

Jamie Duman
Certified Public Accountant

Dear Business Clients:

I hope you and your loved ones are faring well during these challenging times. For your convenience, I have provided a list of the documentation necessary for me to complete your 2020 tax return. **Don't forget:** please have all materials to me by **March 5, 2021**.

Due to an abundance of caution, all appointments for the 2021 tax season will be virtual. I am set up to handle Zoom or FaceTime meetings. Please let me know which you would prefer.

As usual, it would be helpful if I had your tax information prior to our meeting. Information can be submitted via email, fax, or in the secure drop box in the office foyer.

Completed returns can be emailed or mailed directly to you for signatures and payments.

Despite the challenges it presents, the team is very excited for the upcoming tax season. Amanda continues to excel as office manager as she starts her fifth tax season. Nichole—a new member of team that we're thrilled to have on board—will be working with Amanda on the payrolls and books. Sydne continues her exemplary work of reviewing all tax returns.

As always, we all look forward to working with you!

NEW TAX LAWS

The changes to this year's tax laws are too numerous and complex to include in one brief newsletter. I have a detailed summary provided by an outside tax source. Please let me know if you would like a copy.

The new laws include:

- Depreciation Deductions
- Relaxed Rules for Deducting Net Operating Losses
- Reduction in Business Interest Limitation
- Modification of Excess Business Loss Limitation Rules
- Minimum Tax Credit Refund
- Retirement Plans and Other Employee Benefits
- Qualified Business Income Deduction
- Employee Payroll Tax Deferrals
- Extension of Time to Pay Employment Taxes
- PPP Loan

TAX RETURN INFORMATION NEEDED:

At a *minimum*, the following supporting documentation should be submitted:

1. If the bank accounts have been reconciled, please provide a reconciliation to the book balances as of December 31, 2020. If the accounts have not been reconciled, please provide copies of **December 2020 bank statements** for **all** checking/savings accounts (i.e. if your bank statement has a mid-month cutoff, then please provide us with the January 2021 statement as well).
2. If there is a petty cash balance at December 31, 2020, please compare the cash amount on hand to the book balance. These amounts should be the same and need to be adjusted to actual.
3. If ending inventory exists at December 31, 2020, please provide a recap of your physical count taken at year-end.
4. Fixed asset additions purchased during 2020 (over \$2,500)—please provide copies of invoices supporting purchase price and date acquired. If the asset was financed, please provide the loan agreement.
5. Fixed asset disposals – please provide information on assets sold and/or abandoned during 2020.
6. Credit card statements **listing charges through December 31, 2020**. Depending on the statement cutoff date, this could be your January and/or February 2021 statements. Each credit card account should be reconciled to the book balance.
7. Statements reflecting the loan balance at December 31, 2020 (this may be the January 2021 statement). Loan balances may relate to equipment loans and lines of credit. If you receive a year-end summary reporting interest paid in 2020, please provide it. Also, please provide copies of any new and/or refinanced loan agreements that were entered into during 2020.
8. Year-end payroll reports including 2020 W-3 and W-2s. If you use an outside payroll service, please provide the last payroll report for the calendar year 2020.
9. Copies of 2020 Forms 1099 issued for the year.
10. Copies of contracts for new leases (i.e. property, vehicles of equipment) during 2020.
11. If applicable, please submit IRS Forms 1099 (Int., Misc., Cancellation of Debt, etc.) and any IRS correspondence your business may have received for 2020.
12. Documentation for any change of ownership for partners/shareholders, locations or number of stores. After your 2020 accounting has been completed (i.e. 2020 activity entered and accounts reconciled), please create an Accountant's Copy or Backup of your QuickBooks file for our use.

If you use software other than QuickBooks, please print balance sheets as of December 31, 2020 and December 31, 2019, an income statement for the calendar year 2020, as well as an accounts receivable summary list and accounts payable summary list as of December 31, 2020.

This is a preliminary list; additional information may be requested during income tax preparation. Your cooperation in submitting this information on a timely basis is most appreciated.

CUTOFF DATES FOR TIMELY COMPLETION OF ENTITY TAX RETURNS:

The initial federal filing due date for 2020 **C and S Corporate tax returns as well as Partnerships** is March 15, 2021. To ensure completion of your corporate return, **all** information must be received by our office **no later than March 5, 2021**.

The final extended federal filing date for 2020 **C and S Corporations and Partnership** tax returns is **September 15, 2021**.

Once our office receives all required information, tax returns are prepared on a first-in, first-out basis.

Thank you in advance for your assistance, and I look forward to working with you this year.

Sincerely,

Jamie Duman
Certified Public Accountant
Enrolled Agent

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