



Tax Preparation Checklist - Business Entities

Please do not attach sensitive tax information to ordinary email.

Please request access to use Liscio instead.

*Please note, not all taxpayers will have all the documents listed below. Please send 100% of those items that you **do** have and cross out those items that do not relate to your 2024 tax situation. Thanks!*

Special Notes for 2024 Tax Returns

- The best reports to send (from QuickBooks, for example) are:
 - Profit and Loss, Standard
 - Balance Sheet, Previous Year Comparison
 - General Ledger
- When possible, please send financial reports in Excel format.
- Please verify the correct dates and accounting basis for each report.

Under current law, entities formed and/or registered in the US (Corporations, S-Corporations, LLCs) must report to FinCen (Financial Crimes Enforcement Network) and must also keep FinCen updated on changes to the entity and its key people.

Learn more at fincen.gov/boi.

Fortunate Fields, Inc will not be preparing these reports/updates for clients and will refer interested clients to a law firm for this purpose. Please ask for more details.

ALL ENTITIES

- ✓ Full legal name of the entity
- ✓ A description of the business you operate
- ✓ Federal employer ID number
- ✓ State(s) identification number(s)
- ✓ Current address, phone number, contact person, and email address
- ✓ Signed engagement letter
- ✓ **NEW CLIENTS**: please provide a complete copy of your 2023 taxes (and 2022 if available)

S-CORPORATIONS

- ✓ Date and state of incorporation
- ✓ Effective date of S-election
- ✓ List of shareholders, including full name, full address, Social Security number
- ✓ List by shareholder of number of shares owned (and ownership percentage)
- ✓ List by shareholder of whether passive investor or active participant
- ✓ Information on any changes during the year to shareholder(s) and/or shares owned (with specific dates of changes)

C-CORPORATIONS

- ✓ Date and state of incorporation
- ✓ Identification of fiscal/accounting year
- ✓ List of shareholders, including full name, full address, Social Security, or employer ID number
- ✓ List by shareholder of number of shares owned (and ownership percentage)
- ✓ List by shareholder of whether passive investor or active participant
- ✓ List by shareholder of country of citizenship
- ✓ Information on any changes during the year to shareholder(s) and/or shares owned (with specific dates of changes)

LLCs

- ✓ Date and state of organization
- ✓ Tax treatment - sole proprietor, partnership, C-corporation, S-corporation
- ✓ If S-corporation, effective date of S-election
- ✓ List of members, including full name, full address, Social Security number
- ✓ List by member of percentage membership/ownership
- ✓ List by member of whether passive investor or active participant
- ✓ List by member of country of citizenship
- ✓ Information on any changes during the year to members and/or percentage of membership/ownership (with specific dates of changes)

PARTNERSHIPS

- ✓ Date of organization
- ✓ List of partners, including full name, full address, Social Security number or employer ID number
- ✓ List by partner of percentage for profit, loss, and equity items
- ✓ List by partner of whether passive investor or active participant
- ✓ List by partner of country of citizenship
- ✓ Information on any changes during the year to partners and/or percentage of partnership (with specific dates of changes)

ALL ENTITIES

- ✓ All banking and credit accounts reconciled for the full year
- ✓ Income statement (profit & loss) for the year that shows all sources and types of income and expense separated and summarized by category (Sample categories below):
 - Gross receipts (ALL income you receive, whether or not you get a 1099)
 - Returns/refunds (money you give back to customers for whatever reason)
 - Cost of goods sold
 - Advertising
 - Auto expenses (either corporate reimbursements or mileage info)
 - Commissions and fees paid
 - Contract labor
 - Employee benefit programs
 - Insurances by type
 - Interest expenses by type
 - Legal and professional services by type
 - Office expenses
 - Pension and profit-sharing plans
 - Rent or lease of office
 - Rent or lease of vehicles, machinery, equipment
 - Repairs or maintenance
 - Supplies
 - Taxes and licenses by type
 - Travel (transportation, accommodation)
 - Travel meals (separate out entertainment for state purposes)
 - Local business meals (separate out entertainment for state purposes)
 - Utilities on business property
 - Wages (separate officer compensation from wages paid to others)
 - Telephone expense (business portion, never a first line into your home)
 - Dues and memberships/subscriptions
 - Other itemized/categorized expenses
- ✓ Expenses related to rental properties:
 - Advertising
 - Auto/travel
 - Cleaning and maintenance
 - Commissions paid
 - Insurance
 - Legal/professional fees
 - Management fees
 - Mortgage interest (only interest, not principal)
 - Repairs
 - Supplies
 - Property and rental unit taxes
 - Utilities you pay
 - Improvements
 - For depreciation - basis information

- ✓ Balance sheets as of the end of the current year and prior year (comparative format is best)
- ✓ Information on any assets acquired during the year - including description of asset, date placed into service, and cost (asset cost, not simply amount paid or financed)
- ✓ For financial reports, granting access to your online QuickBooks, Xero, Wave, FreshBooks, LessAccounting, or other online accounting programs works well
- ✓ **Excel** format is best for financial reports, vs PDF or Word or another non-sortable format.

OTHER GENERAL NOTES

- ✓ **Please do not attach sensitive tax information to ordinary email.** Please use our secure portal, Liscio, to send all sensitive tax information.
- ✓ Not all taxpayers will have all these items or issues on their tax return - so if it doesn't apply to you, please don't worry about it.
- ✓ If you can provide reports in **Excel** format, that would be great. Excel is easier to use for verifying accuracy of the work.
- ✓ We are required by state and federal tax laws to electronically file most returns. When filing on paper and by mail is optional, we add a nominal charge to cover the additional resources needed to file this way
- ✓ If you have questions along the way, please call (619) 220-0375 or send an email to dave@fortunatefields.com
- ✓ **Please provide 100% of the required information to ensure efficiency in our communication and information sharing.**

Thank you very much for your trust!