SWEETEN CPA, P.C.

TAX DOCUMENT CHECKLIST

(This is provided to help jog your memory on all the things you should submit for tax preparation; some of these may not apply to you. Use this for your reference only; no need to return to us.)

Please provide the following documentation (if applicable to you):

- Backup of your **QuickBooks file (if applicable).** Make NO changes to 2009 data after submitting. Use Edit Preferences to set a closing date of 12/31/09, and password protect the closing with password "mas" so that you do not inadvertently change 09 data.
- All Forms W-2 (wages)
- 1099-INT (interest)
- 1099-DIV (dividends)
- 1099-B (proceeds from broker or barter transactions)
- 1099-R (pensions and IRA distributions)
- Schedules K-1 (from partnerships, S corporations, estates and trusts)
- Any other income reporting statements, including all copies provided from the payer
- Income and deductions categorized on a separate sheet for business or rental activities, if not included in the QuickBooks file listed above.
- Copy of the closing statement if you bought or sold real estate.
- Mileage figures for any automobile expenses claimed, including total mileage, commuting mileage and business mileage.
- Detail of estimated tax payments made, if any.
- If you are a new client, please provide copies of last year's tax return.
- **Questionnaire**, attached.
- **Signed Engagement Letter**, attached.

Provide a list or documentation for the following items:

- Medical expenses (if likely to be > 7.5% of your total income)
- Taxes on real property (items paid in 2009)
- Interest on mortgage (usually reported on Form 1098)
- Charitable contributions (please assign a dollar value to noncash donations)
- Unreimbursed Employee Expenses (if likely to be >2% of your total income)
- Investment Expenses

11005 MINT JULEP DR. • AUSTIN, TEXAS 78748
OFF: 512.300.0282 CELL:512.470.7623 FAX: 512.597.3534
EMAIL: MICHELE@SWEETENCPA.COM

SWEETEN CPA, P.C.

Dear client ,

We understand that we will be preparing the following tax returns for you:

✓ Form 1040 for the year ended December 31, 2009

Please read and sign to confirm that you understand the following:

- It is your responsibility to provide us with all of the information necessary to complete your tax return. In that regard, you state that, to the best of your knowledge and belief you have provided true, correct and complete information regarding your income as listed on the attached Forms W-2, 1099, and/or written summaries. We ask that you also retain for 4 years all the documents, receipts, cancelled checks and other records required to substantiate the items of income and expense claimed on your return.

- You have provided us true, correct and complete information regarding amounts you claimed as tax deductions, and have maintained written documentation supporting all amounts, including log books and receipts. Please understand the taxing authorities may examine the returns, that documentation should be retained to support the information provided to us, especially business travel and entertainment deductions, percentages of business use of autos and other assets, barter activities, and the required documents to support all charitable contributions.

- We will not audit or otherwise verify any of your information. We may require clarification or additional information. We are not responsible for disallowed deductions, or the inclusion of additional unreported income or any resulting taxes, penalties or interest. Penalties may be imposed on returns that are late, underpaid or incorrect.

- We would be happy to represent you in a tax examination or inquiry for an additional fee. In the event of an error on our part, you are responsible for additional tax that may be due, but we are responsible for any penalty the IRS, state or local taxing authorities may assess.

- Please contact us immediately if you discover additional information that will lead to a change in your return, or if you receive any letters from the IRS, state or local taxing authorities. Our policy is to put all tax advice in writing. We do not want you to rely upon unwritten advice because it may be tentative, incomplete, or not fully reviewed.

- We will use our judgment to resolve questions in your favor where a tax law is unclear or 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. We assume no liability for any such additional penalties or assessments.

- Our bill will be due and payable upon completion and before e-filing of your returns. Your bill will be based upon our billing rates of $40/hr for bookkeepers and $100/hr for CPA.

- We will not file any federal, state, or local tax extensions unless you specifically request us to do so in writing, by fax or email. If there are other services or tax returns that you expect us to prepare, such as estate, gift, sales, fiduciary, property, states or locals, please note them at the bottom of this letter.

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RECORD RETENTION
In accordance with our firm's current document retention policy, we will retain our workpapers and your tax returns listed above for 7 years. We will provide a digital copy of the depreciation schedules and tax returns and other pertinent workpapers that should be a part of your books and records. If you should need replacements, we will provide hard copies for an additional charge. All of your original records will be returned to you.

The workpapers and files of our firm are not a substitute for the original records of your company. After 7 years, our workpapers and files will no longer be available. Physical deterioration or catastrophic events may shorten that time. It is agreed and understood that in connection with the performance of this engagement by Sweeten CPA, P.C. that the workpapers prepared by us shall remain the property of Sweeten CPA, P.C.

ATTORNEY FEES
If any disputes arise 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 Commercial Mediation Rules. All unresolved disputes shall then be decided by final and binding arbitration in accordance with the Commercial Arbitration Rules 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, 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.

We appreciate the opportunity to serve you, and look forward to a continuing, mutually satisfying relationship.

Very truly yours,

Michele A Sweeten

Sweeten CPA, P.C.

The terms described in this letter are acceptable and are hereby agreed to and shall remain in effect until terminated by either party in writing.

______________________________ _______________
Accepted *Date*

Please list any other services or tax returns you want us to prepare:
____
____
____

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Questions — All Taxpayers

Cross reference to pages in *TheTaxBook, 1040 Edition*

“You” refers to both taxpayer and spouse — enter “?” if unsure about a question.						
❑ Yes ❑ No	Are either you or your spouse legally blind?					3-6
❑ Yes ❑ No	Did you pay or receive alimony in 2009? *Paid/Received* $					12-12
❑ Yes ❑ No	Were any children born or adopted in 2009?					3-14
❑ Yes ❑ No	Were any children attending college?	*Year in college*	Paid by you: *Tuition* $	*Student loan interest* $	*Books* $	12-1
			Paid by student: *Tuition* $	*Student loan interest* $	*Books* $	12-9
	Other expenses					12-2
❑ Yes ❑ No	Did you pay any tuition for a private school for a dependent or take classes yourself?					12-3
	Student				*Amount paid* $	
	Name and address of school					
❑ Yes ❑ No	Did you pay for child or dependent care so you could work or go to school?					11-6
	Name of provider				*ID #*	
	Address				*Amount paid* $	
❑ Yes ❑ No	Did you provide housing to a person displaced by the 2008 Midwestern storms, tornadoes, or floods?					3-7
❑ Yes ❑ No	Did you sell a home in 2009? (Provide closing statement)					6-18
❑ Yes ❑ No	Did you purchase a new main home during the year? If yes, provide details.					11-3
❑ Yes ❑ No	If you sold a home, did you claim the first-time homebuyer credit when it was purchased? If yes, provide details.					11-3
❑ Yes ❑ No	Did you refinance a mortgage or take a home equity loan? (Provide closing statement)					4-11
❑ Yes ❑ No	Did you use any mortgage loan proceeds for purposes other than to buy, build, or substantially improve your home?					4-11
❑ Yes ❑ No	Did you contribute any money to an IRA in 2009?					13-9
❑ Yes ❑ No	Did you pay any interest on a boat or RV loan? If yes, provide details.					4-11
❑ Yes ❑ No	Did you receive a $250 one-time lump-sum payment in 2009 from Social Security, railroad retirement, or VA?					1-15
❑ Yes ❑ No	Do you have any children who earned more than $1,900 of investment income?					12-9
❑ Yes ❑ No	Did you pay sales or excise taxes on a major purchase in 2009, such as a vehicle, boat, or home?					4-9
❑ Yes ❑ No	Did you roll over any amounts from a retirement account in 2009?					13-21
❑ Yes ❑ No	Will there be any significant changes in income or deductions next year, such as retirement?					15-4
❑ Yes ❑ No	Did you have any uninsured loss to your property in 2009?					4-20
❑ Yes ❑ No	Did you work from a home office or use your car for business?					5-13
❑ Yes ❑ No	Did you sell or transfer any stock or sell rental or investment property?					6-7
❑ Yes ❑ No	Did you receive any income from an installment sale?					6-13
❑ Yes ❑ No	Do you own a business or an interest in a partnership, corporation, LLC, or other venture?					7-4
❑ Yes ❑ No	Have you paid alternative minimum tax (AMT) in previous years?					14-4
❑ Yes ❑ No	Did you have any investments become worthless or were you a victim of investment theft in 2009?					8-5
❑ Yes ❑ No	Were you granted, or did you exercise, any employer stock options during 2009?					6-17
❑ Yes ❑ No	Did you pay anyone for domestic services in your home?					14-1
❑ Yes ❑ No	Did you engage in any farming activities?					5-23
❑ Yes ❑ No	Did you purchase a new energy-efficient car, truck, or van?					11-13
❑ Yes ❑ No	Did you make any new energy-efficient improvements to your home? If yes, provide details.					11-12
❑ Yes ❑ No	Are you involved in bankruptcy, foreclosure, repossession, or had any debt (including credit cards) cancelled?					14-9
❑ Yes ❑ No	Are you a member of the military?					14-8
❑ Yes ❑ No	Were you a citizen of or live in a foreign country, or receive income from a foreign investment or bank account?					14-13
❑ Yes ❑ No	Would you like to allow your tax preparer or another person to discuss your return with the IRS? *Designee’s name* *Phone number* ( ) *PIN (any five digits)*					3-11

State information ❑ Full-year resident ❑ Part-year resident ❑ Nonresident	
States of residence during 2009 and dates	
School district Do you rent or own your home? ❑ Rent ❑ Own	