

2007 Business Tax Organizer Package

McNair & Associates, P.A.

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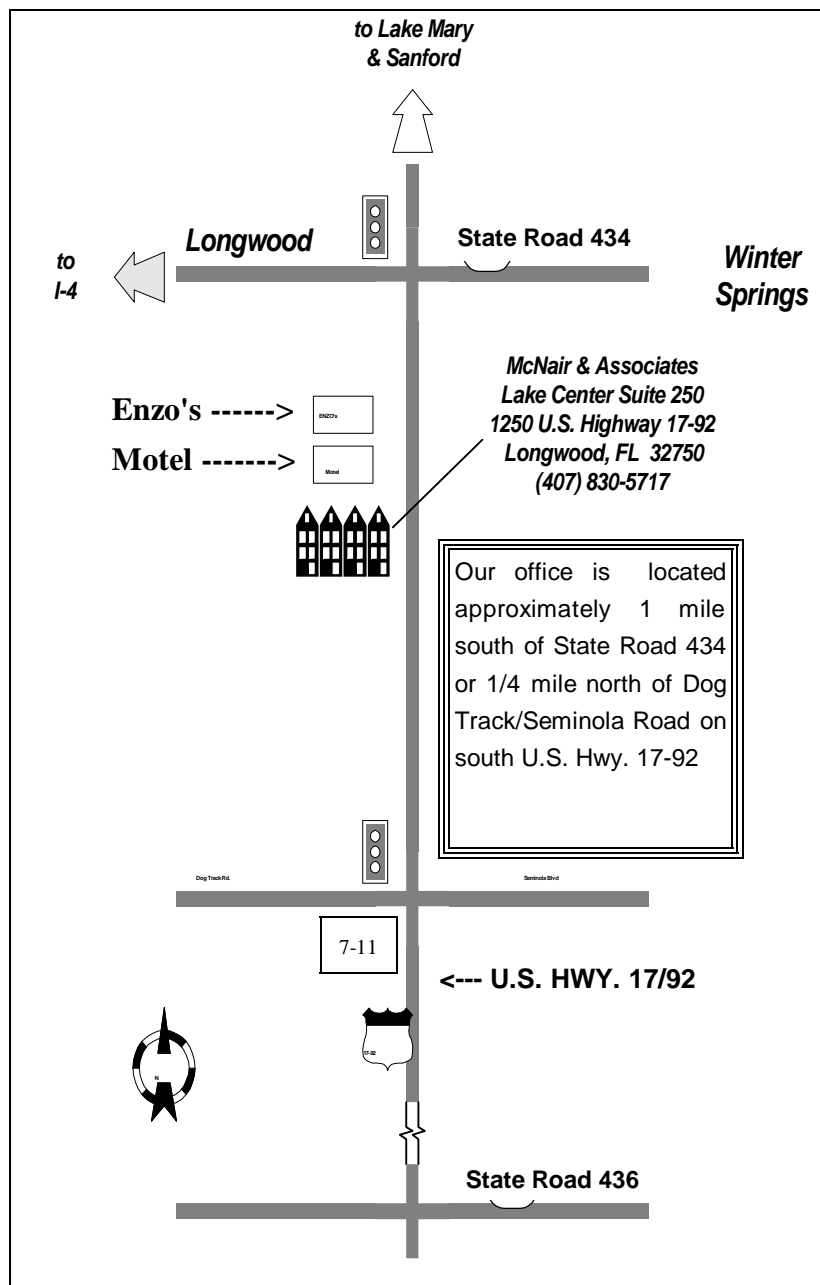
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2007 Business Income Tax Return Organizer Package

How To Use This Organizer Package

Enclosed is a 2007 Tax Checklist that can easily be used as a reminder of the items you will need to gather for the completion of your 2007 income tax return. Please use the checklist as you assemble the important data needed for us to prepare your 2007 tax return. If you have a question as to whether or not something should be included on your return, just include the item with your records and we will review it as we prepare the return. We have found that this checklist will reduce the time you need to gather your information, as well as help you assure that you have assembled all of your important information that can effect your taxes.

IMPORTANT NOTE: In accordance with current IRS rules, we will need for you to sign and forward with your tax information the Disclosure of Terms of Professional Engagement form included with your tax package.



Appointments

If you would like to schedule an appointment, please call our office at (407) 830-5717. For your convenience evening and Saturday appointments are available. Of course, there are a limited number of Saturday and evenings, so appointments can fill up well in advance. We recommend that you schedule your appointment as soon as possible.

Tax Return Appointment:

Date:

Time:

Map

This map has been included for your convenience in finding our office. Should you need additional directions or other information please do not hesitate to call us at (407) 830-5717 or email to mcnairassoc@cfl.rr.com.

2007 BUSINESS INCOME TAX RETURN CHECKLIST FOR NEW CLIENTS

Below is a checklist of the information we need to complete your 2007 income tax return. We will use the following information as a starting point in calculating your taxes in compliance with current tax laws. **Please read and complete this page as appropriate to help you organize your information.**

IMPORTANT NOTE: In accordance with current IRS rules, we will need for you to sign and forward with your tax information the Disclosure of Terms of Professional Engagement form included with your tax package.

GENERAL INFORMATION

BUSINESS NAME: _____

ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

PHONE: _____ TAXPAYER IDENTIFICATION NUMBER: _____

PRINCIPAL OWNER/CONTACT

NAME: _____ SOCIAL SECURITY #: _____

ADDRESS (if not same): _____

CITY: _____ STATE: _____ ZIP: _____

PLEASE INDICATE BUSINESS BACKGROUND / HISTORY

FIRST YEAR - CORPORATION, PARTNERSHIP, S-CORPORATION, LIMITED LIABILITY COMPANY

Please include copies of formation documents (for example, partnership agreements, incorporation documents, articles of formation, franchise agreements).

Also include copies of IRS and State notifications of: Employer Identification Number, acceptance of S-Election (for S-Corporation), sales tax, unemployment compensation, state income tax (as appropriate)

FOR BUSINESSES NOT FORMED OR PURCHASED IN 2007

CORPORATION, PARTNERSHIP, S-CORPORATION, LIMITED LIABILITY COMPANY

Please include copies of up to three prior years income tax returns filed for this business if the business was not formed in 2007.

SOLE PROPRIETORSHIP

Please include copies of up to three prior years personal income tax returns.

BUSINESS RECORDS

Please bring the following to your appointment for us to review:

- Profit and Loss Statements and Balance Sheet and/or year end General Ledger.
- Year end summary of accounts receivable, accounts payable.
- Year end reconciliations for each bank account.
- Copies of Form 1096 and Form W-3.
- Detail listing of acquisition and disposition of capital purchases (fixed assets).
- Physical inventory sheets for both beginning and ending inventory for the year.
- Documents concerning financial losses from hurricanes and/or other theft or casualty losses.

IMPORTANT NOTE: While we only need summary information for tax return preparation, the IRS requires that adequate records must be maintained to "properly account" for assets, liabilities, revenues, and expenses. Because of the diverse nature of business activity the actual type of records can vary. The following is a list of the business records, that the IRS commonly requests during audits for their review. You should keep these records for a minimum of five years.

- W** Journals - cash receipts, sales, purchase, etc.
- W** Accounts receivable, accounts payable and general ledger.
- W** Bank statements, canceled checks, deposit slips. money market accounts, certificates of deposits.
- W** Records of all other business activity (for example, loans, insurance proceeds, leases).
- W** Purchase invoices or closing statements for acquisition and disposition of capital purchases (fixed assets).
- W** Paid invoices and receipts to verify the expenses claimed.
- W** Copies of any payroll tax returns, information documents such as Forms 1099 and W-2s filed (for employees).
- W** Physical inventory sheets for both beginning and ending inventory for the year.

Bring to your appointment all the information that you do have immediately available. Alternate sources may be available for any missing information. If you have any questions concerning any item or document, bring the information with you to your appointment and your CPA will determine how it effects your income taxes and financial well being.

Disclosure of Terms of Professional Engagement For Businesses (In accordance with IRS Notice 2008-13)

We would like to thank you for the opportunity to prepare your business' income tax returns this year. As has always been the case, this process places responsibilities upon both of us as outlined in this letter. IRS Notice 2008-13 effective January 1, 2008 now requires disclosure to the taxpayer by your professional preparer of certain respective responsibilities.

Please read this letter carefully because it is important to both our firm and you that you understand what you can and cannot expect from our work. In other words, we want you to understand the legal and professional limitations in regards to the services you have asked us to perform.

It is your responsibility to provide us with all of the information required to complete your tax return. The enclosed 2007 Checklist is designed to be a guide as to the types of information we need to prepare your returns. You may prefer to submit your information in a format other than the organizer. If this is the case, please use the organizer as a reference for the income and expense items that you will need to provide to us.

When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies. You should retain the tax records related to the current year's tax returns (including any receipts, statements or other supporting documentation) for at least five years after it was filed, since any additional assessments are usually made during this period.

In accordance with our company's current document retention policy, we will retain copies of the records, that you have supplied to us that we deem to be pertinent along with our work papers for your engagement, for a period of five years. All of your original records will be returned to you. After five years, our work papers and files will no longer be available. Physical deterioration or catastrophic events may shorten the time during which our records will be available. The working papers and files of our company are not a substitute for the original records, and you should not rely upon our records.

It is also your responsibility to carefully examine and approve your completed tax returns before signing and mailing them to the tax authorities. Since the returns are prepared from information which you provided, the final responsibility for a complete and accurate tax return rests with you.

It is our responsibility to insure that the preparation be performed in accordance with the Statements on Standards for Tax Services as promulgated by the American Institute of Certified Public Accountants.

We will use professional judgment in resolving questions where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions. Under current IRS regulations, tax preparers must have a "**reasonable belief that the position would more likely than not be sustained on its merits**" when resolving questions where the tax law is unclear, for the benefit of the client. This more conservative interpretation is required unless the taxpayer elects in writing to authorize the preparer to use (only) a "**substantial authority**" basis (*a more liberal standard*) when resolving questions where the tax law is unclear, for the benefit of the client.

We will not conduct an audit or financial review of the data you submit to us even though we may ask you to clarify or send us additional information or other required documents. Our work will not guarantee detection of fraud or theft, and does not include business consulting or tax planning services. However, you may separately contract these services.

We will rely, without further verification, upon information you provide to us from third parties including, but not limited to 1099's, 1098's, receipts and similar items. If you feel this information may be wrong you will need to notify us and authorize us to examine this information in more detail. We are not responsible for the taxes, penalties and interest due to the disallowance of deductions that are doubtful or inadequately supported by your actual documentation.

As a general rule, we require that all information be provided to us no less than 21 days prior to the date when you expect us to deliver your tax return(s). Additionally, if the tax information provided is found to be incomplete, or if we require additional information to properly complete your return, the processing time for completion and delivery of your return will be greater.

All fees incurred to prepare your income tax returns are due and payable when the returns are released from our office. For your added convenience, we accept all major credit cards. If you supply additional information after the tax return is completed, an additional charge will be levied to recompile your return. We reserve the right to hold the completed returns until your account is paid in full.

We reserve the right to terminate our engagement if we deem that you intentionally will not provide proper or sufficient documentation to substantiate information on the return. Upon termination of our engagement, you will be obligated to compensate us for all time expended, and to reimburse us for all of our out-of-pocket costs through the date of termination.

Please sign this form in the space below acknowledging your understanding of our tax engagement responsibilities. Please leave this form attached to your organizer and return this organizer with your records at your earliest convenience. We will provide you a counter signed copy of this form with your completed tax return.

Having read and fully understood this Disclosure of Terms of Professional Engagement form, I/we agree to engage McNair and Associates, P.A., in accordance with the terms indicated above and understand that the tax preparation fee does not include auditing, review, or any other verification of the information submitted. Additionally, I/we declare that the information that has been provided to McNair and Associates, P.A. is to the best of my/our knowledge true, correct and complete.

Please Check One Box:

_____ I/we elect for you to use the **"more likely than not to be sustained on its merits"** standard **in resolving questions** where the tax law is unclear.

_____ I/we elect for you to use the **"substantial authority"** standard **in resolving questions** where the tax law is unclear.

Accepted By: _____ Date: _____

For (Print Company Name) _____

Countersigned By: _____ Date: _____

On behalf of:
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Certified Public Accountants
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