

Jessica's Tax Tips for Organization

Organization is key when facing the year-end frenzy of getting your tax documents together. Avoid the headache of tax time with good record keeping, which will save you time and money when organizing and compiling your tax documentation for preparation of the return. The following items are usually overlooked when gathering tax information:

General Information

- Provide us with your current mailing address, phone number, email, social security number and verify your filing status

Dependants

- List the name, date of birth and social security number for each dependant

Childcare

- Include the address, taxpayer ID number or social security number and amount paid

Banking Information

- If you would like your tax refund to be deposited directly into your bank account or want the amount owed directly take out, we need your bank's name, routing number (lower left side of your checks) and account number
- If you would like to pay for the preparation of your return(s) out of your refund, we will need your bank information

Medical and Dental Expenses

- Include the total amount for all medical, dental and vision expenses, including prescriptions

Charitable Donations

- Include charity receipts or cancelled checks.

Tax Payments

- Include the date paid and amount for quarterly estimated tax payments
- If you filed or plan on filing an extension for your tax return, include the amount of the payment made or to be made with your extension

Proceeds from the sale of stocks

- Include the date acquired and cost basis for each stock sold as we need this to compute the gain/loss

Property

- Include a copy of the closing statement for all property purchased and sold during the year. Include the date purchased and purchase price for all property sold.
- Include the address of the property on each mortgage interest statement
- Include the amount paid for real estate taxes on each property
- Prepare a spreadsheet for each rental property with the income amount and categorized expenses
 - Expenses include advertising, auto, management fees, commissions, insurance, repairs and maintenance, supplies, mortgage interest paid, real estate taxes paid, legal and other professional fees, etc.

If you have a home office

- Provide us with the total square footage of your home, the square footage of your home office, total rent paid if home is rented, mortgage interest paid, property tax payments, homeowner's insurance and total amount of utilities

Receipts for unreimbursed job expenses

- Total all receipts and prepare a spreadsheet with the categorized amounts. Please keep the receipts for your records when including these amounts in the spreadsheet.
 - Expenses include auto repair and maintenance, gas, parking, tolls, cabs, mileage, meals and entertainment, travel, office supplies, gifts to clients, dues, uniform costs, legal fees, professional publications, job-related educational expenses, etc.

Other Miscellaneous Tax Deductions

- Tax return preparation fees
- Safe deposit box rental fees
- Receipts for energy-saving purchases

Keeping these tips in mind when compiling your tax documentation will not only keep you organized, but it will also help our office accurately prepare your return in a timely manner. Please refer to the 2009 Income Tax Guidelines and Organizer and the Tax Preparation Checklist available on our website for more information or contact our tax coordinator, Jessica, at 312-327-3402 or Jessica@mbflegal.com with any questions.