

RE: 2015 Tax Return Preparation

Dear Client:

As another tax filing season approaches, we are excited to help prepare your 2015 Tax Returns and we are dedicated to serving you! **Please read this letter in its entirety, because there are changes.**

Deadline for tax information: In order to meet the **April 15th individual filing deadline** and **March 15th business filing deadline** for your 2015 tax returns, all of your tax information must be received by our office no later than **Wednesday, March 25, 2016 for individuals and Friday, February 25, 2016 for businesses.** *If your information is not received by this date, we will do our best to complete your return by the deadline, but we cannot guarantee that you will not require an extension.*

Extensions: You should consider filing an extension if you have brokerage accounts or are expecting K-1s from businesses. We encourage you to file an extension if you can. In fact, we feel it lessens your chances of audit. There are many advantages to filing an extension. **An extension of time to file is not an extension of time to pay tax.** We can help you with an extension calculation if needed. **You must pay the amount due on April 15th or incur late payment penalties and interest.**

Tax Organizers: We have prepared a “2015 Tax Organizer” to help you gather tax information needed to prepare your business and personal tax returns. We have pre-printed certain information from your 2013 income tax returns to help you complete the tax organizer with minimal time and effort. We will send web organizers to all clients with e-mail addresses. **If you would like a paper or email organizer, please contact the office.**

We will also need the following information

1. Forms W-2 for wages.
2. All Forms 1099 for interest, dividends, retirement, miscellaneous income, Social Security, state or local refunds, gambling winnings, etc.
3. Brokerage statements showing investment transactions for stocks, bonds, etc. Schedule K-1 from partnerships, S corporations, estates and trusts.
4. Statements supporting educational expenses, deductions or distributions, including any Forms 1098-T, 1098-E, or 1099-Q.
5. All Forms 1095-A, 1095-B, and/or 1095-C for the advance payment of the Premium Tax Credit for lower cost health care coverage under healthcare.gov.
6. Statements supporting deductions for mortgage interest, and taxes.
7. Copies of closing statements regarding the sale or purchase of real property.
8. Legal papers for adoption, divorce, or separation.
9. Any tax notices sent to you by the IRS or other taxing authority.
10. A copy of your income tax return from the last two year, if not prepared by this office.

Additional Business Information Needed: To prepare your 2015 business income tax return, we need the following information:

1. Company financial statements including a balance sheet and income statement, summary of income and expenses or your QuickBooks file. A spreadsheet will be provided with prior year information for all businesses with email addresses.
2. Copy of year-end bank statement and bank reconciliation.
3. Payroll records including W-2's, quarterly, annual reports, and health insurance paid for employees and officers.

Individual & Business Questionnaires: We have attached an individual and business questionnaire. Due to **new IRS** regulation, we are required to ask a variety of questions in order to prepare your tax return. These questions **MUST** be answered so that we can prepare a complete and accurate tax return. Please fill out the appropriate one or both questionnaires if applicable.

Delivery of Tax Information: There are four ways to deliver your tax information to us.

1. **Delivery via the Web:** Your information may be received via the web using your secure client portal or emailed. **Please do not forget to push the “send to accountant” button when you are finished or we will not know you have submitted your information.**
2. **Mail or Drop off:** If you are comfortable mailing in or dropping off your tax information, you may do so without an appointment.
3. **Appointments:** Please call our office as soon as possible if you need to schedule an appointment. **Appointments are limited and we anticipate they will fill up early this year.** Standard tax appointments are scheduled for 30 minutes.

Fees: Payment is due upon completion of the tax return: It is our policy to collect payment when the tax return is finished. **Tax returns will not be released or e-filed without payment in full.**

Engagement Letter (attached): We **require** this letter to be signed and returned to us with your tax information before we can work on your return.

Delivery of tax returns: You will be called when your tax return is finished. We generally do not set up meeting for the delivery of your returns. We recommend take the returns home and look at them. If you have questions, we are happy to answer them or set up a meeting if you need one.

We try our best to provide a two week turn around on all tax returns, but due to the high volume of returns received in February and March it may take longer. **All tax returns are prepared on a first in first out basis.** We recommend you get your information in early and respond quickly to missing information requests. Thank you in advance for understanding how busy we are during this time.

We want to express our appreciation for this opportunity to work with you.

Very truly yours,

The McKillip Group, Inc.