



## Tax Preparation Checklist - Nonprofit Organizations

**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.

### **ALL ENTITIES**

- ✓ Full legal name of the entity
- ✓ A description of the organization's activities
- ✓ Mission statement
- ✓ 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)

### **ALSO ALL ENTITIES**

- ✓ If you received any SBA loans related to COVID-19 (for example, EIDG/EIDL, PPP) please provide complete reporting re: amounts received, forgiveness amounts, etc. Please also indicate in your engagement agreement that you have these items to discuss. I will have further questions for you.
- ✓ If you received Employee Retention Tax Credit (ERC or ERTC) please notify me. I will have further questions for you.

### **ORGANIZATIONS WITH GROSS RECEIPTS (INCOME) GENERALLY LESS THAN \$50,000**

- ✓ Gross receipts (total income) for current and previous two tax years
- ✓ Date of incorporation
- ✓ Identification of fiscal/accounting year
- ✓ Income Statement (Profit & Loss) that shows total income and categorized expenses
- ✓ Listing of in-kind/non-cash support received
- ✓ Balance sheet that shows total assets, liabilities, and equity as of 12/31/2024
- ✓ Full name, address, phone, email address, and title of principal officer

### **ORGANIZATIONS WITH GROSS RECEIPTS GENERALLY MORE THAN \$50,000**

- ✓ Gross receipts (total income) for current and previous two tax years
- ✓ Date of incorporation
- ✓ Identification of fiscal/accounting year
- ✓ List of board of all directors/officers who served at **any time** during the reporting year to include:
  - Full name and title (title as of end of reporting year)
  - Average hours worked per week
  - Total of reportable compensation received (W-2 or 1099, not reimbursements)
- ✓ Identification of who will sign the return
- ✓ Number of volunteers who provided service during the year
- ✓ List of donors of \$5,000 or more during the year: full name, address, and amount given
- ✓ Program service accomplishments - how many people helped/served and in what ways

### **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
- ✓ Information on any assets acquired during the year - including description of asset, date placed into service, and cost
- ✓ 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 my 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.

- ✓ I am required by state and federal tax laws to electronically file most returns. When filing on paper and by mail is optional, I 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](mailto: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!***