



2020 Business Questionnaire Alfano & Company Bookkeeping Clients

To help us ensure no income or deductions are missed in your business tax preparation and due to increased scrutiny by the IRS on the procedures of tax preparers we need you to answer the following questions before we can complete your business return.

Business Name: _____ Filled Out by: _____

E-Mail Address: _____

- Yes No N/A Did ownership in the business change during the year?
- Yes No N/A Did your business receive interest or dividend income or sell/exchange any stocks or bonds?
- Yes No N/A Did your business sell or exchange any property or assets?
- Yes No N/A Did your business make any contributions to a retirement plan on behalf of yourself or your employees?
- Yes No N/A Did your business receive any correspondence from the IRS or other taxing authority during the year that you have not already provided to our office?
- Yes No N/A Did your business own or have signature authority over a foreign bank account, trust, pension, or other business?
- Yes No N/A Do you have appropriate documentation to substantiate mileage and expenses for your business records?
- Yes No N/A Did your business conduct services or provide goods outside of your home state?
- If you circle "yes", please provide a breakdown.
- Yes No N/A Has your business address changed since your return was filed last year?
- Yes No N/A Have you made any other changes this year that may affect your business' tax situation?
- Yes No N/A Is the information you have provided to us for your tax return complete & accurate to the best of your knowledge?
- Yes No N/A Did the business have any interest in Cryptocurrency at any point during the year?
- Yes No N/A Did your business have any debt that was cancelled, forgiven or modified so as to reduce the principal amount during the fiscal year (other than a PPP loan)?
- Yes No N/A May the IRS discuss this return with the preparer?
- Yes No N/A If you have an overpayment, do you want the excess tax applied to your 2021 estimated tax (instead of being refunded)?
- Yes No N/A Would you like to opt into our optional Audit Correspondence Plan for your 2020 tax return? *
- Paper & Portal Portal Only How would you like a copy of your tax return? **If you select Paper, you will be charged an additional \$35 fee to cover printing and postage.**



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Estimates: We have noticed that the large majority of notices and correspondence from the IRS and other taxing authorities is due to misreported tax payments. Therefore, going forward our new office policy will require proof of all payments paid including dates and amounts to avoid inaccurate reporting.

How Do You Know if You Should Issue Forms 1099-Misc or 1099-NEC? The IRS requires that businesses issue a Form 1099-NEC to any subcontractor or service provider (whether an individual or an unincorporated business) who was paid over \$600 by cash, check, or wire transfer during the calendar year. Among many others, this could include an independent contractor, a maintenance or cleaning company, administrative support, a website or graphic designer, or even your bookkeeper or accountant! Form 1099-Misc must be issued to an attorney or law office (whether incorporated or not) or landlord. Feel free to ask if you are unsure which of your expenses, if any, would require the filing of these forms. Our office is happy to help you with the preparation of any 1099s you require; please let us know ASAP if you believe you will need to file these forms for 2020.

What is a reportable transaction and a material advisor? A reportable transaction is any transaction determined under regulation prescribed under section 6011 as having potential for tax avoidance or evasion. A material advisor is any person who directly or indirectly derives gross income in excess of \$50,000 for providing material aid, assistance, or advice with respect to organizing, managing, promoting, selling, implementing, insuring, or carrying out a reportable transaction as described above. In short this question only applies to your business if you are earning income from clients for helping set up or maintain a tax shelter or initiating other transactions for the purpose of tax savings.

What is the Audit Correspondence Plan? As federal and state budget deficits balloon out of control, the IRS and other taxing authorities are working harder to chase every tax dollar. Your odds of getting audited or receiving other unwelcome correspondence is climbing every year. We handle many of these notices and have found that the IRS computers are often inaccurate. However, the IRS assumes their conclusions are correct unless you prove otherwise. Responding to simple written notices can be expensive and time-consuming, and responding to an actual audit can mean real financial disruption. Here at Alfano & Company we've created our **Audit Correspondence Plan** to help shield you from those unexpected costs. For an additional fee of 20% of your regular tax return preparation fee (minimum of \$200) we handle all written correspondence related to notices received from federal or state taxing authorities related to this year's tax return. Please note that this is an annual service and covers only your 2020 Federal and State tax returns. Should you need further representation, in person or over the phone, you will incur additional fees from our office.

Why you should choose "Portal Only": Instead of receiving a paper copy of your return (which once reviewed should be securely locked up in a safe or deposit box) you will only receive a copy of your return in our [secure online portal](#). Once your return is prepared and ready for your review you will be notified by email with instructions to set up your personal login. You can review the return and download and sign any action items necessary to file your return. For the next three years you will then have the ability to download and print the return whenever you may require it (for FAFSA or a loan application, for example). With access to your portal set up you will also be able to SECURELY upload your tax related documents for our team (this is FAR more secure than e-mail!), as well as any other personal information you would like to keep safe (passports, wills, insurance policies, etc.). By electing Portal this year you will also avoid a \$35 handling fee. Should you have any questions or concerns please e-mail us (reception@alfanocpa.com) or call the office 203-698-7700.