

# FRANKLIN & FRANKLIN, PA

CERTIFIED PUBLIC ACCOUNTANTS

3320 SISKEY PARKWAY, SUITE 102 ~ MATTHEWS, NC 28105 ~ TEL: 704-845-1195 ~ FAX: 704-845-1194

www.franklincpas.net

## TAX QUESTIONNAIRE

This tax questionnaire can be filled out and submitted to us with the necessary documents attached. Once we receive it, we will review it with you and then prepare your tax return. We will call or email with any questions and set a phone conference date if necessary in order to complete your return. If you need clarification on any question, please contact us or attach a note with the questionnaire.

### Summary of Items Needed to Complete Your Return:

- \_\_1. Most recent tax return (Last two if available), federal and state(s)
- \_\_2. Complete and sign the attached engagement letter
- \_\_3. Form W-2 Wage statements
- \_\_4. Form 1099 Interest and Dividend Income statements
- \_\_5. Form 1098 Mortgage Interest and Real Estate Tax statements
- \_\_6. Detail of health insurance coverage for 2017 (Form 1095A, B or C)
- \_\_7. Summary of all medical expenses
- \_\_8. Summary of all contributions. **(Taxpayer must have receipts and/or cleared checks for ALL amounts claimed and descriptions for non-cash items with condition)**
- \_\_9. Summary of all work related expenses **with receipts available as back-up**
- \_\_10. Cost basis of any investments you sold during the year
- \_\_11. A list of questions and issues you want addressed (optional)
- \_\_12. Anything else which might be relevant (Including Economic Stimulus Rebate Correspondence)

Any documents or information that is not available at the time of the meeting or telephone conference can be mailed or faxed later. We will schedule a time to meet with you to clarify any questions that we may have, or we may Email you additional questions.

### Please be certain to:

- o Sign & complete this page
- o Complete following questionnaire
- o Attach requested documents
- o Sign engagement letter

Please note, though the Federal tax filing deadline is 4/17/18, any return information not received by 3/23/18 and/or returns not completed by 4/7/18 **may be extended upon request**. Information for tax returns that are extended until the 10/15/2018 must be received by 9/15/18. Thank you for your cooperation!

**I (We) have submitted this information for the sole purpose of preparing my (our) 2017 tax return(s). Each item can be substantiated by receipts, cancelled checks or other documents. This information is true, correct and complete to the best of my (our) knowledge.**

Taxpayer Signature	Date
Spouse Signature	Date

Primary Email Address	Home Phone	Fax Number
Secondary Email Address	Work Phone	Cell Phone
Preferred Method of Contact (i.e., cell phone, e-mail, etc.)		



This Tax Organizer is designed to help you collect and report the information needed to prepare your 2017 income tax return. The attached worksheets cover income, deductions, and credits, and will help in the preparation of your tax return by focusing attention on your special needs.

Please enter your 2017 information in the designated areas on the worksheets. If you need to include additional information, you may use the back of a worksheet or an additional page.

When possible, 2016 information is included for your reference. You do not need to make any 2016 entries.

Note: The General Questions and Business/Investment Questions worksheets include a variety of questions designed to assist in completing your tax return. If you answer **yes** to any of the questions, be sure to provide the applicable details.

Please provide the following information:

- A copy of your 2016 tax return (if not in our possession).
- Original Form(s) W-2.
- Schedule(s) K-1 showing income or loss from partnerships, S corporations or estates or trusts.
- Copies of other compensation or pension documentation, such as Form 1099-MISC or Form 1099-R.
- Form(s) 1099 or statements reporting dividend and interest income.
- Brokerage statements showing transactions for stocks, bonds, etc.
- Form(s) 1098 reporting interest paid, copies of real estate tax bills and other information relating to real property holdings.
- Copies of closing statements regarding the sale or purchase of real property.
- All other information notices you received, or any items you have questions about.

Thank you for taking the time to complete this Tax Organizer.

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2017  
**TAX ORGANIZER**

Taxpayer Information	Spouse Information
Last name .....	Last name.....
First name .....	First name .....
Middle Initial..... Suffix.....	Middle Initial..... Suffix.....
Social security number .....	Social security number .....
Occupation .....	Occupation.....
Work phone ..... Ext ...	Work phone..... Ext ...
Cell phone.....	Cell phone .....
E-mail address.....	E-mail address.....
Date of birth.....	Date of birth .....
Address .....	Apartment number.....
City .....	State..... ZIP Code.....
Home phone..... Fax number .....	

Dependent Information					
First name	MI	Social Security Number	Date of Birth	Months Lived with Taxpayer	Child Care Expense
Last name	Suffix	Relationship			
.....					
.....					
.....					
.....					

Child and Dependent Care Provider Expenses			
Name	Address	ID Number	Amount Paid
.....	.....		
.....	.....		
.....	.....		

**Education Tuition and Fees**  
 Attach all Form 1098-Ts and a list of your qualified education expenses.

**Student Loan Interest Paid**  
 Enter total 2017 qualified student loan interest.....

<b>Attach Form(s) W-2 – Wages, Salaries, Tips and Other Compensation</b>	
<b>Employer Name</b>	<b>2016 Amount</b>
_____	_____
_____	_____
_____	_____

<b>Attach Form(s) 1099-R – Distributions from Pensions, Annuities, Retirement, Profit-Sharing, IRAs, etc</b>	
<b>1099-R Payer Name</b>	<b>2016 Amount</b>
_____	_____
_____	_____
_____	_____

<b>Attach Form(s) SSA-1099 – Social Security/Railroad Benefits</b>		<b>Taxpayer</b>	<b>Spouse</b>
Social Security Benefits from Form SSA-1099 .....	_____	_____	_____
Railroad Retirement Benefits from Form RRB-1099 .....	_____	_____	_____
Medicare B premiums withheld .....	_____	_____	_____
Medicare C premiums withheld .....	_____	_____	_____
Medicare D premiums withheld .....	_____	_____	_____

<b>Attach Form(s) 1099-MISC – Miscellaneous Income</b>	
<b>1099-MISC Payer Name</b>	
_____	
_____	
_____	
_____	

<b>Attach Form(s) 1099-INT – Interest Income</b>	
<b>1099-INT Payer Name</b>	<b>2016 Amount</b>
_____	_____
_____	_____
_____	_____
_____	_____

<b>Attach Form(s) 1099-DIV – Dividend Income</b>	
<b>1099-DIV Payer Name</b>	<b>2016 Amount</b>
_____	_____
_____	_____
_____	_____
_____	_____

**Attach Form(s) 1099-B, 1099-S – Sales of Stocks, Bonds, Real Estate, etc**  
 Attach all stock sale transaction information, including initial cost information.

**Other Government Forms to attach:**  
 Form(s) 1099-G – Certain Government Payments, Schedule K-1s – Partnership, S-Corporation, Trust or Estate Income, Form(s) W-2G – Gambling or Lottery Winnings, Form(s) 1099-Q – Payments from Qualified Education Programs

**Other Income:**  
 Alimony, jury duty, unreported tips, disability income, etc. Business, rentals, farms: Attach income and expenses for any business, rental or farm you own. Include a list of all new equipment acquired this year, including date of purchase and cost.

	<b>Taxpayer</b>	<b>Spouse</b>
<b>Retirement Plan Contributions</b>		
Traditional IRA contributions made for 2017 .....	_____	_____
Roth IRA contributions made for 2017 .....	_____	_____
SEP, Keogh, Individual 401(k) or SIMPLE Contributions .....	_____	_____

**2017 Deductions**

<b>Medical and Dental Expenses</b>	<b>2017 Amount</b>	<b>2016 Amount</b>
Prescription medications.....	_____	_____
Health insurance premiums .....	_____	_____
Doctors, dentists, etc .....	_____	_____
Hospitals, clinics, etc .....	_____	_____
Eyeglasses and contact lenses .....	_____	_____
Miles driven for medical purposes.....	_____	_____
Other medical and dental expenses: _____	_____	_____
<b>Taxes</b>	<b>2017 Amount</b>	<b>2016 Amount</b>
Real estate taxes paid on principal residence .....	_____	_____
Real estate taxes paid on additional homes or land .....	_____	_____
Auto license registration fees based on the value of the vehicle .....	_____	_____
Other personal property taxes .....	_____	_____
<b>Interest Expenses</b>		
Home mortgage interest paid – Attach Form(s) 1098.		
<b>Lender's Name</b>	<b>2017 Amount</b>	<b>2016 Amount</b>
_____	_____	_____
Points paid on loan to buy, build or improve main home		
<b>Lender's Name</b>	<b>2017 Amount</b>	
_____	_____	
<b>Cash/Check/Credit Contributions</b>	<b>2017 Amount</b>	<b>2016 Amount</b>
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>Noncash Charitable Contributions</b>		
Attach all receipts with details listing the following information: Donee, donee address, description of donation, date acquired and date contributed, your cost, value at time of donation, and how you acquired the property.		
<b>Miscellaneous Deductions</b>	<b>2017 Amount</b>	<b>2016 Amount</b>
Union and professional dues .....	_____	_____
Professional subscriptions, books, supplies .....	_____	_____
Uniforms and protective clothing (including cleaning) .....	_____	_____
Job search costs .....	_____	_____
Taxpayer educator expenses .....	_____	_____
Spouse educator expenses .....	_____	_____
Tax return preparation fees .....	_____	_____
Safe deposit box rental .....	_____	_____
Gambling losses (to the extent of gambling income) .....	_____	_____
Other expenses (list): _____	_____	_____

**General Questions**

**ORG3**

**PERSONAL INFORMATION**

	Yes	No
<b>1</b> Did your marital status change during 2017? .....	<input type="checkbox"/>	<input type="checkbox"/>
If <b>yes</b> , explain .....		
<b>2</b> Do you want to allow your tax preparer to discuss this year's return with the IRS? .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If <b>no</b> , enter another person (if desired) to be allowed to discuss this return with the IRS. <b>Caution:</b> Review any transferred information for accuracy.		
Designee's Name .....		
Phone Number .....	Personal Identification Number (5 digit PIN) .....	
<b>3</b> Do you or your spouse plan to retire in 2018? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>4</b> Were you or your spouse permanently and totally disabled in 2017? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>5</b> Enter date of death for taxpayer or spouse (if during 2017 or 2018 ): Taxpayer: _____ Spouse: _____		
<b>6</b> Were you or your spouse a member of the U.S. Armed Forces during 2017? .....	<input type="checkbox"/>	<input type="checkbox"/>

**DEPENDENT INFORMATION**

	Yes	No
<b>7 a</b> Do you have dependents who must file? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>b</b> If <b>yes</b> , do you want us to prepare the return(s)? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>8 a</b> Do you have children who are under age 19 or a full time student under age 24 with investment income greater than \$2,100? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>b</b> If <b>yes</b> , do you want to include your child's income on your return? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>9</b> Are any of your dependents <b>not</b> U.S. citizens or residents? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>10</b> Did you provide over half the support for any other person during 2017? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>11</b> Did you incur adoption expenses during 2017? .....	<input type="checkbox"/>	<input type="checkbox"/>

**IRA, PENSION AND EDUCATION SAVINGS PLANS**

	Yes	No
<b>12</b> Did you receive payments from a pension or profit-sharing plan? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>13</b> Did you receive a total distribution from an IRA or other qualified plan that was partially or totally rolled over into another IRA or qualified plan within 60 days of the distribution? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>14 a</b> Did you convert all or part of a regular IRA into a Roth IRA? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>b</b> Did you roll over all or part of a qualified plan into a Roth IRA? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>15</b> Did you contribute to a Coverdell Education Savings Account? .....	<input type="checkbox"/>	<input type="checkbox"/>

**ITEMS RELATED TO INCOME/LOSSES**

	Yes	No
<b>16</b> Did you receive any disability payments in 2017? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>17</b> Did you receive tip income <b>not</b> reported to your employer? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>18 a</b> Did you buy, sell, refinance, or abandon a principal residence or other real property in 2017? (Attach copies of any escrow statements or Forms 1099.) .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>b</b> If you sold or abandoned a home, did you claim the First-Time Homebuyer Credit when you purchased the home? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>c</b> Are you planning to purchase a home soon? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>19</b> Did you incur any casualty or theft losses during 2017? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>20</b> Did you incur any non-business bad debts? .....	<input type="checkbox"/>	<input type="checkbox"/>

**PRIOR YEAR TAX RETURNS**

	Yes	No
<b>21</b> Were you notified by the Internal Revenue Service or state taxing authority of changes to a prior year's return? .....	<input type="checkbox"/>	<input type="checkbox"/>
If <b>yes</b> , enclose agent's report or notice of change.		
<b>22</b> Were there changes to a prior year's income, deductions, credits, etc which would require filing an amended return? .....	<input type="checkbox"/>	<input type="checkbox"/>

**General Questions (continued)**

**ORG3**

**FOREIGN BANK ACCOUNTS, FOREIGN ASSETS AND FOREIGN TAXES**

	Yes	No
<b>23</b> Did you have foreign income or pay any foreign taxes in 2017 ? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>24 a</b> At any time during 2017, did you have an interest in or a signature or other authority over a bank account, or other financial account in a foreign country? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>b</b> Did the aggregate value of all your foreign accounts exceed \$10,000 at any time during 2017? Report all interest income on Org 11 .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>25</b> Were you the grantor of or transferor to a foreign trust which existed during the tax year, whether or not you have any beneficial interest in the trust? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>26</b> Did you at any time during 2017, have an interest in or any authority over any foreign accounts or assets (i.e. stocks, bonds, mutual funds, partnership interests, etc.) held in foreign financial institutions that exceeded \$50,000 in value at any time during the year? .....	<input type="checkbox"/>	<input type="checkbox"/>

**HEALTH AND LIFE INSURANCE**

	Yes	No
<b>27 a</b> Did you and your dependents have health care coverage for the full year? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>b</b> Did you receive any of the following IRS documents? Forms 1095-A (Health Insurance Marketplace Statement), Form 1095-B (Health Coverage) or Form 1095-C (Employer Provided Health Insurance Offer and Coverage)? If so, please attach .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>c</b> If you or your dependents did not have health care coverage during the year, do you fall into one of the following exemption categories: Indian tribe membership, health sharing ministry membership, religious sect membership, incarceration, exempt non-citizen or economic hardship? If you received an exemption certificate, please attach.....	<input type="checkbox"/>	<input type="checkbox"/>
<b>28 a</b> Did you or your spouse have self-employed health insurance? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>b</b> If you or your spouse are self-employed, are either of you eligible to participate in an employer's health plan at another job? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>29</b> Did your employer pay premiums on life insurance in excess of \$50,000 where the proceeds are payable to beneficiaries named by you? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>30</b> Did you contribute to or receive distributions from a Health Savings Account (HSA)? .....	<input type="checkbox"/>	<input type="checkbox"/>

**MISCELLANEOUS**

	Yes	No
<b>31</b> Did you make energy efficient improvements to your home or purchase any energy-saving property during 2017? If <b>yes</b> , please attach details .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>32</b> Did you start paying mortgage insurance premiums in 2017? If <b>yes</b> , please attach details .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>33</b> Did you purchase a motor vehicle or boat during 2017? .....	<input type="checkbox"/>	<input type="checkbox"/>
If <b>yes</b> , attach documentation showing sales tax paid.		
<b>34</b> Did you purchase an energy efficient vehicle in 2017? .....	<input type="checkbox"/>	<input type="checkbox"/>
If <b>yes</b> , enter year, make, model, and date purchased: _____		
<b>35</b> Did you donate a vehicle in 2017? If yes, attach Form 1098C .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>36</b> What was the sales tax rate in your locality in 2017? _____ % State ID .....		
<b>37</b> Did you or your spouse make gifts of over \$14,000 to an individual or contribute to a prepaid tuition plan? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>38</b> Did you make gifts to a trust? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>39</b> If there were dues paid to an association, was any portion required to be non-deductible due to political lobbying by the association? .....	<input type="checkbox"/>	<input type="checkbox"/>
If <b>yes</b> , please attach details.		
<b>40</b> Did you or your spouse participate in a medical savings account in 2017? .....	<input type="checkbox"/>	<input type="checkbox"/>
If <b>yes</b> , please attach Form 1099-SA (Distributions from an HSA, Archer MSA or Medicare+Choice MSA.)		
<b>41</b> Did you make a loan at an interest rate below market rate? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>42</b> Did you pay any individual for domestic services in 2017? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>43</b> Did you pay interest on a student loan for yourself, your spouse, or your dependents? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>44</b> Did you, your spouse, or your dependents attend post-secondary school in 2017? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>45</b> Did a lender cancel any of your debt in 2017? (Attach any Forms 1099-A or 1099-C) .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>46</b> Did you receive any income not included in this Tax Organizer? .....	<input type="checkbox"/>	<input type="checkbox"/>
If <b>yes</b> , please attach information.		

**ELECTRONIC FILING AND DIRECT DEPOSIT OF REFUND**

	Yes	No
<b>47</b> If your tax return is eligible for Electronic Filing, would you like to file electronically? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>48</b> The Internal Revenue Service is able to deposit many refunds directly into taxpayers' accounts. If you receive a refund, would you like direct deposit? .....	<input type="checkbox"/>	<input type="checkbox"/>

**Caution:** Review transferred information for accuracy.

**49** If **yes**, please provide the following information:

<b>a</b> Name of your financial institution .....	_____
<b>b</b> Routing Transit Number (must begin with 01 through 12 or 21 through 32) .....	_____
<b>c</b> Account number .....	_____
<b>d</b> What type of account is this? .....	Checking <input type="checkbox"/> Savings <input type="checkbox"/>

Please attach a **voided** check (not a deposit slip) if your bank account information has changed.

# Interest and Dividend Income

ORG11

T = Taxpayer, S = Spouse, J = Joint

## INTEREST INCOME

**Attach all copies of your Form 1099-INTs here.**

**\*\*Type of Interest**  
 blank = Regular taxable interest  
 ME1 = ME bond interest in federal income  
 MD1 = MD nontaxable interest — taxable federal

MA1 = MA bank interest  
 NH1 = NH nontaxable interest — taxable federal  
 NJ1 = NJ nontaxable interest — taxable federal

OK1 = OK bank interest  
 TN1 = TN nontaxable interest — taxable federal  
 WV1 = WV bond interest in federal income

TSJ	X*	Payer Name	2017 Box 1 Interest	Type of Interest**	2017 Box 3 US/Treasury Interest	2017 Box 8 Tax Exempt	State	2016 Box 1 + 3

X\* Check if you did not receive income from this account in 2017 .

## DIVIDEND INCOME

**Attach all copies of your Form 1099-DIVs here.**

TSJ	X*	Payer Name	2017 Box 1a Ordinary Dividends	2017 Box 1b Qualified Dividends	2017 Box 2a Capital Gains	State	2016 Box 1a + 2a

X\* Check if you did not receive income from this account in 2017 .



## Business Income and Expenses (Complete if Applicable)

ORG19

**GENERAL INFORMATION**

1 Check ownership .....  **Taxpayer**       **Spouse**       **Joint**

2 Business name .....

3 a Business street address.....

    b 1 City, State and Zip Code, or .....

    2 Foreign country.....

4 Principal business/profession .....

5 Employer ID number.....

6 Business code (**Preparer Use Only**) .....

7 Was this business fully disposed of in a fully taxable transaction during 2017 ?..... Yes  No

8 Accounting method:  
     Cash       Accrual       Other (specify)  .....

9 Method used to value closing inventory:  
     Cost       Lower of       Other (explain)  .....

Yes    No

10 Was there a change in determining quantities, costs, or valuations between opening/closing inventory?  
 (If yes, attach explanation) .....

11 Did you materially participate in the operation of this business during 2017 ? .....

12 Did you start or acquire this business during 2017 ? .....

13 a Did you make any payments in 2017 that require you to file Forms 1099? .....

    b If yes, did you or will you file all the required Forms 1099? .....

14 At-risk determination:  
     a Is all of the investment in this activity at risk? .....

    b Is some of the investment in this activity not at risk? .....

15 Did you have unallowed passive losses in 2016 ? .....

16 a Treat all MACRS assets for this activity as qualified Indian reservation property? .....

    b Treat all assets acquired after August 27, 2005 as qualified GO Zone property?..... **Regular**  **Extension**  **No**

    c Treat all assets acquired after May 4, 2007 as qualified Kansas Disaster Zone property? .....

    d Was this business located in a Qualified Disaster Area? .....

Complete ORG51 for Asset Acquisitions and ORG50 for Dispositions.

INCOME	2017	2016
17 Gross receipts or sales.....		
18 Returns and allowances plus other adjustments.....		
19 Other income (include federal/state gas tax credit/refund) .....		

COST OF GOODS SOLD – IF APPLICABLE	2017	2016
20 Inventory at beginning of year .....		
21 Purchases .....		
22 Items withdrawn for personal use .....		
23 Cost of labor (do not include your salary) .....		
24 Materials and supplies .....		
25 Other costs .....		
26 Inventory at end of year.....		

**Business Income and Expenses (continued)**

**ORG19**

EXPENSES	2017	2016
Business name _____		
<b>27</b> Advertising .....		
<b>28</b> Car and truck expenses (complete ORG18).....		
<b>29</b> Commissions and fees .....		
<b>30</b> Contract labor .....		
<b>31</b> Depletion .....		
<b>32</b> Depreciation and Section 179 deduction ( <b>Preparer Use Only</b> ).....		
<b>33</b> Employee benefit programs:		
<b>a</b> Employee health insurance premiums .....		
<b>b</b> Other employee benefit programs .....		
<b>34</b> Insurance (other than health).....		
<b>35</b> Self-employed health insurance attributable to this business.....		
<b>36</b> Interest:		
<b>a</b> Mortgage paid to banks not reported to you on Form 1098.....		
<b>b</b> Other .....		
<b>37</b> Legal and professional services .....		
<b>38</b> Office expenses .....		
<b>39</b> Pension and profit-sharing plans.....		
<b>40</b> Rent or lease:		
<b>a</b> Machinery and equipment (enter vehicle lease on ORG18) .....		
<b>b</b> Other business property.....		
<b>41</b> Repairs and maintenance .....		
<b>42</b> Supplies (not included in cost of goods sold) .....		
<b>43</b> Taxes and licenses not reported to you on Form 1098 .....		
<b>44</b> Travel, meals, and entertainment:		
<b>a</b> Travel.....		
<b>b</b> Meals and entertainment subject to 50% limit .....		
<b>c</b> Meals subject to 80% limit.....		
<b>d</b> Meals and entertainment not subject to limit.....		
<b>45</b> Utilities .....		
<b>46</b> Gross wages .....		
<b>47</b> Other expenses:		
_____		
_____		
_____		
_____		
_____		
_____		
_____		
<b>48</b> Expenses for business use of your home ( <b>Preparer Use Only</b> ).....		
Complete ORG20 for Business Use of Home.		
<b>49</b> Qualified pension plan start-up costs.....		

## Rent and Royalty Income and Expenses (Complete if Applicable)

ORG25

**BASIC PROPERTY INFORMATION**

Property description: \_\_\_\_\_  
 Property type: \* \_\_\_\_\_ If type is other, enter a description: \_\_\_\_\_  
 Location (street address): \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
 If a foreign address: Foreign province or state: \_\_\_\_\_  
 Foreign postal code: \_\_\_\_\_ Foreign Country: \_\_\_\_\_

**1** Check property owner .....  **Taxpayer**       **Spouse**       **Joint**

	<b>Yes</b>	<b>No</b>
<b>2 a</b> Did you make any payments that would require you to file Form(s) 1099? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>b</b> If <b>yes</b> , did you or will you file all required Forms(s) 1099? .....	<input type="checkbox"/>	<input type="checkbox"/>

<b>3 a</b> Enter the ownership percentage (if not 100%) .....		
<b>b</b> If not 100%, are you reporting 100% of the income and expenses? .....	<input type="checkbox"/>	<input type="checkbox"/>

**4** Is this a rental property? (If **yes**, answer questions 5 through 11; if **no**, skip to question 12.) .....  **Yes**     **No**

**5** Did you have personal use of this property or rent it for part of the year at less than fair rental value? .....  **Yes**     **No**

**6** For all rental properties, **enter the number of days** during 2017 that:

<b>a</b> The property was rented at fair rental value .....		
<b>b</b> The property was used personally or rented at less than fair rental value .....	_____	_____
<b>c</b> You owned the property, if not the entire year .....	_____	_____

<b>7 a</b> Does this rental have multiple living units and you live in one of the units? .....	<input type="checkbox"/>	<input type="checkbox"/>
<b>b</b> If <b>yes</b> , enter percentage of rental use .....	_____	_____

**8** Did you actively participate in this property's management during 2017 ? .....  **Yes**     **No**

**9** Did you materially participate in this property's management during 2017 ? .....  **Yes**     **No**

**10** Do you want to treat this property as non-passive?.....  **Yes**     **No**

**11** Did this property have unallowed passive losses in 2016 ? .....  **Yes**     **No**

**12** Did you dispose of this property in a fully taxable transaction? .....  **Yes**     **No**

**13** Check this box if some of this investment was **not** at-risk.....

**14 a** Treat all MACRS assets for this activity as qualified Indian reservation property? .....  **Yes**     **No**

**b** Treat all assets acquired after August 27, 2005 as qualified GO Zone property?..... **Regular**  **Extension**  **No**

**c** Treat all assets acquired after May 4, 2007 as qualified Kansas Disaster Zone property? .....  **Yes**     **No**

**d** Was this activity located in a Qualified Disaster Area?.....  **Yes**     **No**

Complete ORG51 for Asset Acquisitions and ORG50 for Dispositions.

INCOME	2017	2016
<b>15</b> Rents or royalties received .....		

- |                          |   |   |
|--------------------------|---|---|
| <b>* Property Types:</b> | <b>1</b> Single family residence<br><b>2</b> Multi-family residence<br><b>3</b> Vacation/short-term rental<br><b>4</b> Commercial | <b>5</b> Land<br><b>6</b> Royalties<br><b>7</b> Self-rental<br><b>8</b> Other |
|--------------------------|---|---|

**Rent and Royalty Income and Expenses (continued)**

**ORG25**

EXPENSES	2017	2016
Property location .....		
<b>16</b> Advertising .....		
<b>17a</b> Automobile (complete ORG18 for autos).....		
<b>b</b> Travel.....		
<b>18</b> Cleaning and maintenance .....		
<b>19</b> Commissions.....		
<b>20a</b> Mortgage insurance premiums – qualified .....		
<b>b</b> Other insurance .....		
<b>21</b> Legal and professional fees .....		
<b>22</b> Management fees .....		
<b>23a</b> Mortgage interest paid to banks – qualified.....		
<b>b</b> Mortgage interest paid to banks – other .....		
<b>24</b> Other interest .....		
<b>25</b> Repairs.....		
<b>26</b> Supplies.....		
<b>27a</b> Real estate taxes.....		
<b>b</b> Other taxes .....		
<b>28</b> Utilities .....		
<b>29</b> Other expenses:		
<b>a</b> .....		
<b>b</b> .....		
<b>c</b> .....		
<b>d</b> .....		
<b>e</b> .....		
<b>30a</b> Depreciation and Section 179 deduction <b>(Preparer Use Only)</b> .....		
<b>b</b> Depletion <b>(Preparer Use Only)</b> .....		

**Tax Payments**

**ORG40**

**2017 ESTIMATED TAX PAYMENTS**

	Federal		State			Local		
	Date	Amount	Date	Amount	ID	Date	Amount	ID
<b>1</b> Qtr 1 due by 04/18/17.....								
<b>2</b> Qtr 2 due by 06/15/17.....								
<b>3</b> Qtr 3 due by 09/15/17.....								
<b>4</b> Qtr 4 due by 01/16/18 .....								
<b>5 a</b> Additional payments ...								
<b>b</b> Additional payments ...								
<b>c</b> Additional payments ...								
<b>d</b> Additional payments ...								

**OTHER TAX PAYMENTS**

	Federal	State	Local
<b>6</b> 2016 overpayment applied to 2017 .....			
<b>7</b> Balance due paid with 2016 return .....			
<b>8 a</b> 2016 Quarter 4 payments paid in 2017 .....			
<b>b</b> 2016 extension payments paid in 2017 .....			
<b>9</b> Other taxes paid in 2017 for prior years (include explanation) .....			

**2018 ESTIMATED TAX WORKSHEET**

If you expect any significant change in your income or expenses in 2018, please enter the increase or decrease below.

**Income**

<b>10</b> Wages .....	Taxpayer .....	_____
	Spouse.....	_____
<b>11</b> Self-Employment Income .....	Taxpayer .....	_____
	Spouse.....	_____
<b>12</b> Capital Gains (sale of stock, real estate, etc).....		_____
<b>13</b> Other Income:		
Description .....		_____

**Deductions**

<b>14</b> Allowable Itemized Deductions .....	_____
<b>15</b> Other deductions (such as alimony paid, early withdrawal penalties, etc):	
Description .....	_____
<b>16</b> Federal Withholding.....	_____
<b>17</b> Number of personal exemptions expected for 2018 .....	_____

**ADDITIONAL INFORMATION**

<b>18</b> Check to use your 2017 tax amount for your 2018 estimate.....	<input type="checkbox"/>
<b>19</b> If you have an overpayment of 2017 taxes, check the box to indicate how you want your overpayment applied.	
<b>a</b> Apply entire overpayment to next year and refund excess .....	<input type="checkbox"/>
<b>b</b> Apply entire overpayment to first quarter and refund excess .....	<input type="checkbox"/>
<b>20</b> Amount to apply if not entire overpayment.....	_____
<b>21</b> Number of installments for estimated tax (1 - 4) .....	_____

# State Tax Return Items

## Consumer Use Tax

North Carolina has a use tax on purchases made outside the State for use inside the State called a Consumer Use Tax. You should pay the use tax on your individual income tax return. If you owe use tax on consumer items but are not required to file an individual income tax return, you should report and pay the use tax on Form E-554, Consumer Use Tax Return.

An individual owes consumer use tax on an out-of-state purchase when the item purchased is subject to North Carolina sales tax and the retailer making the sale does not collect sales tax on the sale or the state sales tax rate imposed by the other state is less than the state sales tax rate imposed by North Carolina. Examples of items that are subject to the consumer use tax include computer and other electronic equipment, software, books, audio and video tapes, compact discs, records, clothing, appliances, furniture, sporting goods and jewelry. Out-of-state retailers include mail-order companies, television shopping networks and firms selling over the internet. When an out-of-state retailer does not collect sales tax or the tax collected is less than the state tax imposed by North Carolina, the responsibility of paying the tax falls on the purchaser. This includes items purchased in other states during "tax-free holidays". Other states share information with North Carolina on sales to North Carolina residents and the U.S. Customs Service provides information on overseas purchases.

The use tax is calculated at the same rate as the sales tax. If you paid another state's sales or use tax on out-of-state purchases, that amount can be credited against the North Carolina use tax due. If you file the Form D-400, the use tax will be shown on this form.

**Please fill out A, B, C or D. If you are not a NC resident please complete part D.**

**A: I have records of all out-of-state purchases and no sales tax was charged on the following purchases:**

**Total purchases from 1/1/17-12/31/17 \$ \_\_\_\_\_**

**B: I do not have records of my purchases, but I had less than \$1,000 in out-of-state purchases in which no sales tax was collected. Please use the Use Tax Table.**

**C: I had no out-of-state purchases or I did not have any out-of-state purchases in which sales tax was not collected.**

**D: I am not a NC resident.**

**I did have out-of-state purchases in which sales tax was not charged.**

**Total purchases from 1/1/17-12/31/17 \$ \_\_\_\_\_**

**I did not have out-of-state purchases in which sales tax was not collected.**

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## North Carolina Education Endowment Fund

NC fund established in 2015 to provide additional funds for NC teacher compensation funded by:

- a- Gifts, grants and contributions to the State (By way of designated tax refunds or Form NC-EDU)
- b- The Sale of "I Support Teachers" license plates
- c- Appropriations from NC General Assembly

NC taxpayers have the option to donate to this fund on your tax return. **Please indicate:**

- Please designate ALL of my NC overpayment to the NC Education Endowment fund**
  - Please designate \$ \_\_\_\_\_ of my NC overpayment to the NC Education Endowment fund**
  - Please provide a payment voucher, form NC-EDU, so that I may donate \$ \_\_\_\_\_ to the fund**
  - I DO NOT want to donate to the NC Education Endowment fund**
-

# FRANKLIN & FRANKLIN, PA

CERTIFIED PUBLIC ACCOUNTANTS

Date:

## ENGAGEMENT LETTER

Client Name:

We appreciate the opportunity to work with you. To minimize the possibility of a misunderstanding between us, we are setting forth pertinent information about the services we will perform for you.

We will prepare your \_\_\_\_\_ federal and applicable state \_\_\_\_\_ income tax returns from information you furnish us and we may process them using any of our staff. In addition we will \_\_\_\_\_. We will not audit or otherwise verify the data you submit, although we may ask you to clarify some of the information. We will furnish you with questionnaires to help you gather and organize the necessary information for us, in order to keep our fee to a minimum.

**The IRS mandates that all individual and trust tax returns that we filed be done electronically. It is imperative that you review your tax return and return the efile authorization form with all required signatures to our office within 10 days of receipt, or by April 1, 2018, whichever comes first. Without this signed authorization, your taxes will not be filed and you may be subject to late filing or late payment penalties. Please advise us if you object to electronic filing as you may opt to file a paper return along with a signed written statement stating your objection to electronic filing.**

We must receive all information to prepare your return by **March 23, 2018**, to ensure that your return will be completed and e-filed by April 17, 2018. If we have not received all of your information by March 23rd and your return is not completed and e-filed by April 17, 2018 an extension may be filed at your request however you may be subject to late filing or late payment penalties. **Information for tax returns that have been extended until the 10/15/2018 must be received by 9/15/18.**

It is your responsibility to maintain, in your records, the documentation necessary to support the data used in preparing your tax returns, including but not limited to the auto, travel, entertainment, and related expenses and the required documents to support charitable contributions **of all amounts**. If you have any questions as to the type of records required, please ask us for advice in that regard. It is also your responsibility to carefully examine and approve your completed tax returns before signing and mailing them to the tax authorities. We are not responsible for the disallowance of doubtful deductions or inadequately supported documentation, nor for resulting taxes, penalties and interest. The IRS has imposed more stringent preparer penalties which require that positions taken on tax returns must be "more likely than not" sustained on its merits. It is your responsibility to fully communicate these facts. We will file using the filing status from the previous year unless you expressly indicate a desire for a different filing status.

Fees for our services will be at our standard rates plus computer charges and out-of-pocket expenses. Payment for service is due when rendered and interim billings may be submitted as work progresses and expenses are incurred. We reserve the right to stop work on any account that is 180 days past due, in accordance with our firm's stated collection policy. Interest at 8% per year may be computed on invoices not paid within 30 days.

It is our firm's policy to retain copies of your tax returns for five years, after which the records may be destroyed. By your signature below, you acknowledge and agree that upon the expiration of the 5 year period Franklin & Franklin, PA shall be free to destroy our records related to this engagement.

We are responsible only for the services listed above. Our tax preparation fee does not include responding to inquiries or examination by taxing authorities. However, we are available to represent you under a separate engagement for such services at our standard rates.

We will use our judgment to resolve questions in your favor where a tax law is unclear if there is a reasonable justification for doing so. Whenever we are aware that a possibly applicable tax law is unclear or that there are conflicting interpretations of the law by authorities (e.g., tax agencies and courts), we will explain the possible positions that may be taken on your return. We will follow whatever position you request, so long as it is consistent with the codes and regulations and interpretations that have been promulgated. If the IRS should later contest the position taken, there may be an assessment of additional tax plus interest and penalties. Currently, the IRS and State taxing agencies are aggressive in assessing penalties. We assume no liability for any such additional penalties or assessments. In the event, however, that you ask us to take a tax position that in our professional judgment will not meet the applicable laws and standards as promulgated, we reserve the right to stop work and shall not be liable for any damages that occur as a result of ceasing to render services.

**As your CPA's, we collect:**

- **Information provided by you from your tax organizer, worksheets, documents, and discussions and**
- **Information that we develop as part of this engagement.**

*As your CPA's, we are required to keep all information about our engagement confidential, so we will not disclose any information about you unless we have your approval or are required/permitted by law. This applies even if you are no longer a client.*

*As your CPA's, we are committed to the safekeeping of your confidential information and we maintain physical, electronic, and procedural safeguards to protect your information.*

For tax years beginning in 2000, the IRS has provided that an individual taxpayer and his or her spouse, if applicable, may authorize the IRS to discuss the taxpayer's tax return with the CPA who signed the taxpayer's return as the return preparer. The authorization is granted by checking the "yes" box in the signature area of the tax return. By checking the "yes" box, you are granting the IRS permission to contact our firm with questions that may arise during the processing of your return. You would also be granting our firm the permission to (1) provide the IRS with any information that may be missing from your return, (2) call the IRS to inquire on the processing of your return or on the status of your refund, and (3) respond to any IRS notices that you have provided to our firm relating to mathematical errors, offsets, and return preparation. Please note that our firm will not receive separate copies of IRS notices; therefore, you must provide our firm with copies of any notices you receive from the IRS. Once elected, the authorization cannot be revoked. The authorization is valid for one year after the due date for filing the tax return.

Federal law has extended the attorney-client privilege to some, but not all, communications between a client and the client's CPA. The privilege applies only to non-criminal tax matters that are before the IRS or brought by or against the U.S. Government in a federal court. The communications must be made in connection with tax advice. Communications solely concerning the preparation of a tax return will not be privileged.

In addition, your confidentiality privilege can be inadvertently waived if you discuss the contents of any privileged communication with a third party, such as a lending institution, a friend, or a business associate. We recommend that you contact us before releasing any privileged information to a third party.

If we are asked to disclose any privileged communication, unless we are required to disclose the communication by law, we will not provide such disclosure until you have had an opportunity to argue that the communication is privileged. You agree to pay any and all reasonable expenses that we incur, including legal fees, that are a result of attempts to protect any communication as privileged.

If any dispute arises among the parties, they agree to try first in good faith to settle the dispute by mediation administered by the American Arbitration Association (AAA) under its Rules for Professional Accounting and Related Services Disputes. All unresolved disputes shall then be decided by final and binding arbitration in accordance with the Rules for Professional Accounting and Related Services Disputes of the AAA. Fees charged by any mediators, arbitrators, or the AAA shall be shared equally by all parties. **IN AGREEING TO ARBITRATION, WE BOTH ACKNOWLEDGE THAT IN THE EVENT OF A DISPUTE OVER FEES CHARGED BY THE ACCOUNTANT, EACH OF US IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BEFORE A JUDGE OR JURY AND INSTEAD WE ARE ACCEPTING THE USE OF ARBITRATION FOR RESOLUTION.**

If the above fairly sets forth your understanding, please sign the enclosed copy of this letter and return it to us with your tax information.

Also, please indicate, by circling the appropriate response in the following sentence: I hereby *grant/do not grant* (circle one) limited authorization for your firm to contact the IRS on our/my behalf as discussed in the above letter. If you fail to indicate a response, it is our firm's policy to mark the box that grants authorization.

We are pleased to have you as a client and look forward to a long and mutually satisfying relationship.

Sincerely,

FRANKLIN & FRANKLIN, PA

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Approved:

\_\_\_\_\_  
Taxpayer's Name Printed

\_\_\_\_\_  
Spouse's Name Printed

\_\_\_\_\_  
Taxpayer's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Spouse's Signature

\_\_\_\_\_  
Date