



## 2009 TAX RETURN CHECKLIST

Please note that we will be e-filing all eligible returns for 2009.

If you are a new client, you should already have completed our “New Individual Client Information Sheet.” If you have not received this sheet, please call us for a copy.

### ITEMS RELATING TO INCOME:

- 1) Salary received from your employer. **Provide:** W-2s
- 2) Compensation for work as a subcontractor. **Provide:** 1099-MISC
- 3) Interest and dividends received for investments: **Provide:**
  - i) 1099-INT & 1099-DIV
  - ii) Payer and amount if no form available.
  - iii) Year-end broker and mutual fund statements, including any tax related bulletins.
  - iv) Statements showing annual municipal interest earned.
  - v) Schedule of interest *received* (if any) from seller-financed mortgages.
  - vi) It is sometimes advantageous to elect to recognize interest income on U.S. savings bonds each year rather than recognize the income all at once when bonds are cashed. If you would like us to review this option with you, please provide us with a list of U.S. savings bonds owned, including date purchased and serial #.

**Please note:** With the exception of banks, many financial institutions will not issue 1099 forms until February 16, 2010. In addition, many financial institutions will issue amended forms after this date. Please notify us of any amended forms received immediately. If you received amended forms in 2008, we may hold your 2009 returns until we are sure you have received the final forms for 2009.

- 4) Vermont or other state refunds received in 2009. **Provide:** 1099-G
- 5) Self-employment income for you or your spouse. **Provide:** Complete the separate Small Business Checklist enclosed (if not enclosed, please call us for a copy).
- 6) Capital gain or loss. Provide: 1099-B forms received for sales of stocks, bonds, or other securities. PLEASE GIVE US A COMPLETE COPY OF THE 1099 STATEMENT - NOT JUST SELECTED PAGES. **If you file a Vermont return, please also see item #43 regarding the 2009 Vermont tax law change pertaining to the taxation of capital gains.**

For all sales of securities, real estate or other property, please provide the date purchased the cost, the date sold, and the proceeds of sale (including payments made under an installment agreement). If you invested in a stock that experienced a tax-free spin off, or a merger, please provide us with the documentation received at the time of the spin-off or merger. Please be aware that sales of collectibles are taxed at a higher tax rate than other capital gains. This special rate also applies to sales of investment vehicles holding precious metals, such as Gold ETFs.

If you received or exercised employment stock options or shares purchased through an employer stock purchase plan, please provide full details.



For the sales of real estate, submit the closing sheets (settlement statements) for the purchase and the sale of the real estate sold, as well as the closing sheet for any newly purchased real estate. If you sold property located in a state in which tax is withheld, please provide us with a copy of your state withholding form. *If you sold your personal residence, please review the transaction with us so we can determine whether the gain, if any, on the sale is exempt from income taxes.*

- 7) IRA & Pension Distributions. **Provide:** 1099-R forms received for distributions from retirement plans, IRAs, and annuities. Please provide details if you made any charitable distributions from your IRA. Please provide details of any Roth IRA conversions.
- 8) Traditional IRAs: **Provide:** Year end statements.
- 9) Roth IRAs: **Provide:** Year end statements. List of contributions made for each family member, by year (if you have already provided this to us in the past, disregard this item.)
- 10) Rental income. **Provide:** If you own rental real estate or other rental property, please complete the separate Rental Income checklist enclosed (if not enclosed, please call us for a copy).
- 11) Partnership, LLC, S-Corporation, Estate and Trust income. **Provide:** Schedule K-1 for each interest held. Please note that if we prepared your partnership, LLC, S-Corporation, Estate and/or Trust tax returns, we already have this information on file.
- 12) Unemployment income. **Provide:** 1099-G
- 13) Social Security Benefits. **Provide:** SSA 1099s received indicating the benefits paid to you, your spouse, your children, or other dependents.
- 14) Other income. **Provide:** Information regarding any other income you received, such as royalties, gambling winnings, alimony, tip income, **debt forgiveness income**, jury duty pay & director's fees. Please indicate type and amount of payment.
- 15) If your dependent child under the age of 24 had any income during the year, please provide all documents such as 1099s and W-2s. Dependent children under 24 may be subject to the "kiddie tax". We strongly suggest that the returns for dependent children of any age not be filed until we determine whether they will be subject to the "kiddie tax."
- 16) If you have any foreign bank accounts or other foreign items of income (other than from domestic mutual funds), please provide details on a separate sheet. **There are stiff penalties for failure to report this information.**

ITEMS RELATING TO ADJUSTMENTS TO INCOME, DEDUCTIONS & TAX CREDITS:

- 17) Moving expenses. **Provide:** List amounts paid and all details including the date of move and the distance from your new principal workplace to your old home. If your employer reimbursed you, please provide all the paperwork you received from your employer.
- 18) Self-employed Health Insurance. **Provide:** If you or your spouse were self-employed (or were partners or S-corporation shareholders) please indicate the amount of health insurance premiums (including long-term care premiums) paid to cover the self-employed person, partner or shareholder and their family.



- 19) HSA/MSA contributions: **Provide:**
- i) The amount of your plan deductible for 2009;
  - ii) Whether this is a single person or multi-person plan;
  - iii) Your 1099-SA showing any distributions made from the plan;
  - iv) The amount of distributions not used for medical expenses, if any;
  - v) Your year-end account statement showing contributions, earnings, etc. for 2009;
  - vi) If you plan to make any more contributions by April 15, 2010 for 2009 please indicate the amount here \_\_\_\_\_. For 2009, you may contribute more than the amount of your annual deductible. You can now contribute \$3,000 for single coverage and \$5,950 for multi-person coverage.
  - vii) **Don't forget to ask us about the special "catch-up" contributions for individuals age 55 and over.**
- 20) COBRA continuation insurance coverage. If you were involuntarily terminated from your place of employment during the period of September 1, 2008 and December 31, 2009, and received COBRA premium assistance, please provide us with these details.
- 21) Alimony paid. **Provide:** If you or your spouse made alimony payments, provide amount paid, and name, address, and social security number of payee. Please include complete copy of divorce agreements, if not previously provided.
- 22) Teachers. **Provide:** List the amount paid for un-reimbursed qualified expenses (items such as supplies and computer programs.)\_\_\_\_\_.
- 23) Guard and Reserves. **Provide:** Amount paid for un-reimbursed Guard overnight travel, lodging and meals.
- 24) Estimated Income Taxes. **Provide:** Please provide copies of cancelled checks. If not available, indicate the dates and amounts of all federal and state estimated payments you made for 2009, including those paid in 2010 for 2009.
- 25) Medical expenses. **Provide:** List of the un-reimbursed amounts paid for health insurance premiums, including Medicare D premiums, long-term care insurance premiums, doctors, dentists, eye care, prescription medicine, chiropractors, hospitals, and medical transportation or mileage. **Please note:** In order to receive any medical expense deduction, the total of all your medical expenses must exceed 7.5% of your adjusted gross income. So, unless you believe you may qualify, you may want to skip this listing.
- 26) Real Estate Taxes. **Provide: COPIES OF YOUR PROPERTY TAX BILLS** for all real estate owned, including investment and/or vacation property **even if you do not usually itemize**. Indicate the payments you made for each property separately during calendar year 2009. The calendar year may overlap more than one fiscal year of the taxing jurisdiction, so please provide copies of both fiscal years' tax bills.
- 27) Student loan interest. **Provide:** Details and 1098-E.
- 28) Mortgage interest and private mortgage insurance. **Provide:** 1098 forms. If you made payments on a privately held mortgage, please indicate the amount of interest paid, to whom the payments were made & the social security number and address of the payee.
- 29) Refinancing of a home: **Provide:** Copy of the closing statement (settlement sheet).
- 30) Investment interest expense. **Provide:** If details are not included with your year-end broker statements, please provide details.



- 31) Charitable Contributions. **Provide:** List the amount paid and name of each payee. Note: If you receive goods or services, such as a dinner or theater tickets, in return for your contribution, your deduction is limited to the excess of what you gave over the value of what you received.

We do not need copies of receipts for donations of cash gifts in any amount as long as you have proof of your payment in your files.

If you drove your car for charitable purposes, list your **charitable mileage** here: \_\_\_\_\_  
(Please separately list volunteer miles related to Midwestern storms, tornados, or flooding.)

For gifts of property you must provide: a description of the property, date of the gift, and value of the gift. Please note: For total gifts of property in excess of \$500, you must obtain a receipt from each donee organization.

Reminder: Deductions for contributions of used clothing and household items that are not in "good" condition or better are no longer allowed.

If you made a vehicle donation, you should have received a written acknowledgement from the charity. **Provide:** Tax Form 1098-C from charity.

If you **hosted an exchange student**, please contact us so we can determine if you are entitled to a charitable deduction.

- 32) Miscellaneous Deductions. **Provide:** Lists of amounts (if any) paid for unreimbursed employee expenses (travel, tools and uniforms); Unreimbursed employee mileage; job hunting expenses; job related education; tax preparation fees; investment management fees; safe deposit box fees; gambling losses; and casualty or theft losses. **New in 2009: expenses for certain performing artists may receive special treatment. If you are a performing artist, please contact us.**

- 33) Child Care/Dependent Care. **Provide:** List amounts paid for dependent care, listing amounts for each dependent separately. Include name, address and social security number (or tax ID#) of care provider. Indicate if caregiver was an employee working in your home.

- 34) Household Employees. A household employee is generally any person working in or around an individual's private home if the homeowner has the legal right to control how and what work is done. Examples of household employees are housekeepers, gardeners and child care providers. There are several tax and immigration requirements pertaining to household employees. If you believe that you fall under the definition of a household employer, please contact us for a **Household Employer's Checklist** to confirm that you are in compliance with both Federal and State regulations.

- 35) Tuition and related expenses. **There are new rules for 2009 that require additional information. Provide:** List amounts paid for college tuition and related expenses (including books) for you, your spouse and your dependents, broken out by family member. **Please list computer purchases separately.** Please include the name of the education institution and what year of college the student is attending. Also, indicate if the tuition was paid from the proceeds of U.S. savings bond redemptions. Please submit any forms received from colleges. **For each family member with tuition and related expenses, please list the semesters attended by the student during 2009 (spring freshman, fall sophomore etc.).**

- 36) Inheritance. If you received an inheritance on which estate tax was paid you may be eligible for a special deduction. Please talk to us about this.



- 37) Sales tax. Taxpayers may chose to forgo the deduction for state income taxes paid and instead claim sales taxes paid for the year. This deduction may or may not yield a more favorable result. The IRS has provided sales tax tables for the use by taxpayers. **Provide:** If you purchased any of the following in 2009, please provide us with the receipts, as the sales taxes paid for these items can be added to the amounts calculated per the table: Cars, Motorcycles, Motor Homes, Recreational Vehicles, SUVs, Trucks, Vans, and Off-Road Vehicles. Also please provide proof of any sales taxes paid for a leased motor vehicle.

For 2009, there is a new deduction for state and local sales and excise taxes paid on the purchase of new cars, light trucks, motor homes and motorcycles after Feb. 16, 2009 and before Jan. 1, 2010. The deduction generally is available regardless of whether you itemize deductions on Schedule A or claim the standard deduction, but is subject to some income limitations. In addition, if you itemize and choose the option to deduct state sales taxes in lieu of state income taxes, you will not be eligible for the deduction. Please let us know if you would like more information.

- 38) Non-custodial parent claiming a dependency exemption for a child. **Provide:** Executed form 8332.
- 39) IRA & Pension Contributions. **Provide:** The amount of contributions for you and your spouse that you made or plan to make by April 15, 2010 into your IRA or other retirement plans. Please indicate the kind of plan and the ages and amounts of the contributions. **Don't forget to ask us about the special "catch-up" contributions for individuals age 50 and over.**
- 40) Residential Energy Efficiency Property Credits. **For 2009 some credits have been restored and others have been expanded. Provide:** receipts for purchase of solar electric and water heating, fuel cell, small wind energy, geothermal heat pump property expenditures for your property in 2009.
- 41) Purchase of a home: **Provide:** Copy of the closing statement (settlement sheet).

In 2009, credit for **first-time home buyers** was expanded. The new law enhances the credit by eliminating the repayment obligation for taxpayers that purchase homes on or after January 1, 2009. It also extends the credit through April 30, 2010 or June 30, 2010 (if you have a binding contract by April 30, 2010), and bumps up the maximum value of the credit from \$7,500 to \$8,000. *To determine if you qualify, please indicate whether, at the time of the purchase, you owned a principal residence in the United States during the three-year period that ends on the purchase date of the new residence.*

The new law also extends the credit to include "**long-time residents.**" This enhancement applies to certain tax payers who purchased a home after November 6, 2009, and is maxed at \$6,500. *To determine if you qualify, please indicate whether, at the time of the purchase, you owned a home and used it as your personal residence for 5 of the last 8 years.*

#### **STATE OF VERMONT:**

- 42) Vermont Use Tax. You must pay Use Tax on purchases on which sales tax has not been charged, but would be subject to tax if purchased in Vermont. This includes purchases from a mail-order house or catalog, over the Internet, from an out of state retailer, or from any retailer who did not charge sales tax. No Use Tax is due on purchase of food, clothing articles costing \$110 or less, or newspapers.



Use tax was expanded effective July 1, 2009 to “specified digital products transferred electronically to the end user”. These items include digital audio-visual works, digital audio works, digital books, and ring tones transferred electronically. **For “specified digital products transferred electronically to the end user” purchased in 2009, use tax is only due on purchases made on or after July 1, 2009.**

Use tax may be computed directly based on actual purchases and/or by using a Use Tax table for all purchases during the year other than individual items costing more than \$1,000. The maximum charged per this table amounts to .04% of your adjusted gross income. Please **check** your Use Tax preference:

\_\_\_ Please use the Use Tax Table to calculate my use tax for 2009.

\_\_\_ I made a purchase of more than \$1,000 during 2009 and have provided details so that the Use Tax can be calculated and added to the amount per the Use Tax Table.

\_\_\_ Please calculate the exact amount of my Use Tax for 2009. I am including information on my purchases so that HWH can prepare this calculation.

\_\_\_ I did not make any purchases during 2009 for which Use Tax should be charged.

- 43) Vermont Capital Gains. Vermont tax treatment of capital gain income was changed effective July 1, 2009. For gains received prior to July 1, 2009, prior exclusion rules are still in effect. For the majority of gains received on or after July 1, 2009, the exclusion rules have changed substantially for those under age 70. Therefore, we may ask for additional details after reviewing your tax documents.
- 44) If were a Vermont resident and served in the military, including the Vermont Air National Guard or Army Guard, some of your pay may be excluded for Vermont purposes. **Provide:** information regarding your active duty pay, including a copy of your orders that indicate the number of days of active duty status.
- 45) Contributions to Vermont Higher Education Investment Plan: **Provide:** Official statement sent by Vermont and amount contributed for each beneficiary.
- 46) Charitable housing investments through the Vermont Community Loan Fund. **Provide:** Tax form for Vermont tax credit.
- 47) If you rent a house or an apartment: **Provide:** Rent paid certificates provided to you by your landlord.
- 48) If you wish to make a contribution to the Vermont Non-game Wildlife Fund, the Vermont Campaign Fund, or the Vermont Children’s Trust Fund, please provide us with instructions. Your contribution will be tax deductible if you itemize your deductions in 2010.
- 49) **Vermont Property Tax Adjustment Claim (Form HS-122.)** If you own and occupy your homestead on April 1, 2010 you must file the Vermont Form HS-122 no later than April 15, 2010. If you were a Vermont resident as of January 1, 2009 and you owned and occupied your homestead on April 1, 2010 you may be eligible for a property tax adjustment. **Reminder:** there are no extensions for the Homestead Declaration part of this form. **Provide:** a copy of your latest property tax bill and a copy of Form HS-122 if you have previously filed the Homestead Declaration.



**Note:** If you hold a life estate in the homestead or the homestead is owned by your revocable trust you **must** provide us with this information, as the state will likely deny any potential adjustment without complete information. The state may require additional information after your return is filed to process your claim under these circumstances. If you receive a notice, please forward it to us immediately.

If you rent out a portion of your residence please provide the percentage, by square foot, of the portion rented and the total residence \_\_\_\_\_%.

If you rent any other buildings located on your parcel other than a portion of your dwelling, please check here \_\_\_\_\_.

- 50) For purposes of calculating the Property Tax Adjustment or your Renter Rebate, we need to determine your household income. Household income means your income and the income of all persons not included on this tax return who lived with you at any time during the year. It includes both taxable and nontaxable income from all sources.

Please provide us with the amounts or supporting documents for any of the following items you received:

- i) Welfare or other public assistance
- ii) Nontaxable social security benefits or SSI
- iii) Veteran's benefits
- iv) Child support
- v) Worker's compensation
- vi) Gain from sale of your home (per number 6 on page 1)
- vii) Gifts of cash or cash equivalents over \$6,500. Cash equivalents include stocks, bonds, certificates of deposit, treasury obligations, or other instruments that can be converted to cash. If the cash or cash equivalent gift exceeds \$6,500, the balance is included in household income. The \$6,500 is figured on a *per household* basis and does not include gifts to 529 plans.

If you **paid** child support in 2009, please provide us with amount paid and proof of payment.

**GENERAL ITEMS:**

- 51) If you moved during the year and have not already notified us of your change of address, please provide us with this information.
- 52) If you received a federal or state tax notice for any prior year, please provide this notice.
- 53) If you made any gifts (cash or property) of more than \$13,000 to any person, please provide details. If you receive any gifts from foreign persons, please provide all details.
- 54) If your marital or civil union status changed during 2009, please provide details.
- 55) If you had a baby, or adopted a child during 2009, please provide us with the full name of the child, the date of birth, and his or her social security number. If you adopted, *please be sure to ask us about the potential adoption expense credit.*
- 56) If you lived or worked in more than one state during 2009, show periods of residency and/or employment in each state, and identify income from each of the states. Please provide specific dates.
- 57) If you lived or worked in a foreign country during 2009, please contact us.



- 58) If you have been affected by federally declared disaster, please contact us.
- 59) If you want to have your refund directly deposited to your bank account(s): **Provide:** copy of check or deposit slip showing name of bank and account number and indicate whether account is checking or savings. Please note: many brokerage firm checks and deposit slips show a “dummy” account number. Please confirm your account number with your broker.
- 60) If you want your Vermont refund directly applied to your property tax bill, please inform us of your intent. Otherwise, we will assume that you do not want to do so.

**Please describe any special circumstances you feel may affect your tax situation, or ask any questions you would like below or on a separate sheet.**