

McCormick Braun Friman, LLC

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2011 INCOME TAX GUIDELINES

We appreciate the opportunity to work with you! This letter confirms the terms of our engagement with you and the nature and extent of services we will provide.

We will prepare your 2011 federal and all state income tax returns that you request using the information you provide to us. We may ask for clarification of some items, but we will not audit or otherwise verify the data you submit. We have attached an Income Tax Organizer to help you gather information required for a complete return. **This Income Tax Organizer must be completed in its entirety and signed by you and your spouse (if applicable).** Completing the Organizer will help you avoid overlooking important information and contribute to the efficient preparation of your returns.

It is your responsibility to provide the information necessary to prepare complete and accurate returns. You should retain all documents, cancelled checks and other data that support your reported income and deductions as they may be necessary to prove the accuracy and completeness of the returns to a taxing authority at a later date. You have the final responsibility for the returns, so you should review them carefully.

Please allow a ten-day lead time when scheduling appointments. The office will be open Monday through Friday, 9:00 am to 5:00 pm. If your tax situation has no major changes or you need preliminary numbers (to apply for financial aid or student loans) then please email, fax, mail or drop off your information to our office as early as possible and we will get started on your return right away. **Any information received in fewer than thirty days from the due date of the tax return will result in an extension of time-to-file the tax return.** An extension of time-to-file is not an extension of time-to-pay any tax due, it simply extends the amount of time to file your return. To avoid interest and penalties, the full amount of tax must be paid through withholding or timely estimated payments. If you think you may owe tax, please contact our office immediately to avoid penalties. We cannot be held responsible for the various penalties and interest that may be imposed for failure to remit any tax due by the tax return due date.

Your returns may be selected for review by the taxing authorities or you may receive a notice requesting a response to certain issues on your tax return. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such government tax examination or inquiry, we will be available upon request to represent you or respond to such inquiry. At that time, we will provide you a subsequent engagement letter to clarify the nature and extent of services we will provide regarding the tax examination or inquiry response and will render additional invoices for these services and any expenses incurred.

Our fees for preparation of your tax returns will be based on a number of factors, including, but not limited to: the time spent and the complexity of the services performed at standard billing rates plus any out-of-pocket expenses. **The fee for preparation of the returns must be paid upon completion. Once payment is received, your returns will be filed.**

The Firm strives to provide exceptional service to all of our clients. Accordingly, we generally handle client matters in the order in which they are received while accounting for the unique nature of each project. While we use reasonable efforts to gauge the urgency of client matters, to the extent that the Project requires the unanticipated immediate attention of our attorneys and staff at your insistence, we may charge additional fees to accommodate our reallocation of resources.



You have the right at any time to terminate our services and representation upon written notice to the Firm. Such termination shall not, however, relieve you of the obligation to pay for all services rendered and costs or expenses advanced by us on behalf of the Company prior to receipt of written notice of such termination. You each understand and agree that you will be jointly and severally liable in your individual capacities for all billed fees and expenses.

We reserve the right to terminate this engagement and withdraw from our representation of you and/or the Company herein if, among other things, (a) you fail to honor the terms of this engagement agreement, including, but not limited to, any failure or refusal to pay any invoice when due; (b) you fail to cooperate with us or fail or refuse to follow our advice on a material matter; or (c) in the event we become aware of any fact or circumstance that would, in our view, render our continuing representation of you unlawful or unethical. If we elect to withdraw, you agree to take all steps necessary to free us of any obligation to perform further on your behalf, including the execution of any documents necessary to complete our withdrawal and your engagement of other counsel to substitute for us. We will be entitled to be paid for all services rendered and costs and expenses advanced on your behalf up to and including the date of such withdrawal.

Paper copies of your tax returns are stored for the normal statute of limitations (three years) then sent to our off-site storage facility. If you should need a copy of a return that is off-site, please contact our office and we can obtain a copy for a small fee. At the end of this engagement, returns will be pdf copied to a CDR and sent to you for your records along with all of your original records. You should keep the original records in secure storage. A fee of \$10 per copy will be charged for extra copies of returns or additional copies of W2s (available in PDF format). Verification letters to mortgage companies, responses to IRS and IDOR correspondence audits, payment adjustments, powers of attorney and matching letters will be billed separately.

The Federal Trade Commission requires all providers of personal financial services, including enrolled agents, to inform their clients of their policies regarding privacy of client information on an annual basis. With respect to our former and current clients, we do not disclose any nonpublic personal information obtained in the course of our representation of you except as required by law or necessary to provide representation services to you. Additionally, to protect your privacy, we maintain the appropriate physical, electronic and procedural safeguards.

If the above fairly sets forth your understanding, **please sign below, complete the Organizer, sign the last page and return it to this office with your tax information.**

Thank you for your support and patronage. Your referrals are greatly appreciated. Please contact us at 312-327-3402 or 312-327-3376 should you have any questions or need additional information.

Very Truly Yours,
MCCORMICK BRAUN FRIMAN, LLC

Michael T. McCormick J.D., LLM

Accepted By: _____
Taxpayer: _____ Date _____

Spouse (if joint return): _____ Date _____

**2011
INCOME TAX ORGANIZER**

PERSONAL DATA

Taxpayer

Last Name _____ First Name & Initial _____

Filing Status (circle one): Single Married MFS Head of Household

Occupation _____

Soc. Sec. Number _____ D.O.B _____

Mailing Address _____

City, State & Zip _____

Telephone No. _____ Cell _____

E-Mail Address _____

*Please provide a **private personal email** where we may email a draft copy of your return for review and approval upon completion. The final copy of your return(s) will be pdf copied to a CDR and sent to you to keep for your records.*

Direct Deposit

Bank Name _____ Type: _____

Routing # _____ Account # _____

Spouse

Last Name (if different) _____ First Name & Initial _____

Occupation _____

Soc. Sec. Number _____ D.O.B _____

Telephone No. _____ Cell _____

E-Mail Address _____

*Please provide a **private personal email** where we may email a draft copy of your return for review and approval upon completion. The final copy of your return(s) will be pdf copied to a CDR and sent to you to keep for your records.*

Referred By: _____

DEPENDENTS (If more space needed, please attach a separate sheet)

1. Name (First, Initial and Last) _____

Soc. Sec. Number _____ D.O.B _____

2. Name (First, Initial and Last) _____

Soc. Sec. Number _____ D.O.B _____

3. Name (First, Initial and Last) _____

Soc. Sec. Number _____ D.O.B _____

4. Name (First, Initial and Last) _____

Soc. Sec. Number _____ D.O.B _____

CHILDCARE EXPENSES (i.e. Daycare, after-school care and payments made to a Nanny; If more space is needed, please attach a separate sheet)

1. Name _____

Address _____ City, State & Zip _____

Soc. Sec. Number or FEIN _____ Amt. Paid _____

2. Name _____

Address _____ City, State & Zip _____

Soc. Sec. Number or FEIN _____ Amt. Paid _____

ESTIMATED TAXES PAID (Estimated tax is used to pay both income tax and self-employment tax, as well as other taxes and amounts reported on your tax return. **Please DO NOT include any amounts withheld on your W-2**)

Federal

State

1st Qtr. (4/15) _____

1st Qtr. _____

2nd Qtr. (6/15) _____

2nd Qtr. _____

3rd Qtr. (9/15) _____

3rd Qtr. _____

4th Qtr. (1/15) _____

3rd Qtr. _____

MISCELLANEOUS INCOME

Alimony Received (not child support) _____

Jury Duty (or other public service) _____

Tips/Gratuities (not reported on W2) _____

Gambling Winnings (attach 1099 Misc, W2G or explain) _____

Commissions/Bonuses (not reported on W2) _____

CAPITAL GAINS AND LOSSES *(If more space needed, please attach a separate sheet)*

<i>Description</i>	<i>Date Acq.</i>	<i>Date Sold</i>	<i>Proceeds</i>	<i>Cost Basis</i>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

SALE OF PERSONAL RESIDENCE AND/OR RENTAL PROPERTY

Personal Residence OR Rental Property *(circle one)*

Address _____

Date Acquired _____ Cost Basis _____

Improvements _____ Fixing-Up Expenses _____

Date Sold _____ Selling Price _____

Expenses of Sale (Commissions, Legal Fees, Points, Stamps, etc.) _____

Please provide a copy of the Closing Statement for our records

RENTAL INFORMATION *(If more space needed, please attach a separate sheet)*

Property Address _____

Yearly Rental Income _____	Advertising _____
Auto _____	Travel _____
Cleaning & Maint _____	Commissions _____
Insurance _____	Legal Fees _____
Management Fees _____	Mortgage Interest _____
Repairs _____	Supplies _____
Real Estate Taxes _____	Utilities _____
Other Expenses _____	

HIGHER EDUCATION EXPENSES (*College/University expenses for the taxpayer, spouse and/or dependents only*)

Name of School _____

Tuition Paid _____	Fees _____
Books & Supplies _____	Room & Board _____
Amt. of Grants or Scholarships _____	

JOB RELATED EDUCATION

Room and Board _____	Books & Supplies _____
Seminar Fees _____	Travel (# of miles) _____

ITEMIZED DEUCTIONS

Medical _____
(Only the amount of un-reimbursed medical expenses that exceeds 7.5% of adj. gross income is allowed. List only amounts that have actually been paid during the year. Save all cancelled checks and receipts for a period of at least three years. You may round off to the nearest dollar.)

Taxes

Total Yearly Real Estate Taxes Paid on Principal Residence _____

Sales Tax _____
(Please provide sales tax support documents for any large purchases made during the year)

Cash Donations (If additional space is needed, please attach a separate sheet)

1. Name	_____	Amt. Paid	_____
2. Name	_____	Amt. Paid	_____
3. Name	_____	Amt. Paid	_____
4. Name	_____	Amt. Paid	_____

Non-Cash Donations (If more space is needed, please attach a separate sheet)

1. Name	_____	Date Donated	_____
Address	_____	City, State & Zip	_____

Description of items donated _____

2. Name	_____	Date Donated	_____
Address	_____	City, State & Zip	_____

Description of items donated _____

3. Name	_____	Date Donated	_____
Address	_____	City, State & Zip	_____

Description of items donated _____

4. Name	_____	Date Donated	_____
Address	_____	City, State & Zip	_____

Description of items donated _____

Miscellaneous Deductions

Tax Preparation Fees Paid	_____	Safe Deposit Box	_____
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Union Dues	_____	Professional Dues	_____
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Subs. & Trade Journals	_____	Uniforms & Upkeep	_____
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Job Hunting Expenses	_____	Investment Expenses	_____
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Casualty & Theft Losses _____

Alimony Paid _____

Please include the full name and social security number of whom the alimony is paid to

Mortgage Interest Paid (If you have more than one loan, please use a separate sheet of paper to report each loan separately)

Amount of mortgage interest paid* (on primary residence): _____

Mortgage Loan #: _____ Beginning Principal Balance: _____

Months Held: _____ Ending Principal Balance: _____

*Specify if it is a home equity line

Moving Expenses (Please only list moving expenses for a job related move)

Miles from old home to old job _____ Miles from old home to new job _____

Packing & Shipping Costs _____ Cost of Travel & Lodging _____

Tax Deferred Retirement Contributions

Taxpayer

Spouse

IRA _____
Please specify if IRA is traditional or ROTH

IRA _____
Please specify if IRA is traditional or ROTH

Keogh/SEP/Simple _____

Keogh/SEP/Simple _____

(If you want the maximum allowable deduction- write MAX on the line(s). You will be informed of amount to deposit)

EMPLOYEE BUSINESS EXPENSES (This section is for your W-2 business expenses or any Schedule C business expenses; if you need to report expenses for your LLC, Corporation or S-Corporation, please download and use our **Profit and Loss Template for Businesses and Rentals**)

Please specify if expenses are for the taxpayer or for the spouse. If you need to provide expenses for both, please make a copy of this page and label each copy as "taxpayer" or "spouse."

Vehicle Expenses (If more than 1 vehicle, please attach a separate sheet)

Make and Model _____ Year _____

Cost Basis _____ Date Purchased _____

End of Year Mileage _____ Beginning of Year _____

Business Miles _____ Personal Miles _____

Gas & Oil _____ Repairs/Maint. _____

Insurance _____ Licenses _____

Lease Payments _____

Travel Expenses (Away from Home)

Transportation _____

Lodging _____

Auto Rentals _____

Cabs, Bus, etc. _____

Other Business Expenses

Postage _____

Office Supplies _____

Parking/Tolls _____

Commissions _____

Meals & Entertainment _____

Gifts _____

Business Equipment _____

Home Office

Date Purchased _____

Cost of Home _____

Sq. Footage of Home _____

Sq. Footage of office _____

Utilities _____

Insurance _____

Repairs/Maintenance _____

Improvements _____

I have adequate records and sufficient written evidence to support the use of vehicles and deductions listed above.

(Please sign) _____

QUESTIONS *(For yes answers, supply details below or attach supporting documents)*

1. Did you start a new business during the year or do you expect to start one this coming year? _____

2. Do you expect any significant changes in income, withholding taxes or your tax liability for the coming year? _____
3. Did you (or your spouse) receive any source of income that is not listed in this packet (lottery, awards, etc.)? _____
4. Did you pay anyone (over 18) \$1400 or more to work at your home (housecleaning, yard work or other domestic help) during the calendar year? If so, submit details. _____

5. Did you have a Medical or Health Savings Account (MSA or HSA) during the year? _____

6. Are you a school teacher who paid for classroom materials without reimbursement? Please provide a recap of expenses. _____
7. Did you purchase any energy efficient equipment during the year (hybrid car, air conditioner/furnace)?

8. Did you do a Roth conversion? If so, please list the amount converted. _____
9. Did you have foreign income or pay any foreign taxes in 2011? _____
10. Did the aggregate value of all of your foreign accounts exceed \$10,000 at any time during 2011? _____
If yes, please provide:
 - a. The maximum value of the account during the calendar year reported: _____
 - b. Type of account (circle one): Bank Securities Other (describe)
 - c. The name of financial institution in which the account is held: _____
 - d. The account number: _____
 - e. The mailing address of the financial institution in which the account is held:

CHECK LIST AND CERTIFICATION

- Review amounts and details listed in this tax packet to assure for completeness and accuracy.
- Enclose all copies of W-2, W-2G, K-1, Social Security forms. Include a copy of all 1099 and 1098 forms.
- Submit other supportive documents, (i.e. county property tax statement(s)).
- If submitting tax data for the first time, include a copy of your previous tax return (**if not prepared by this office**).
- If extensions have been filed, please include a copy of the extension forms.

PLEASE NOTE!

- In order to streamline the process, a draft of your return will be emailed upon completion to the private personal email(s) listed on this organizer. We ask that you email a response confirming that you have received and reviewed the draft return and are in agreement with the numbers and ready to file or have questions and need to speak with someone. Once the “green light” is given to file, your final return will be pdf copied to a CDR and sent to you for you to keep for your records.
- If possible, please send your tax documents to our office in pdf format via email. This will not only cut down on paper, but will also allow you to keep your original documents and not have to worry about possible mailing errors to and from the office.
- **Lastly, the fee for preparation of the return(s) must be paid upon completion. Once payment is received, your return(s) will be filed. You may pay with a check or credit card. Please contact our office for more information.**

PAYMENT OPTIONS *(Please check ONE method of payment)**

_____ Credit Card Payment *(we will charge your credit card once you have given our office the green light to file your return(s)):*

Type of Card (circle one): VISA MC American Express Discover

Number: _____ Exp Date: _____ Security Code: _____

Name as it appears on the card: _____

Address associated with the card: _____

_____ Pay by Check *(We must receive your check **before** filing your return)*

*If you are unable to pay for the preparation of your return upon completion, please contact Jessica McCormick at 312-327-3402 to make a payment arrangement.

TAX PACKAGE RECEIPT *(Please check ONE method of tax package receipt)*

_____ Pick Up *(check this option if you are picking your tax package up from our office once the package is ready)*

_____ Email *(check this option only if you have emailed your tax documents to us and just need a pdf copy of the final return emailed to you for your records)*

_____ Regular Mail *(please be advised that we are not responsible for any lost, damaged or stolen packages; please also verify that your current mailing address is updated with our office)*

_____ FedEx/UPS *(please provide us with your FedEx/UPS account number below or we may add the fee to your bill)*

FedEx account number: _____ Bill me for FedEx mailing

UPS account number: _____

I have reviewed the information contained in this packet and to the best of my knowledge it is true, correct and complete.

(Please sign) _____