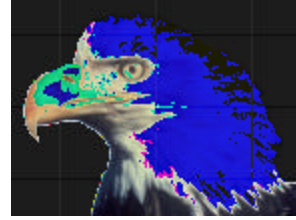


## 2008 Income Tax Organizer

### **Powers & Company**

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Dear Valued Client,

Another year has come and gone, during which over 100 federal and state tax law changes took effect making this one of the most confusing tax years that I can recall in my 38 year career. With the current economic crises and a new White House Administration, income taxes will become even more complex.

Please download a copy of the 2008 Tax Organizer from the Tax Power website, or if you do not have internet access please call and I will mail you a hard copy. As in prior years, your tax information, including original tax documents, which I need to prepare your income tax return can be either mailed to me or dropped off at the office. Be sure to include updated information such as changes in your filing status, any new children or other dependents (such as parents), college and tuition information, etc. A list of some of the new tax changes and other important tax information is enclosed.

**To speed up your tax refund** use direct deposit and file early. Last year some clients who filed early using electronic filing and direct deposit got their tax refunds within 5 days. If you end up owing tax we can arrange for the balance due to be paid in full from your bank account on April 15 or for an Installment Payment Arrangement over a period of between 12 and 60 months. **With all the banking changes this year I will need you to provide me with an updated Bank Routing Number and your Account Number from a copy of your check.** Also your tax refund can be split between 2-3 bank accounts, including your IRA, increasing your refund even more, or it may be split between spouses or savings and checking accounts. For all electronic deposits and withdrawals I will need signed authorization so please complete the back of this letter and return it to me.

With all the tax changes this year, even though my professional version tax preparation software (which costs about \$3,000) is usually extremely accurate, I will be taking extra care scrutinizing each return before it is electronically filed to ensure accuracy and to avoid electronic filing problems. I will also be carefully reviewing 2008 tax filing decisions as new tax changes are announced for 2009.

Warmest wishes,

Andy

**P..S. Help a friend by having them contact us to join the Powers Tax Services family of clients and receive a cash rebate between \$15 and \$50 from us for every new client we service based on your referral. Just have them mention your name.**

Below are just some of the tax changes and other tax issues that may affect you this year. Additional information is available on the Tax Power website and in our tax organizer. Also, please complete the information below and return to us with your tax information.

- ✍ Phase 2 of tax stimulus. Those who did not receive their entire tax stimulus check will have the difference added to their refund or reduce any tax that is owed.
- ✍ Those who own real estate but don't itemize deductions can now claim up to \$500 (\$1,000 on joint returns) in addition to their standard deduction.
- ✍ Those who had homes foreclosed in 2008 do not have to pay tax on any forgiven mortgage debt.
- ✍ The refundable additional child care credit income threshold has been increased from \$8,500 to \$12,050.
- ✍ First time home buyers in 2008 can get an interest free loan of \$7,500 added to their tax refund. This must be paid back over the next 15 years through your tax returns.
- ✍ "Off the top" educator expense deductions of up to \$250 has been extended for an additional two years along with the \$4,000 annual college or trade school tuition deduction and the sales tax deduction for people who pay less in state income tax.
- ✍ Energy saving credits are extended for certain home improvements.
- ✍ IRA and retirement savings limits are increased. Deposits to IRA and self employed plans for 2008 can be made through April 15.
- ✍ Community service volunteers or are military reservists or National Guard, USCG Auxiliary etc. Let us know your deductible auto mileage and out of pocket expenses.
- ✍ I will also need to know the amount of any IRS tax stimulus checks you received in 2008 including any amount applied to offset taxes owed.

**Existing and additional services available through our new affinity network**

- ✍ Tax deductible mortgage life and other insurances.
- ✍ IRA retirement savings accounts.
- ✍ Personal financial planning and credit management services
- ✍ Compromise settlements of past due taxes owed.
- ✍ Estate tax planning
- ✍ Business services including purchases, start ups, mergers & acquisitions, LLC "partnership" strategies, etc.
- ✍ Commercial real property tax reduction
- ✍ Full service real estate and mortgage services

**To ensure we have the correct information on file to prevent tax refund delays, please provide us with your correct banking and electronic filing information and authorization below. Attach separate instructions for multiple accounts.**

Type of bank account Checking\_\_\_\_\_ Savings \_\_\_\_\_

Bank Routing Number (from your check-NOT the deposit slip) \_\_\_\_\_

Bank Account Number: \_\_\_\_\_

Efile PIN: Taxpayer:\_\_\_\_\_ Spouse:\_\_\_\_\_ (if not provided one will be automatically assigned).

Please check here if you want to discuss making a tax payment Installment Agreement before the tax return is filed. \_\_\_\_\_

I hereby authorize Powers & Company to electronically file my tax return on my behalf and that the account information provided be used to make direct deposit of tax refunds or pay tax balances due on April 15 pr installment payments.

\_\_\_\_\_  
Primary Taxpayer

\_\_\_\_\_  
Spouse (if married filing a joint return)

Reproduction of any of the attached material without the expressed written consent of Powers & Company is prohibited. Any violations will be prosecuted to the fullest extent of the law. 2008 Income Tax Questionnaire-Expatriate Supplement

**Part I-Identifying Information (Please Print)**

**Taxpayer**

\_\_\_\_\_  
**First Name    Mid. Init.    Last Name                      Social Sec. Number                      Date of Birth**

\_\_\_\_\_  
**Occupation                      Work Phone (Ext)                      Best Time to Call**

**Spouse**

\_\_\_\_\_  
**First Name    Mid. Init.    Last Name                      Social Sec. Number                      Date of Birth**

\_\_\_\_\_  
**Occupation                      Work Phone (Ext)                      Best Time to Call**

**Residence**

\_\_\_\_\_  
**Street Address                      Apt. No.                      City                      State                      Zip Code**

\_\_\_\_\_  
**Home Phone                      Best time to call                      e-mail address**

How many months during the year did you reside at this address?

If less than an entire year, provide former address and dates of residence

Name of the State and City in which you worked and dates worked

**Part II-Federal Filing Status (Please check your filing status)**

- Single**     **Married Filing Jointly**     **Married Filing separately**
- Check this box if you did not live with your spouse any time during the year.**     **Check this box if you are able to claim your spouse's exemption**
- Head of Household**  
**If the "qualifying child" is not your dependent enter child's:**  
**Name :** \_\_\_\_\_  
**Social security number** \_\_\_\_\_
- Qualifying widow(er)** **Enter the year your spouse died:** \_\_\_\_\_

**Part III-Dependent Information (List your dependent's information)**

First Name	MI	Last Name	Not a US Res	Date of Birth	Social Security Number	Relationship to taxpayer	No. Months Lived Home

- ✍ **Presidential Election Campaign Fund:** Do you want \$3 to go to the Presidential Election Campaign Fund? Taxpayer.....Yes\_\_\_ No\_\_\_ Spouse.....Yes\_\_\_ No\_\_\_
- ✍ **Were you in a Combat Zone in 2008?** Taxpayer.....Yes\_\_\_ No\_\_\_
- ✍ **Disability:** Are you permanently and totally disabled?  
Taxpayer Yes\_\_\_ No\_\_\_ Spouse Yes\_\_\_ No\_\_\_
- ✍ **Blindness:** Is either taxpayer legally blind? Please indicate: Taxpayer\_\_\_ Spouse\_\_\_
- ✍ **Dependent Filer** If someone (such as your parent) can claim you as a dependent, please check the appropriate box: Taxpayer \_\_\_ Spouse \_\_\_
- ✍ **Decedent:** Taxpayer: Date of death...\_\_\_\_\_ Spouse: Date of Death.....\_\_\_\_\_
- ✍ **Did you incur expenses to care for a dependent while you worked?** Yes\_\_\_\_\_ No\_\_\_\_\_
  - If yes, provide details of all expenses, including the name, address, tax ID number and the amount paid each care provider during the tax year.
- ✍ **Amount you incurred for adoption expense**
- ✍ **Dependents under 23 years of age: Special rules apply regarding tax rates, dependency exemption deduction and tuition credits. To accurately calculate the lowest family tax and avoid problems all tax returns for all family members should be prepared together.**
- ✍ **Did you purchase your FIRST home in 2008?** Yes\_\_\_\_\_ No\_\_\_\_\_
- ✍ **How much was you advance stimulus refund for 2008?** \$\_\_\_\_\_
- ✍ **Renters' credit:** If you rent your residence what was your rent for 2008? \$\_\_\_\_\_
- ✍ **Did you purchase home heating bio fuel in 2008?** If yes send summary received from fuel company
- ✍ **Did you install solar energy or energy saving home improvements or appliances?** Provide details.
- ✍ **Were you a volunteer EMS or firefighter?** Provide details.

**Tax Payment Information:**

Federal estimated taxes paid for the current year's tax	\$_____ (not withholding)
Federal tax payments made with Form 4868 Extension Request	\$_____
State/local tax payments made for prior year's tax balance due	\$_____
State/local estimated taxes paid for the current year's tax	\$_____ (not withholding)
State/local tax payments made with Extension Request	\$_____

**FASTER REFUNDS! -When we efile your return your refund will be deposited directly in your bank account by providing the following information. List other accounts separately**

Do you want your refund direct deposited to your bank account: \_\_\_\_\_  
 If yes: Checking\_\_\_\_\_ Savings\_\_\_\_\_ Routing number\_\_\_\_\_ Account number\_\_\_\_\_

**Foreign Employment/Residence and Non U.S. Taxpayers:**

If you are an American taxpayer who worked or resided any portion of the year outside the U.S., or a foreign citizen who worked in the U.S., please provide details. Special rules apply. Please provide us with the following information for both spouses (if married):

- ? Countries of citizenship and residence
- ? All travel information within and without the U.S. for the year
- ? Visa and immigration information (copies of all documents)
- ? Green card status
- ? Employment information and earnings within and without the U.S.
- ? Details of all U.S. source and global income for the year.
- ? Copies of all tax returns filed in countries OTHER than the U.S. for the year.
- ? Your U.S. filing status depends on several factors based on complex U.S. rules that pertain to non-resident and resident aliens of the U.S. Based on the information that you provide we will determine the appropriate filing status and make appropriate filing status elections should they be beneficial to you.

**COPIES OF YOUR 2007 TAX RETURNS: If you are a new client, please send us copies of your 2007 personal income tax returns. Existing client's copies are on file**

The following is a checklist to ensure that you provide us with all the information that we need. If an area does not apply to you simply write N/A.

**INCOME :**

- ✍ **Wages:** Enclose copies of ALL your Forms W-2 which you received from your employer(s).
- ✍ **Self Employment and Misc. Income:** Enclose copies of ALL your Forms 1099 MISC which you received from work performed as an independent contractor as well as other income such as prizes, lottery, etc.
- ✍ **Interest & Dividends:** Enclose copies of ALL Forms 1099 INT and 1099 DIV which you received from banks and financial institutions from your savings and investments.
- ✍ **Income from U.S. Series EE and Series I Savings bonds.**
- ✍ **State Income Tax Refunds:** Please send a copy of your notice of state income tax refund that confirms the amount of state and local tax refund you received. If you do not have this, kindly verify that the amount that you received was the same as the amount claimed on last year's state tax return.
- ✍ **Alimony Received:** If you received alimony pursuant to a divorce or legal separation agreement, this amount is subject to tax. Amounts specified as child support are NOT taxable. Please provide the following information:

_____	_____	\$ _____
Name of former spouse (payer)	Payer's Soc Sec #	Amount Received

- ✍ **Pension and Annuity Income:** If you received income or distributions from pension, annuity, IRAs or 401(k) Plans, etc. provide a copy of any Forms 1099R you received.
- ✍ **IRA withdrawals:** If you were under age 59 ½, indicate the reason for each withdrawal.
- ✍ **Unemployment Compensation:** Provide a copy of any Unemployment Form 1099.
  
- ✍ **Social Security Benefits:** Provide copies of statements received from the Social Security.
- ✍ **Capital Gains from Investments:** Sent copies Form(s) 1099B.  
If you sold securities or mutual funds provide all purchase information including dates purchase cost for each block of securities sold.
  
- ✍ **Other Gains and Other Income :** If you sold other properties during the year, please provide copies of all documents or other information which substantiate both the purchase price and the selling price of each property. Also provide a listing of (type and amount) and any other documentation relating to any other income which you received during the year (including income from estates and trusts. Gains of up to \$250,000 (\$500,000 if married filing jointly) from the sale of your home are excluded provided that you used the house as your primary residence for 2 of the last 5 years before the sale. Different rules apply to Combat Zone Veterans or if you acquired the home in a tax free Sec. 1035 exchange.

⌘ **Self Employment Income :**

⌘ **Partnerships or Sub S Corps:** Provide copies of any Form(s) K-1 which you received

⌘ **Self Employment:**

**INCOME:** Provide copies of all Form(s) 1099 MISC you received. Also please provide a list of your Self Employment income received from self employment activities which are not included in Form(s) 1099 MISC or K-1s. List this income by type (services, merchandise sales, commissions, sales tax collected, etc) and amount.

**Expenses:** Provide a list of all expenses connected with your self employment earnings. List the expenses by type including sub categories (Taxes/ Sales Tax, Property Tax, etc) and amount for each category or sub-category.

**Depreciation Deductions.** Under recent tax legislation you can accelerate depreciation deductions for new equipment purchases and write off up to \$100,000 of the first year purchase cost of qualifying assets (including some vehicles. However, beginning in 2004, this may not include SUVs and Hummers. Provide description and amount paid

**AUTO & TRUCK Expenses.** The tax deductions for business mileage and depreciation have changed. Under the tax law, if you purchase a new vehicle, you may choose whether to deduct actual expenses, including depreciating the cost of the vehicle (see above) or taking a standard mileage rate deduction. Visit [www.tax-power.com](http://www.tax-power.com) for details. You must keep a DAILY vehicle business usage mileage log that shows how the vehicle was used and for what customer.

We need to report 1) Total miles driven for the year, 2) Business Miles for the year, 3) Miles spent COMMUTING to your business office for the year for each vehicle used and the details (year, make, model) for each vehicle.

**Retirement Savings Deduction.** Self employed individuals can take an INCOME TAX deduction for contributions made to Keogh/SEP/SIMPLE plans: Enter the type of plan and contributions made for the tax year.

Keogh \$ \_\_\_\_\_ SEP \$ \_\_\_\_\_ SIMPLE \$ \_\_\_\_\_

**NOTE!** Contributions made to retirement plans by sole proprietors or owners of Subchapter S Corporations are NOT deductible when computing Self Employment (Social Security) taxes.

⌘ **Rent and Royalty Income:**

⌘ **Royalty Income:** Provide copies of all Form(s) 1099 MISC for royalties received.

Please also list any expenses you incurred in connection with earning royalties received.

⌘ **Rental Income Property:**

⌘ **Property Information:** Provide a detailed list of all rental properties acquired and improvements made. Indicate the dates, description of property or improvement, cost and depreciation information to ensure that proper depreciation deductions are claimed. We cannot prepare your return without this information.

⌘ For each property listed please indicate if you or your family used the property for more than 14 days or 10% rented at the fair market value during the year. \_\_\_\_\_ YES  
\_\_\_\_\_ NO

⌘ Did you materially participate in the collection of rents and management of the property?  
\_\_\_\_\_ YES \_\_\_\_\_ NO

**RENTAL INCOME EXPENSES:**

- ✍ **INCOME:** For each property list all rents received and provide copies of any Form(s) 1099.
- ✍ **INTEREST**-Provide copies of all Form(s) 1098 for interest paid on mortgages.
- ✍ **REAL ESTATE TAX**- Provide copies of documents.
- ✍ **ALL OTHER RENTAL EXPENSES:** For each property list all expenses including advertising, travel to and from the property, cleaning and maintenance, commissions, property insurance, professional and property management fees, mortgage interest, repairs (describe each repair and cost), maintenance, RE taxes, utility costs (telephone, electric, gas-list separately), heating, property owner dues, telephone expenses, any other expenses connected with the property.

**ADJUSTMENTS TO GROSS INCOME**

- ✍ **IRA Deduction and Information**-Provide all Forms 5498 received. Deposits for the year may be made at any time during the tax year and up through April 15. **NOTE: ROTH IRA contributions are NOT deductible.**

*Traditional IRA deposits: Taxpayer \$ \_\_\_\_\_ Spouse \$ \_\_\_\_\_*

*If you contributed to a deductible IRA please send me your tax information before March 10 so you have time to withdraw any excess contributions by April 15.*

- ✍ **Qualified Higher Education expenses** (including vocational schools). Provide details concerning the name and social security number of the student and relationship to the taxpayer, amount of enrollment tuition and fees paid to the institutions and the name and address of the school. Also indicated if the student was enrolled in the first or second year of education and may be entitled to either the Hope or Lifetime Learning Credit instead of the deduction.
- ✍ **Student Loan Interest** (provide documentation) paid \$ \_\_\_\_\_
- ✍ **Teachers and teacher's aids:** What did you spend for teaching material during the year that was not reimbursed? \$ \_\_\_\_\_
- ✍ **Hybrid/Clean Fuel Vehicles:** If you purchased a qualifying clean fuel vehicle during the year please provide details including cost.
- ✍ **Moving Expense Connected with Employment** or self employment may deductible. Provide an itemized list of all moving expenses paid by you or your employer and all employer reimbursements received. Provide copies of all documents received from your employer.
- ✍ **Alimony paid:** Enter amount paid \$ \_\_\_\_\_ Recipient's Soc Sec No. \_\_\_\_\_
- ✍ **Medical Savings and Health Savings Account** (Provide information)
- ✍ **Penalty from Early Savings Withdrawal:** \$ \_\_\_\_\_

**ITEMIZED DEDUCTIONS**

✍ **Medical Expenses:** Provide a complete listing of your medical expenses, by category, which were not reimbursed by medical insurance benefits. Include auto mileage and other transportation costs seeking medical treatment and therapy (including meetings). INCLUDE long term care premiums.

✍ **Taxes:** Real Estate \$ \_\_\_\_\_ (provide copies of receipts)  
State & Local Income Tax \$ \_\_\_\_\_ (in ADDITION to withholding)

Personal Property Tax (important for CT residents) \$ \_\_\_\_\_

Sales Tax on Major Purchases \$ \_\_\_\_\_ (provide details and receipts)

Foreign income taxes: \$ \_\_\_\_\_

**Mortgage Interest:**

✍ **Interest paid to financial institutions and private lenders for mortgages on:**

Primary Residence \$ \_\_\_\_\_

Second Home \$ \_\_\_\_\_ NOTE: A second home is defined as any facility that provides sleeping cooking and toilet accommodations, including boats, mobile homes or RV's that provide the required accommodations.

**Other Real Property and second mortgages:** Provide details and documents:

Description/Explanation Interest Paid  
**Investment interest (i.e. Margin Account Interest) \$ \_\_\_\_\_**

✍ **Mortgage Life Insurance Premiums are deductible (mortgage company must be beneficiary! If you had MLI what were your premiums? \$ \_\_\_\_\_**

✍ **Mortgage Recording Tax now deductible. If you purchased a home send us your closing papers.**

✍ **Charitable Contributions:**

Cash: List the names and amounts donated in cash.  
Property: List the name of the charity, description and the fair market value of each property donated. Provide signed receipts for property valued for more than \$500 showing the tax ID number and address of the charity. Gifts over \$5,000 Attach Form 8283 signed by an appraiser. NOTE! The Congress has instructed the IRS to closely scrutinize donations of cars and boats for excessive deductions and you will no longer get a full deduction for the Kelley Blue Book Retail FMV! Instead you can now only deduct the amount of cash received by the charity when the car was sold. Form 1098-C must be obtained from the donee if you donated a car or boat.

Carryover deductions from prior years (provide schedule)  
Personal mileage for charitable purposes: \_\_\_\_\_ miles Indicate if mileage was in connection with Katrina Relief Efforts

**Volunteer/Auxiliary Fire, SAR, Police, Coast Guard, etc.: Uniforms, equipment, training, phone and other UNREIMBURSED expenses are deductible. Provide details in order to claim any state benefits available.**

**MAJOR Casualty or Theft Losses:** If you incurred any major losses during the year relating to property thefts or other casualty losses, please provide a complete description of each event and a detailed list of all properties lost or damaged.

✍ **Other Expenses:**

Tax preparation fees \$ \_\_\_\_\_  
Investment expenses (describe) \$ \_\_\_\_\_  
Safe Deposit Boxes to hold investment property \$ \_\_\_\_\_  
Business and Investment Publications \$ \_\_\_\_\_  
**Other Expenses: (Continued)**

**Unreimbursed business expenses:**

Please provide a descriptive list of all business related expenses (job travel expenses, union dues, protective clothing, uniforms and equipment, job education, etc.) for which you received no reimbursement from your employer (or for which reimbursement was included in your W-2).

**Note:** If you deduct business expenses you are required to maintain a detailed journal of all expenses which include the who, what, where, when and why pertaining to each day's business activities. You are also required to maintain receipts for your expenses.

- ✍ Other expenses connected with the production of income \$ \_\_\_\_\_
- ✍ Adoption expenses. If you incurred expenses adopting a child under the age of 18 or a disabled person unable to care for him or her self please provide all details and an itemized list of related expenses paid during the year.

**OTHER: NY, CT and NJ residents may be entitled to property tax rebates. Send us your tax bills! If you rent tell us your monthly rent expense.**

**Taxpayer's Declaration (If married BOTH spouses must sign)**

**To the best of my knowledge, the information included in this tax organizer, which is used for the preparation of my income tax return(s), is true, accurate and correct, and that I have the necessary documentation to substantiate the deductions claimed on my return.**

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

\_\_\_\_\_  
**Date**

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

\_\_\_\_\_  
**Date**