

Tax Time 2013 for Individuals



Blackburn, Childers & Steagall, PLC is requiring that all individual taxpayers answer the following questions before preparers begin work on their individual tax returns. If you answer "yes" to questions 1 – 3 on this page, you also need to answer corresponding questions on the following pages.

1. Did your business, rental activity or farm make payments for attorney fees or providers of medical and/or health services? Yes___ No___

Did your business, rental activity or farm make payments of \$600 to any single payee?
If you answered "Yes" to either question, please also answer the questions on the insert related to 1099s Yes___ No___

2. Are you claiming a deduction for business travel, entertainment or listed property? Yes___ No___
If you answered "Yes", please also answer the questions on the insert related to business travel...

3. Are you claiming a deduction for charitable contributions Yes___ No___
If you answered "Yes", please also answer the questions on the insert related to charitable contributions

4. Did you have a financial interest in, or signature authority over any financial account having a value exceeding \$10,000 in a foreign country? Yes___ No___
Someone from BCS will contact you to determine further filing requirements

5. Did you pay at least 50% of the health insurance premiums for your employees? Yes___ No___
Someone from BCS will contact you to determine your eligibility for the Credit for Small Employer Health Insurance Premiums

Client Name: _____

Initials: _____

Date: _____

**Answering the Questions
helps us prepare your return more efficiently.**

NEW 1099 QUESTIONS ON BUSINESS RETURNS

Generally, any trade or **business** that makes payments in the course of that trade or business of **interest, rents, compensations, remuneration for services, annuities, etc. aggregating \$600 or more for the year to a single payee is required to report the payments to the IRS and to the recipient of the payments by filing Form 1099.** This reporting requirement generally *does not apply to payments to corporations*. However, the 1099 reporting requirements do apply to payments made to corporations for attorneys' fees, and to amounts paid to corporations providing medical or health care services

The IRS now includes two questions concerning Form 1099 on all business returns, including Form 1040, Schedule C, Schedule F, and Schedule E as well as Forms 1065, 1120, and 1120-S. The questions are **1)** "Did you make any payments in 2012 that would require you to file Form(s) 1099", **and 2)** "If 'Yes,' did you or will you file all required Forms 1099?" We must answer these two questions when we prepare your 2012 Form 1040 if the 1040 includes a Schedule C, Schedule F, or Schedule E. In addition, we must answer these questions when preparing a Form 1065, 1120, or 1120-S. Therefore, if you have a trade or business, please review the above requirements for filing Forms 1099 and provide us with answers to the following questions:

- | | YES | NO |
|--|-------|-------|
| 1. Did you make any payments in 2012 that would require you to file Form 1099? | _____ | _____ |
| 2. If "Yes", did you or will you file all required Form 1099s? | _____ | _____ |

Please call us if you have any questions concerning the Form 1099 filing requirements. In addition, if you have not filed all required 1099s, we will help you meet your filing responsibilities. However, unless you engage us to do so, we do not routinely file Forms 1099 as part of preparing your income tax returns.

DOCUMENTING BUSINESS TRAVEL, ENTERTAINMENT, GIFT AND LISTED PROPERTY EXPENSES

The law disallows an otherwise allowable deduction for any expense for traveling (including meals and lodging), entertainment, gifts, or "listed property" (e.g., passenger vehicles and computers [unless used exclusively at your place of business]), unless the expense is substantiated by adequate records or by sufficient evidence corroborating your own statements.

In addition, the regulations generally require you to maintain documentary evidence (such as **receipts or paid bills**) for **1)** any lodging expenditure, and **2)** any other expenditure of \$75 or more. **For business travel**, the documentation should include the **amount, date, place, and business purposes** of the travel. **For business entertainment expenses**, the documentation should include the **amount, date, place, and business purpose** of the entertainment as well as the **business relationship** of the person or persons entertained. **For business gifts**, the documentation should include **the amount, date, description** of gift, **business purpose** of gift, and **business relationship** of recipient of the gift. **For listed property**, the documentation should include the amount (e.g., cost), business or investment use based on mileage, etc., date of the expenditure, and business or investment purpose of the property.

- | | | | |
|---|-------|-------|-------|
| Do you have the required documentation for any deductions claimed for business travel, entertainment, gift or listed property expenses? | YES | NO | N/A |
| | _____ | _____ | _____ |

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For any question answered Yes, please attach supporting detail or documents.

Personal Information:

	Yes	No
Did your marital status change during 2012?	<input type="checkbox"/>	<input type="checkbox"/>
If married, do you and your spouse want to file separate returns?	<input type="checkbox"/>	<input type="checkbox"/>
Did your address change during 2012?	<input type="checkbox"/>	<input type="checkbox"/>
Can you or your spouse be claimed as a dependent by another taxpayer?	<input type="checkbox"/>	<input type="checkbox"/>

Dependents:

Were there any changes in dependents from the prior year?	<input type="checkbox"/>	<input type="checkbox"/>
Note: Include non-child dependents for whom you provided more than half the support		
Did you pay for child care while you worked or looked for work?	<input type="checkbox"/>	<input type="checkbox"/>
Do you have any children under age 18 with unearned income more than \$950?	<input type="checkbox"/>	<input type="checkbox"/>
Do you have any children age 18 or student children, aged 19 to 23, who did not provide more than half of their cost of support with earned income and that have unearned income of more than \$950?	<input type="checkbox"/>	<input type="checkbox"/>
Did you adopt a child or begin adoption proceedings during 2012?	<input type="checkbox"/>	<input type="checkbox"/>

Purchases, Sales and Debt:

Did you have any debts canceled, forgiven or refinanced during 2012?	<input type="checkbox"/>	<input type="checkbox"/>
Did you start a new business, purchase a new rental property, farm or acquire any new interest in any partnership or S corporation during 2012?	<input type="checkbox"/>	<input type="checkbox"/>
Did you sell an existing business, rental property, farm or any existing interest in a partnership or S corporation during 2012?	<input type="checkbox"/>	<input type="checkbox"/>
Did you sell, exchange or purchase any real estate in 2012? If so, please attach closing statements.	<input type="checkbox"/>	<input type="checkbox"/>
Did you withdraw any amounts from your Individual Retirement Account (IRA) or Roth IRA to acquire a principal residence?	<input type="checkbox"/>	<input type="checkbox"/>
Did you receive grants of stock options from your employer, exercise any stock options granted to you or dispose of any stock acquired under a qualified employee stock purchase plan?	<input type="checkbox"/>	<input type="checkbox"/>
Did you pay any student loan interest in 2012?	<input type="checkbox"/>	<input type="checkbox"/>
Are your total mortgages on your first and/or second residence greater than \$1,000,000? If so, please provide the principal balance and interest rate at the beginning and the end of the year.	<input type="checkbox"/>	<input type="checkbox"/>
Did you have an outstanding home equity loan at the end of 2012? If so, please provide the principal balance and interest rate at the beginning and end of the year.	<input type="checkbox"/>	<input type="checkbox"/>
Did you take out a home equity loan in 2012?	<input type="checkbox"/>	<input type="checkbox"/>
Are you claiming a deduction for mortgage interest paid to a financial institution and someone else received the Form 1098?	<input type="checkbox"/>	<input type="checkbox"/>
Did you or your mortgagee receive any mortgage assistance payments? If Yes, enclose and Forms 1098-MA.	<input type="checkbox"/>	<input type="checkbox"/>

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Purchases, Sales and Debt (continued):

	Yes	No
Did you engage in any put or call transactions? If Yes, please provide details.	<input type="checkbox"/>	<input type="checkbox"/>
Did you close any open short sales during 2012?	<input type="checkbox"/>	<input type="checkbox"/>
Did you sell any securities not reported on your Form 1099-B?	<input type="checkbox"/>	<input type="checkbox"/>

Itemized Deductions:

Did you contribute property (other than cash) with a fair market value of more than \$5,000 to a charitable organization?	<input type="checkbox"/>	<input type="checkbox"/>
Did you incur any casualty or theft losses during the year?	<input type="checkbox"/>	<input type="checkbox"/>
Did you make any large purchases, such as motor vehicles and boats?	<input type="checkbox"/>	<input type="checkbox"/>
Did you incur any casualty or loss attributable to a federally declared disaster?	<input type="checkbox"/>	<input type="checkbox"/>

Miscellaneous:

Did you or your spouse have any transactions pertaining to a medical savings account (MSA) during 2012?	<input type="checkbox"/>	<input type="checkbox"/>
If you received a distribution from an MSA, please include Form 1099-SA.		
Did you or your spouse have any transactions pertaining to a health savings account (HSA) during 2012?	<input type="checkbox"/>	<input type="checkbox"/>
If you received a distribution from an HSA, please include Form 1099-SA.		
Did you or your spouse contribute to a Roth IRA or convert an existing IRA into a Roth IRA?	<input type="checkbox"/>	<input type="checkbox"/>
Did you or your spouse roll into a Roth IRA any distributions from a retirement plan, an annuity plan, tax shelter annuity or deferred compensation plan?	<input type="checkbox"/>	<input type="checkbox"/>
In 2010 did you or your spouse convert an IRA into a Roth IRA and not elect to include the taxable amount in your 2010 taxable income?	<input type="checkbox"/>	<input type="checkbox"/>
Did you rollover any amounts from a qualified retirement plan to a Roth IRA or Designated Roth Account and not elect to include the taxable distribution in your 2010 taxable income?	<input type="checkbox"/>	<input type="checkbox"/>
Did you withdraw any amounts from your IRA to pay for higher education expenses incurred by you, your spouse, your children or grandchildren?	<input type="checkbox"/>	<input type="checkbox"/>
Did you withdraw amounts from a Coverdell Education Savings Account or Qualified Education Program (Section 529 plan)? If Yes, include Form 1099-Q.	<input type="checkbox"/>	<input type="checkbox"/>
Did you or your dependents incur any post-secondary education expenses, such as tuition?	<input type="checkbox"/>	<input type="checkbox"/>
<div style="display: flex; align-items: center;"> <div style="width: 80%;"> If you or your spouse are self-employed, are you or your spouse eligible to be covered under an employer's health plan at another job? If Yes, how many months were you covered? </div> <div style="width: 10%; text-align: center; border: 1px solid black; padding: 2px;"> Months </div> <div style="width: 10%; text-align: center; border: 1px solid black; margin-left: 5px;"> <input type="text"/> </div> </div>	<input type="checkbox"/>	<input type="checkbox"/>
Did you move to a different home because of a change in the location of your job?	<input type="checkbox"/>	<input type="checkbox"/>
Did you pay in excess of \$1,000 in any quarter, or \$1,800 during the year for domestic services performed in or around your home to individuals who could be considered household employees?	<input type="checkbox"/>	<input type="checkbox"/>
Did you receive unreported tip income of \$20 or more in any month of 2012?	<input type="checkbox"/>	<input type="checkbox"/>
Did you or your spouse receive distributions from long-term care insurance contracts?	<input type="checkbox"/>	<input type="checkbox"/>
If Yes, please include Form 1099-LTC.		
Were you or your spouse a grantor or transferor for a foreign trust, have an interest in or a signature or other authority over a bank account, securities account or other financial account in a foreign country?	<input type="checkbox"/>	<input type="checkbox"/>
Did you or your spouse own any foreign financial assets?	<input type="checkbox"/>	<input type="checkbox"/>
Did you create or transfer money or property to a foreign trust?	<input type="checkbox"/>	<input type="checkbox"/>
Did you purchase a new alternative technology vehicle, including a qualified plug-in electric drive motor vehicle in 2012?	<input type="checkbox"/>	<input type="checkbox"/>

Questions (Page 3 of 4)

Miscellaneous: (continued)

	Yes	No
Did you use gasoline or special fuels for business or farm purposes (other than for a highway vehicle) during the year?	<input type="checkbox"/>	<input type="checkbox"/>
Have you received a punitive damage award or an award for damages other than for physical injuries or illness?	<input type="checkbox"/>	<input type="checkbox"/>
Were you notified by the IRS or other taxing authority of any changes in prior year returns?	<input type="checkbox"/>	<input type="checkbox"/>
Did you lose your job during 2012 because of foreign competition and pay for your own health insurance?	<input type="checkbox"/>	<input type="checkbox"/>
Did you install any alternative energy equipment in your residence such as solar water heaters, solar electricity equipment (photovoltaic) or fuel cells?	<input type="checkbox"/>	<input type="checkbox"/>
Did you install any energy efficiency improvements, or energy property in your residence such as exterior doors or windows, insulation, heat pumps, furnaces, central air conditioners or water heaters?	<input type="checkbox"/>	<input type="checkbox"/>
Have you been an identity theft victim and have you contacted the IRS?	<input type="checkbox"/>	<input type="checkbox"/>
If Yes, please furnish the 6-digit identity protection PIN issued to you by the IRS	_____	
Did you engage in any bartering transactions?	<input type="checkbox"/>	<input type="checkbox"/>
Did you make gifts of more than \$13,000 to any individual?	<input type="checkbox"/>	<input type="checkbox"/>
Did you have any foreign income or pay any foreign taxes during 2012?	<input type="checkbox"/>	<input type="checkbox"/>
Did you or your spouse serve in the military or were you or your spouse on active duty?	<input type="checkbox"/>	<input type="checkbox"/>
Did you or your spouse claim a homebuyer credit for a home purchased in 2008?	<input type="checkbox"/>	<input type="checkbox"/>

Severance/Retirement:

Did you retire or change jobs in 2012?	<input type="checkbox"/>	<input type="checkbox"/>		
Did you receive deferred, retirement or severance compensation?	<input type="checkbox"/>	<input type="checkbox"/>		
If Yes, enter the date received (Mo/Da/Yr).	<table style="margin: auto; border-collapse: collapse;"> <tr> <td style="text-align: center; padding: 2px 10px;">Date</td> </tr> <tr> <td style="border: 1px solid black; height: 20px;"></td> </tr> </table>		Date	
Date				
Did you or your spouse turn 70 1/2 during the year and have money in an IRA or other retirement account while not taking a distribution?	<input type="checkbox"/>	<input type="checkbox"/>		

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Sale of Your Home:

Did you sell your home in 2012?

If Yes, did you receive Form 1099?

If Yes, did you own and occupy the home as your principal residence for at least two years of the five-year period prior to the sale?

Did you ever rent out this property?

Did you ever use any portion of the home for business purposes?

Have you or your spouse sold a principal residence within the last two years?

At the time of the sale, the residence was owned by the: Taxpayer Spouse Both

Additional Information:

For any trust you created or that you are trustee, have any beneficiaries died during 2012?

Did you or your spouse make any contributions to Qualified State Tuition Plans (Section 529 plans) during 2012?

If Yes, enter the following:

TS	Name of Designated Beneficiary	Social Security Number	State Sponsoring Plan	Account Number	2012 Amount Contributed