

2018
JAMES J. TOWEY, P.C.
Information
Summarizer for Self Employed

11555 Beamer Road, Ste. 100
Houston, TX 77089
(281)484-5561 (Tel.)
(281)481-0987 (Fax)
pcjtt76@gmail.com
www.jamestoweycpa.com

CLIENT: _____

Taxpayers E-mail Address:

Home _____@_____

Work _____@_____

GENERAL INFORMATION

Full Legal: First Name **MI** **Last Name** **SS#** **Occupation**

Taxpayer (T) _____

Spouse(S) _____

Address _____

City, State, Zip _____

Home Phone _____ Work Phone (T) _____ Work Phone (S) _____

E-Mail (T) _____ E-Mail (S) _____

Cell Phone (T) _____ (S) _____

Fax (T) _____ (S) _____

Birthdates (T) _____ (S) _____

Filing Status (Please circle appropriate selection):

- | | |
|-------------------------------|----------------------------|
| 1.) Single | 4.) Head of Household |
| 2.) Married Filing Jointly | Non-dependent's Name _____ |
| 3.) Married Filing Separately | 5.) Qualifying Widow(er) |
| a. Former Spouse Name _____ | Year spouse died _____ |
| b. Former Spouse SS# _____ | |

Dependents:

<i>Full Name</i>	<i>Date of Birth</i>	<i>SS#</i>	<i>Relationship</i>	<i># of Months a resident - 2018</i>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

PLEASE READ AND SIGN BEFORE PROCEEDING

James J Towey, P C
James J Towey, CPA

Tax Return Preparation, Consulting and Accounting Services
2018 ENGAGEMENT POLICY STATEMENT

Dear Client:

We appreciate the opportunity of serving you and advising you regarding your income taxes and/or accounting needs. To ensure a complete understanding between us, we are setting forth the pertinent information about the services that we propose to provide for you.

Tax Work:

We will prepare your federal and state income tax returns based on information you furnish to us. We will not audit or otherwise verify the data you submit to us, although we may ask you to clarify some of it. In order to timely file your tax returns, we need all required information no later than 20 days prior to the tax filing deadline. You may be required to request an extension if we do not receive all required information by the above date.

We will use our judgment in resolving questions where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretation of the law and other supportable positions. Unless otherwise instructed by you, we will resolve such questions in your favor whenever possible.

It is your responsibility to provide all the information required for the preparation of complete and accurate returns. You represent that there is adequate substantiation to support deductions for any expenses claimed on the return. **You are ultimately responsible for the accuracy of your return and should review it carefully before signing it.**

You should retain all the documents, canceled checks, and other data which form the basis of income and deductions. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority.

Your returns may be selected for review by the taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such government tax examination, we will be available upon request to represent you and will request a retainer before performing such services.

If there is an error on the return resulting from incorrect information supplied by you, or due to your subsequent receipt of amended or corrected tax forms (W-2's, 1099's, K-1's), you are responsible for the payment of any additional taxes which would have been properly due on the original return(s), along with any interest and penalties charged by the IRS.

Accounting and Consulting:

Our services come in the form of a tax return, financial statement, letter, report preparation, along with consultations, meetings or phone calls. Our fees are based upon several factors. We have spent many years becoming very knowledgeable and educated in tax and accounting matters. In addition, we are required to continue our education annually to maintain our licenses. When you contact us it is because you need our knowledge and assistance with something, this is when our time becomes billable. If you call our office with a "general" question that we can quickly answer, we consider this a courtesy service and you will not be billed for our time. Phone calls requiring research, business or personal planning, tax compliance, etc. will be billed in accordance with our billing policy.

Billings:

Any estimate we give is based upon information you **initially** provide to us. Actual fees may vary as circumstances change and/or new corrected information is made available. All fees and costs incurred to prepare your income tax returns are due and payable before the returns are released from our office.

You will receive a full paper or pdf of your return. Any additional copies will incur a service charge of \$30.00. We reserve the right to hold the completed returns until your account is paid in full. **An E-file authorization signature is required before any tax return can be electronically filed or released.**

If your return is for a closely held corporation, partnership, limited liability company, or other entity, the person signing that return agrees to be personally liable for our fees if the entity does not pay. Finance Charges will accrue at 1.5% per month after 45 days of the invoice date. Uncollected invoices will be subject to submittal with collections and incur a collection fee plus Finance Charges.

Payments:

We reserve the right to require retainers at our discretion.

Accounts unpaid for 60 days will require that we cease rendering service until your account is brought current. In the event we stop work or withdraw from this engagement as a result of your failure to pay on a timely basis for services rendered, we shall not be liable for any damages/penalties incurred as a result of our ceasing to render services.

The client has ten (10) days from the invoice date, to voice any objections or questions regarding the invoice or any portion or element thereof. After the ten (10) day period all invoices shall constitute acceptance of the invoice as submitted and payment in full will be expected within the required time frame. Any courtesy billing adjustments given are honored for fourteen (14) days. After fourteen (14) days, the invoice must be paid at the full rate and the courtesy adjustment shall be null and void. Any Non-Sufficient Funds check will be charged an additional \$50 fee.

Either party may terminate this agreement upon giving a (10) days written notice. Should this agreement be terminated prior to completion of services, we will prepare a final bill

showing the total fees incurred for services rendered. This amount will be due and payable upon presentation.

Please be advised that certain communications involving tax advice between you and our firm may be privileged and not subject to disclosure to the IRS. If you disclose the contents of those communications to anyone, or turn over information about those communications to the government, you may be waiving this privilege. To protect your rights, please consult with us or your attorney prior to disclosing any information about our tax advice.

If, after reading this letter, you agree to the terms and conditions set forth herein, please sign below and return this letter.

We again would like to express our appreciation for this opportunity to serve you.

Yours very truly,

James J Towey, CPA

Acknowledgment

Having read and fully understood the engagement letter, I/we agree to engage James J Towey, P C in accordance with the terms indicated. I/we understand the returns and/or Accounting services are to be prepared from information I/we provide and that the final responsibility for a complete and accurate return/services rests with me/us. It is also my/our responsibility to review and understand the information on the returns prior to signing and filing them.

Date

Print Name (Taxpayer
applicable)

Company Name (if
applicable)

Signature

Print Name (Spouse)

Signature

We must have a signed Engagement Policy Statement signed and in our records before we can commence on work requested.

We may terminate our representation of you if you insist that we pursue objectives that we consider imprudent, unprofessional, or unethical or if we feel further representation is not warranted for personal reasons. Regardless of the reason for termination, you are obligated to pay for services provided and costs incurred through the date of termination.

WAGES AND INCOME

**WAGES (W-2'S) CONTRACT WORKER INCOME (1099-MISC), SEE PAGE 6!
(ATTACH FORMS TO THE APPROPRIATE PAGE)**

PLEASE NOTE: List, in the appropriate spaces below, the items that apply.

W-2's: *If you have Federal Income Taxes and Social Security Taxes withheld from your wages please attach ALL copies of your IRS forms W-2 below and list here:*

Employer	Gross Wages	Federal Withholding	Social Security	State Withholding	Medicare	401K

INTEREST AND DIVIDEND INCOME: *If you have interest or dividend income from savings accounts, CD's, money market funds, etc., please attach copies of the year end statement and list here: (1099-INT, 1099-DIV)*

Institution	Amount

OTHER INCOME

*1099's: If you received an IRS form 1099 for ANY other reason, **please attach ALL copies of your forms 1099 below.** Included would be 1099-A, 1099-B, 1099-G, 1099-Misc, 1099-OID and 1099-S.*

Institution	

*1099-R: If you receive payments from a pension plan or IRA, **please attach ALL copies of IRS forms 1099-R below and list here:***

Institution	Gross Pension	Taxable Pension	Federal Withholding

List of ALL Foreign-owned Assets (whether income producing or not)

Institution	Description	Income	Foreign Tax Paid

HEALTH INSURANCE - 2018

WERE YOU AND YOUR FAMILY COVERED BY A HEALTH INSURANCE PLAN IN 2018? YES _____ NO _____

IF YES, WAS IT OBTAINED FROM THE GOVERNMENT EXCHANGE/MARKETPLACE OR FROM A CORPORATE PLAN OR INSURANCE COMPANY REPRESENTATIVE? _____

IF OBTAINED FROM THE GOVERNMENT MARKETPLACE, DID YOU RECEIVE FORM 1095-A? YES _____ NO _____. IF AVAILABLE, PLEASE PRESENT THIS COPY TO THE TAX PREPARER.

DOES THE PLAN COVER ALL IN THE HOUSEHOLD? YES _____ NO _____

If NO, do the dependents carry their own separate plan? YES _____ NO _____

ARE ANY DEPENDENTS IN YOUR HOUSEHOLD REQUIRED TO FILE A TAX RETURN FOR 2018? YES _____ NO _____

INCOME FROM SELF-EMPLOYMENT OR CONTRACT LABOR

(Please use a separate form for each separate business)

Name of the business or dba _____

Address (if different from residence) _____

Is the business owned by the taxpayer, spouse, or jointly? (T, S, J.) _____

When did this business start? _____ # of months operated in 2018 _____

INCOME:

Gross receipts or Sales (actual monies collected) \$ _____
Include and Attach ALL Forms 1099M.

Less: Returns and allowances (_____)

Other income (describe) _____

AUTO: (Following information required for EACH car you used in your business).

Date Acquired _____ Cost (if purchased) \$ _____ Type of auto _____

Total miles vehicle driven in 2018 _____

Business miles driven in 2018 _____

Commuting miles driven in 2018 _____

Gas _____ Loan Interest _____

Repairs & Maintenance _____ Lease Payments _____

Insurance _____ License & Inspections _____

Other _____

OFFICE IN THE HOME:

Date Residence Acquired _____ Cost (if purchased) _____

Number of Rooms in Residence _____ Business rooms _____

Square Footage in Residence _____ Business Square Footage _____

Interest on Mortgage _____ Utilities _____

Rent paid \$ _____ Insurance _____

Taxes paid \$ _____ Repairs _____

Improvements _____ (Date made) _____

Home Owner's Association Dues _____

INCOME FROM SELF-EMPLOYMENT OR CONTRACT LABOR (continued)

FURNISHINGS & EQUIPMENT:

Description _____ \$ _____ % - ____ (Date purchased) _____

Description _____ \$ _____ % - ____ (Date purchased) _____

Description _____ \$ _____ % - ____ (Date purchased) _____

OTHER EXPENSES:

Advertising/Website _____ Repairs _____

Bad Debts _____ Returns & Allowances _____

Commission's _____ Seminars _____

Dues and Publications _____ Supplies _____

Freight and Delivery _____ Utilities _____

Insurance _____ Taxes _____

Interest _____ Training Costs _____

Legal and Accounting _____ Travel _____

Meeting Costs _____ Meals and Entertainment _____

Office Expenses _____ Wages and Salaries _____

Rent _____ Client Gifts _____

Long Distance Phone _____ Demo's and Samples _____

Cellular Phone _____ Bank Fees _____

Postage _____ Other _____

Website/Domain _____

Health Ins. Premiums _____

Tolls and Parking _____

OTHER INCOME

	<u>Taxpayer</u>	<u>Spouse</u>
Did you receive ALIMONY from a prior spouse in 2018?	\$ _____	\$ _____
Did you receive UNEMPLOYMENT COMPENSATION in 2018? (Please attach Form 1099-G below)	\$ _____	\$ _____
Did you receive SOCIAL SECURITY BENEFITS in 2018? (Please attach Forms 1099-SSA below)	\$ _____	\$ _____
Did you receive any GAMBLING WINNINGS? (Attach Form W-2G) in 2018?	\$ _____	\$ _____
Did you receive ANY OTHER INCOME FROM ANY OTHER SOURCE not already previously listed on this or prior pages? (Please list below)		
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____

(PLEASE ATTACH REPORTING NOTICES FROM AGENCIES OR COMPANIES FOR ALL ITEMS LISTED ON THIS PAGE IN THE SPACE BELOW).

OTHER ITEMS

ADJUSTMENTS TO INCOME

	<u>Taxpayer</u>	<u>Spouse</u>
ALIMONY paid to a prior spouse in 2018? Prior spouse SS# _____	\$ _____	\$ _____
Traditional IRA Contribution in 2018?	\$ _____	\$ _____
ROTH IRA contribution in 2018?	\$ _____	\$ _____
Individual Contribution to a Health Savings Account (HSA) In 2018?	\$ _____	\$ _____
Student Loan Interest paid in 2018?	\$ _____	\$ _____
Were/are you a participant in a company-sponsored Pension or Profit Sharing Plan in 2018? (Yes/No) _____		
Did you incur a PENALTY FOR EARLY WITHDRAWAL from a savings account or Certificate of Deposit from a financial institution in 2018? _____	\$ _____	\$ _____
<u>If you are/were self-employed:</u> Contribution to a KEOGH, SEP, SIMPLE, SMALL 401K? Or PROFIT SHARING PLAN in 2018 (Please indicate what type)	\$ _____	\$ _____

i. ESTIMATED TAX PAYMENTS

Did you make estimated quarterly payments for the 2018 tax year (if state taxes paid, please list alongside federal).

Date Due	Date Actually Paid	Federal / State
04/15/18	_____	_____
06/15/18	_____	_____
09/15/18	_____	_____
01/15/19	_____	_____

Did you elect to apply refunds due from the 2017 tax return to 2018? If so, how much?
\$ _____

If you are due a refund on your 2018 tax return, do you wish to have it refunded to you? _____ (Yes/No),
or, applied to your 2019 estimated payments? _____ (Yes/No)

ii. ELECTRONIC FILING

Please attach a copy of a voided check on the account for refund (or payment). Upon acceptance for electronic filing, you can expect your refund/payment to be sent /debited directly to your bank account from the United States Treasury.

ITEMIZED DEDUCTIONS

MEDICAL:

Pharmaceuticals, medicines (no over-the-counter) \$ _____
Doctors, Dentists, etc. \$ _____
Insurance Premiums \$ _____

Medical-related Mileage _____

TAXES: Limit is \$10,000

State and local income taxes OR Sales Taxes (greater of the two) \$ _____

Real estate taxes on your residence \$ _____

Real estate taxes on other property you own (**Not** rental property) \$ _____

INTEREST: *(Please attach your year-end mortgage statement and Forms 1098 here).*

Mortgage interest on your residence (1st and 2nd liens) \$ _____

If paid to an individual, please list:

Name _____

Address _____

City, State & ZIP _____

Social Security # _____

Points paid on the purchase of a residence \$ _____

Points paid on the refinancing of an existing residence \$ _____

(Please attach closing statement here)

Interest paid on investment-related loans \$ _____

(Margin accounts, etc.)

CHARITABLE CONTRIBUTIONS:

Paid in cash or by check (attach document as proof of contribution).

If over \$ 250.00 to any one organization, please list:

Name _____ Amount \$ _____

Address _____

City, State & ZIP _____

Non-cash contributions such as Salvation Army, Goodwill, etc. \$ _____

Please list: (***YOU MUST HAVE A RECEIPT***)

Name _____ EIN _____

Address _____

City, State & ZIP _____

Description of Donated Property: _____

Date of Contribution _____ Date Acquired _____ Donor's Cost _____

Fair Market Value at Date of Gift: \$ _____ How Acquired _____

Method used to determine Fair Market Value? _____

CASUALTY OR THEFT LOSSES:

Did you sustain a loss that was qualified as major? (If not, move on) \$ _____

If so, please describe in detail here or use a separate worksheet to outline your itemized losses and reimbursements: _____

CHILD & DEPENDENT CARE EXPENSE

PERSON(S)/ORGANIZATIONS PROVIDING CARE:

Name	Address, City, State & ZIP	SS# or Federal ID#	Amount Paid
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

Number of Qualifying Dependents _____

NOTE:
ADDRESS AND SOCIAL SECURITY NUMBER/FEDERAL ID NUMBER IS
MANDATORY ON DAY CARE PROVIDERS!

INCOME/EXPENSES FROM FARM/RANCH

(Please use a separate form for each separate business)

Name of the farm/ranch _____

Address (if different from residence) _____

Is the farm/ranch owned by the taxpayer, spouse, or jointly (T, S, J)

When did this farm/ranch start? _____ # of months operated in
2018 _____

INCOME:

Sales of farm/ranch products \$ _____

Cost of products produced \$ (_____)

Other Income (describe) _____ \$ _____

EXPENSES:

Breeding Fees \$ _____ Labor \$ _____

Chemicals _____ Pension & Profit-sharing _____

Conservation Expenses _____ Rent or Lease _____

Custom Hire _____ Repair & Maintenance _____

Depreciation _____ Seed & Plants purchased _____

Employee Benefits _____ Storage & Warehousing _____

Feed _____ Supplies _____

Fertilizer & Lime _____ Taxes _____

Freight & Trucking _____ Utilities _____

Gasoline, Fuel, & Oil _____ Veterinary Fees _____

Insurance _____ other (describe) _____

Interest _____

FARM VEHICLE: (Following information required for EACH VEHICLE you used on your farm).

Date Acquired _____ Cost (if purchased) \$ _____ Vehicle Type _____

Total miles vehicle driven in 2018 _____

Business miles driven in 2018 _____

Commuting miles driven in 2018 _____

Fuel _____ Loan Interest _____

Repairs & Maintenance _____ Lease Payments _____

Insurance _____ License & Inspections _____

Other _____

RENTAL OR ROYALTY PROPERTY INCOME & EXPENSE

	<i>Property A</i>	<i>Property B</i>	<i>Property C</i>
Address	_____	_____	_____
City, State & ZIP	_____	_____	_____
RENTAL INCOME	\$ _____	\$ _____	\$ _____
ROYALTY INCOME	_____	_____	_____
<u>EXPENSES:</u>			
Advertising	_____	_____	_____
Auto & Travel	_____	_____	_____
Cleaning & Maintenance	_____	_____	_____
Commissions'	_____	_____	_____
Insurance	_____	_____	_____
Legal & Prof. Fees	_____	_____	_____
Mortgage Interest	_____	_____	_____
Repairs	_____	_____	_____
Supplies	_____	_____	_____
Prop Taxes	_____	_____	_____
Utilities	_____	_____	_____
Wages and Salaries	_____	_____	_____
HOA Dues	_____	_____	_____
Other (describe)	_____	_____	_____
_____	_____	_____	_____
DATE PROPERTY ACQUIRED	_____	_____	_____
COST BASIS	\$ _____	\$ _____	\$ _____

SALE OF INVESTMENT ASSETS

If you sold stock, bonds, or other types of investments, *please attach ALL pages of the year end summary statement from your brokerage firm(s) below. In addition, please provide the date purchased and your cost basis in those assets sold:*

Description	Date Acquired	Date Sold	Net Selling Price	Cost or Basis
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$

SALE OF RESIDENCE IN 2018

OLD RESIDENCE:

Cost basis of old residence sold (includes original purchase price, closing costs, and all improvements since purchase). \$ _____

Date old residence purchased _____

Date old residence sold _____

Sale price of old residence \$ _____

Did you owner-finance the new buyer (Yes/No) _____ If Yes, How Much?

Expenses of sale (commissions, closing costs, etc.) \$ _____

Fixing-up Expenses prior to sale of old residence \$ _____

NEW RESIDENCE:

Are you a First-time homebuyer? _____

Did you purchase a new residence in 2018? _____ What date did you purchase this residence?

What is the purchase price of the new residence? \$ _____

PLEASE ATTACH A COPY OF THE CLOSING PAPERS FROM BOTH THE PURCHASE AND SALE OF THE OLD RESIDENCE AND THE PURCHASE OF THE NEW RESIDENCE (if applicable)

**DISTRIBUTIONS FROM PARTNERSHIPS, "S" CORPORATIONS, &
TRUSTS**

If you received a Form K-1 from Partnerships, "S" Corporations, or Trusts in which you have an interest, please attach ALL pages of those K-1's and list below:

Education Tuition & Notes

If you or a dependent were enrolled in an institution of higher education and tuition, fees and lab expenses were incurred, please list below:

Please attach Form 1098-T from each institution of Higher Learning!

Student's Name: _____

Qualified Education Exps.

<i>Tuition</i>	\$ _____	\$ _____
<i>Fees</i>	_____	_____
<i>Labs</i>	_____	_____
<i>Grants, Scholarships</i>	_____	_____
<i>Freshman, Soph. or higher</i>	_____	_____

Please accompany this information with the Form 1098 T received from the Institution(s) of Higher Learning!

If there are items that you did not record elsewhere in the Summarizer, or, require additional clarification, please list those below:
