u> have qualifying health care coverage?
☐ ☐ Did your spouse and dependents have qualifying health care coverage?

65 ☐ ☐ Was your health care coverage through the Affordable Care Act (aka ObamaCare)?
If Yes, please provide any **Form(s) 1095-A** that you received

66 ☐ ☐ Did anyone in your family qualify for an exemption from the health care coverage mandate? (See flyer)
If Yes, we need the Exemption Certification Number and Type and Period Covered

## Deductions

**YES NO**

67 ☐ ☐ Did you keep track of actual sales tax paid during 2016 or did you purchase any big ticket items such as a vehicle, vessel, or new building materials?

68 ☐ ☐ Did you PURCHASE a house in 2016? If Yes, bring us your purchase settlement statement

69 ☐ ☐ Did you pay real estate taxes (**property taxes)** during 2016?

70 ☐ ☐ Did you pay Mortgage Interest to a bank or a private party on primary or second home?
If Yes, please include **Forms 1098**

71 ☐ ☐ Did you pay Mortgage Interest on non-rental investment property (third home, raw land, etc.)?
If Yes, please include **Forms 1098**

72 ☐ ☐ Did you have a casualty loss?
Was it a result of a federally declared disaster? ☐ Yes ☐No
If Yes to either part of this question, we will contact you for further information

73 ☐ ☐ Did you have non-cash donations? (Granny's Attic, Goodwill, etc.)
If Yes, you may want to use our **Non-Cash Donations Calculator** found in the worksheets section of our website at *www.islandcpas.com*. Also, be sure to **include the charity's address** on the *<u>Charitable Contributions Worksheet</u>* (unless it's Granny's Attic)

**~ Must retain proof of <u>all cash</u> contributions as well as proof of <u>non-cash</u> contributions over $250 ~**

74 ☐ ☐ Are you filing as Married Filing Separately? If Yes and your spouse itemizes, you **must** itemize as well even if less than the standard deduction.

75 ☐ ☐ Did you have <u>unreimbursed</u> work (**not self-employment)** expenses (education, travel, supplies, etc)?
*** Include Job Hunting expenses and Resume Writing Costs ***

76 ☐ ☐ Did you have legal expenses related to your employment, business or real property? ***

***If Yes to either **#75 or #76**, please include details on the *<u>Miscellaneous Deductions Worksheet</u>*

77 ☐ ☐ Are you or your dependent living in an assisted living or other care facility?

## Credits

**YES NO**

78 ☐ ☐ Did you sell a house that you purchased in **2008** using the First Time Homebuyer's Credit program?

79 ☐ ☐ Did you pay for daycare expenses for your child under age 13 or for an adult dependent who is unable to care for him/herself? If Yes, complete attached Child & Dependent Care Expense Worksheet. **You cannot deduct these expenses without this information.** If a Worksheet is not attached to your Organizer, please call us.

80 ☐ ☐ Did you, your spouse, or any dependents take any college classes?
If Yes, we need proof of tuition paid, **Form 1098-T** and other related expenses

☐ ☐ Was the student in their first 4 years of study?

☐ ☐ Was the student enrolled more than half-time?

81 ☐ ☐ Did you start or finalize an adoption of a child in 2016?
If Yes, we will contact you for further information

82 ☐ ☐ Did you purchase a <u>new</u> plug-in electric, plug-in hybrid (with a battery capacity of more than 4kwh and is capable of being recharged from an external source) or a qualified fuel cell vehicle in 2016?
If Yes, please provide **purchase information**. Credit is dependent on vehicle type and units sold.

83 ☐ ☐ Did you add energy-efficient improvements to your personal or secondary residence?
If Yes, please provide **purchase information** and check improvement type(s) below:

☐ Geothermal Heat Pump, Fuel Cells, Wind Power

☐ Solar Water Heaters and/or Solar Electric

84 ☐ ☐ Did you add energy conservation improvements to your primary residence such as;
Insulation, windows, exterior doors, cool roofs, etc. If Yes, please provide **purchase information**.

## Other Taxes

**YES NO**

85 ☐ ☐ Did you engage the services of any household <u>employees</u>? (Nanny, Caregiver, etc.) NOT CLEANING SERVICES OR OCCASIONAL YARD-WORK.

86 ☐ ☐ Did you have any dependent children under age 19 or full-time student(s) under age 24 who earned investment income in excess of $1,000? If Yes, please bring all **Form 1099's**, **W-2's, and information on any other income received by them in 2016.**

87 ☐ ☐ Senior Property Tax **Reduction** – If you are 61 or older, own a home in WA and have a <u>gross</u> income (including Social Security) of less than $35,000 you may be eligible. Would you like assistance with this form? (requires a completed tax return and a separate preparation fee would apply)

88 ☐ ☐ Senior Property Tax **Deferral** – If you are 61 or older, own a home in WA and have a <u>gross</u> income (including Social Security) of less than $40,000 you may be eligible. Would you like assistance with this form? (requires a completed tax return and a separate preparation fee would apply)

## Miscellaneous

**YES NO**

89 ☐ ☐ Did you have a death in your family during 2016? Because estate laws have changed significantly, we should discuss tax ramifications and appraisal requirements.

90 ☐ ☐ Were you a policyholder who received payments under a long-term care (LTC) insurance contract or received any accelerated death benefits from a life insurance policy?

91 ☐ ☐ Have you received any correspondence from the IRS that we have not seen?
If Yes, please bring in a copy of the IRS letter for your file.

92 ☐ ☐ Do you have an installment agreement plan with the IRS for past taxes owed?

93 ☐ ☐ Did you or your spouse make any gifts to an individual or a trust that total more than $14,000?

**YES NO** (Miscellaneous section continued)

94 ☐ ☐ Have you been a victim of identity theft?

☐ ☐ As a result, did you receive an **Identity Protection PIN** from the IRS? If Yes, attach the IRS letter.

## Extensions

**(Fill out this section ONLY if you are preparing this organizer AFTER April 18, 2017)**

**YES NO**

95 ☐ ☐ Did you send a payment with your extension? If Yes, how much? ________________

96 ☐ ☐ Have you made any quarterly estimated payments for **2017**?

Payment Date:________________ Amount:______________________

Payment Date:________________ Amount:______________________

Payment Date:________________ Amount:______________________

## Signatures

Primary Contact for Questions relating to tax return:________________________________

Best Daytime phone number for Primary Contact:____________________________________

Best Email Address for Primary Contact:__________________________________________

**This QUESTIONNAIRE and ENCLOSED WORKSHEETS have been filled in completely and correctly to the best of my (our) knowledge.**

**Taxpayer Signature:**________________________________________ **Date:**_______________

**Spouse Signature:**_________________________________________ **Date:**_______________

## PRIVACY POLICY

CPA's have been and continue to be bound by professional standards of confidentiality. Therefore, we have always protected your right to privacy.

**Types of Nonpublic Personal Information We Collect.** We collect Nonpublic personal information about you that is provided to us by you or obtained by us with your authorization.

**Parties to Whom We Disclose Information.** For current and former clients, we do not disclose any nonpublic personal information obtained in the course of our practice except as required or permitted by law, and as necessary to properly provide our services to you. We make available information to our employees and to nonaffiliated third parties who need to know that information to assist us in providing services to you. In all such situations, we require a contractual agreement that includes procedural safeguards that protect the confidential nature of the information being shared.

**Protecting the Confidentiality and Security of Current and Former Clients' Information.** We retain records relating to professional services that we provide so that we are better able to assist you with your professional needs and, in some cases, to comply with professional guidelines. In order to guard your nonpublic personal information, we maintain physical, electronic, and procedural safeguards that comply with our professional standards.

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Please call if you have any questions, because your privacy, our professional ethics, and the ability to provide you with quality financial services are very important to us.