



Anita C. Simperts, EA

Tax and Payroll Service

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Dear Client,

In addition to the items on the checklist below, we need the letters** most people will have received. We cannot complete your tax return without the letter(s) or proof of what you received. No letter? You can open an IRS account, provide bank statements with payments or we could do the research, but since this is quite a bit of extra work, we will have to charge \$50. Incorrect reporting will cause delays in the IRS processing your return and will delay your refunds.

** IRS Notice 1444-C for the 2021 stimulus check; and

** IRS Letter 6419 for folks that received the advance child credit. (received if you have children)

Regarding the advanced child credit, if you received it in advance, please understand that your refund this year may be greatly reduced or you might even have a balance due return!

- W-2 for wages W-2G for gambling 1099-Int for interest
- 1099-DIV for dividends 1099-B Brokerage SSA-1099 Social Security
- 1099-NEC for income 1099-Misc for income 1099-K for income
- 1099-R for retirement 1099-G for refunds & unemployment
- 1099-Int for mortgages 1098-T for tuition 1099-SA for HSA's
- K-1 forms from investments in S corporations or partnerships
- Form 5498 for IRA values IRA and Roth IRA contributions for 2021
- Child care costs, and the name, address, amount and ID # of the recipient
- Charitable donations-total amounts and recipients
- Property tax paid on your home, property or cars
- Estimated tax payments and dates
- Any letters you received from the IRS or state tax authorities
- Our engagement letter (REQUIRED with signature)

Please review the questions below for 2021 and if you can answer yes, we will need additional information/documents.

1. Did you have bank accounts outside the US? Own property outside the US?
2. Did you Own any virtual currency (Bitcoin, Cryptocurrency, etc)? In its effort to encourage taxpayers to report previously undisclosed income, the IRS now includes a compliance question on Form 1040 that *all* taxpayers must answer. YES is required if taxpayers have received, sold, exchanged, or otherwise disposed of virtual currency during the tax year. However, taxpayers may answer NO if they have merely purchased virtual currency in exchange for fiat currency (e.g., US dollars). **NOTE:** Failure to report cryptocurrency transactions can lead to civil and criminal penalties. I, therefore, urge you to maintain accurate records that include the date the currency was purchased, mined, or received; the description, amount and value of units received, sold, or exchanged; along with the cost and purpose of the transaction. Virtual currencies will be treated as property, which may result in income recognition if received in lieu of wages, or when coins are mined, sold, or exchanged.
3. Did you receive Unemployment?
4. Did you have a ROBINHOOD or ACORN account? We will need 1099s.
5. Did you receive the March Stimulus payment? Need proof of \$ amount received.

6. Did you refinance this year for more than the balance on your old loan? If yes, we need an accurate accounting of how the loan proceeds were used. The interest on the additional amount might not be tax deductible, if it was not used to make major improvements to your property.

If you have a small business or rental property we will provide you with a separate organizer.

Again, IRS scrutiny of foreign accounts means that you need to be absolutely clear about any non-US accounts or income so that we report it correctly. Failure to comply could result in a \$10,000 penalty.

If you have bought and/or sold a home or REFINANCED in 2021 we need the closing statements on both purchases and sale. If you refinanced for more than the balance due on your existing mortgage and the funds were not used to make major improvements to your existing home, the interest on the additional funds is not tax deductible and adjustments must be made.

Do we have a current driver's license on file? If not, please provide a copy of the front. We will also need a copy of the back if the license is from NY (required by NY to e-file).

At [Simperstax.com](https://www.Simperstax.com), you can find updated forms and links to Verifyle and Secure File Pro, where you can securely upload and download your documents. In addition you can also click the button to schedule a time to talk with Anita, either by Zoom call, telephone call, Email or Verifyle chat. You can also find Frequently Asked Questions answered.

Please feel free to use our drop box (bear left up the driveway) close to the sidewalk or (bear right) in front of the office. If you choose to use the drop box, please place your documents in a sealed envelope with your telephone number on the outside of the envelope.

We take the security of your documents seriously and ask that you do not send information in emails or as attachments to the email. We

Every year we are reminded how much we value your business, and we want to once again say thank you. Please schedule an appointment for any questions.

Sincerely,

Anita

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