

Dear Clients and Friends,

Seasons Greetings from the Beverly and Bucker family! We hope the holidays find you in good health and spirits. Speaking of seasons, tax season is rapidly approaching! We've had a few changes around our office and we'd like to update you.

First, I would like to introduce myself to any clients that I have not had the opportunity to meet. My name is Ryan Beverly and I am the new President / General Manager. I have worked at Beverly and Bucker for 20 years and have experience in every department of this company. I am an enrolled agent, meaning I am a federally-authorized tax practitioner who has technical expertise in the field of taxation. I look forward to using my qualifications to assist you.

On March 20th of this year, we lost the President of our company, Diane Beverly, to cancer. We are devastated by the loss of such a wonderful woman. Diane was like a mother to me and she taught me everything I know about taxes and accounting. I followed in her footsteps in many ways, through music and in tax preparation. She will be greatly missed. We are very grateful for the letters and condolences that you all have sent us. To honor her, the company has remained in the family. While my Aunt Diane has been preparing me to operate this business for many years, we did not expect this change to happen so soon. In light of the circumstances, we look forward to providing our clients with the same care and dedication as Diane did.

Among the many changes that our company has gone through in 2017, we have also gained a new member to our family. My daughter, Norah Diane Beverly, was born on October 30th. Thank you for all the letters of congratulations. She is a blessing.

Some aesthetic upgrades have been made around the office. We hope you like them. We're doing everything we can to streamline our process so that we can provide better service to our clients. We have also updated our website. Please visit our new site at **www.beverlytax.com**.

Now let's talk taxes! While there are potential changes coming from congress, nothing has been finalized yet. So until then, here's what you need to be aware of for the upcoming tax season.

- **Insurance:** Everyone will need to bring a “proof of health insurance form” 1095-A, 1095-B, 1095-C that shows that you had health insurance in 2017 for every person on the tax return. This includes dependents that do not live with you, or the penalties will apply and add to your tax bill. If you used the insurance exchange from the Marketplace, you will receive form 1095-A. If you have insurance through an employer plan or have the direct individual/family plan through the insurance company, you will receive a 1095-B form. The 1095-C form is for those who have insurance through a self-insured company plan. If another person insures you or any child that you will be claiming, you must have a copy of the 1095 form to avoid having a penalty added to your taxes.
- **Businesses:** If you are a business owner or are self-employed, it's best to submit your company income and expenses in advance of tax return preparation. In many cases, our accounting department will need to complete year-end statements for your company that are then used to prepare your tax return. Note that partnership and S-Corp business returns are due March,15th therefore, we would prefer to have your info as soon as possible.
- **Investments:** If you have investments and receive the brokerage statement in mid-March, we recommend that you drop off your tax papers or make your appointment before receiving these forms. This allows us to prepare the majority of your return in advance. We will be able to apply the brokerage statements as soon as they arrive and complete your return. If you wait to drop off all of your forms before receiving this statement, your taxes may need to be filed for extension.
- **Appointments:** We recommend that you set up your appointment before you receive all of your tax documents. If you are unable to find a convenient appointment time, you do have the option to drop off your documents so that we may prepare them for you.

- **Drop off:** Drop off returns will be prepared in your absence and we will contact you with any questions or concerns by phone or email. Please be sure to provide accurate contact information. Many clients find that dropping off their returns is quick and convenient. We know taxes can be stressful so we aim to make them as stress free as possible.
- **Client Organizer:** Client organizers serve as a type of checklist for your tax information. If we've prepared your returns in the past, your organizer will show items that you have provided in prior years. Please contact us to request a client organizer if needed. We can send the organizer via mail or email, or you can pick one up in person.
- **Donations:** Go to www.SalvationArmy.org for a good way to estimate the donation value. Get a receipt and donate good used clothes to save on your tax return by 12/31/2017. Another method that IRS supports is 15% of the original cost.

Please call to set up an appointment soon as they fill up quickly. If you cannot find an appointment with your preferred tax preparer, please know that we are all here to prepare accurate tax returns and get you the best results. We have a great staff that is focused on providing you with quality service. Call if you have any questions – **540-371-0691**

I want to thank you all for your patience and understanding during what has been a challenging year. I had hoped that losing Diane this past tax season would not have affected our service to you, but it was inevitable. She was an important part of all of our lives. This tax season we will be back on track and ready to help you file your returns with the same spirit and care that you've experienced for many years.

Happy Holidays,
K. Ryan Beverly EA
Enrolled to Practice before Internal Revenue Service

Tax Appointment Worksheet

The tax appointment worksheet is a tool to help you gather the needed information for new and returning clients for the 2017 tax year. This year's worksheet has been updated to reflect the changes in tax law.

In 2017, all medical will be subject to the 10 percent of AGI limitation, regardless of age. As of press time, there has been no change in the Affordable Care Act. The health insurance requirements are the same as in 2016.

| EVENT | | DOCUMENTS OR INFORMATION NEEDED |
|-------|---|--|
| 1 | Married, divorced, or separated during 2017 | <ul style="list-style-type: none"> Married – prior-year return of both spouses Divorced – finalized date; copy of the divorce decree Separated – copy of the separate maintenance agreement Community property income allocation |
| 2 | Birth or adoption | <ul style="list-style-type: none"> Social Security cards and adoption papers |
| | Adoption credit | <ul style="list-style-type: none"> Expenses date and amount, date of adoption, special needs certification |
| 3 | Death of child or spouse | <ul style="list-style-type: none"> Date of death |
| 4 | Additional members of household | <ul style="list-style-type: none"> Date of occupancy and relationship |
| 5 | Job change | <ul style="list-style-type: none"> Start date Name of new employer W-2s from new and old employers |
| 6 | Unemployment | <ul style="list-style-type: none"> Unemployment form |
| 7 | Retirement contribution | <ul style="list-style-type: none"> Type of plan Amount of contribution |
| 8 | Retirement distributions | <ul style="list-style-type: none"> Form 1099-R Rollovers RMD information if 70½ or older |
| 9 | Social Security benefits | <ul style="list-style-type: none"> Form 1099-SSA |
| 10 | Sale of stocks, bonds, etc. (including mergers) | <ul style="list-style-type: none"> Form 1099-B or other sale documents Basis or original costs |
| 11 | Purchase of stocks, bonds, etc., personal residence, or other real estate | <ul style="list-style-type: none"> Purchase documents, closing papers |
| 12 | Inheritance | <ul style="list-style-type: none"> Will, K-1 from the estate Basis information |
| | Gifts made Gifts received | <ul style="list-style-type: none"> Cash or property in excess of \$14,000 per person Description of property given, basis, donee name Property – basis of donor |
| 13 | Trade of any property (real estate, vehicle, etc.) | <ul style="list-style-type: none"> Date of trade, property given up and property received, basis, and FMV Qualified intermediary sales agreements or closing papers |
| 14 | Start or end a small business (Schedule C, LLC, S or C Corp, Partnership) | <ul style="list-style-type: none"> Formation or termination dates Property contributions or distributions K-1s, if applicable |
| | Business income/expenses | <ul style="list-style-type: none"> 1099-Ks received for use of credit cards Inventory numbers, if applicable Mileage information |
| 15 | Lawsuit settlements | <ul style="list-style-type: none"> Date received Reason for the settlement 1099-MISC |

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|-----------|---|--|
| 16 | Rental property | <ul style="list-style-type: none"> • Income • Expenses • New property purchased |
| 17 | Prizes | <ul style="list-style-type: none"> • Form 1099-MISC • Value of prizes not included on Form 1099-MISC |
| 18 | Lottery or gambling winnings | <ul style="list-style-type: none"> • Total amount won whether on W-2G or not • Total amount of losses |
| 19 | Health insurance, medical, dental, or drug expenses | <ul style="list-style-type: none"> • Health insurance premiums • Post-tax payments • Totals of other medical, dental, and drug expenses. If the health insurance is pre-taxed (i.e. cafeteria plan, Sec. 125, POP), premiums have already been deducted from the wage • Health Savings Account (HSA) information |
| | Medical miles (17 cents per mile) | <ul style="list-style-type: none"> • Total medical miles driven January–December |
| | Health insurance coverage verification | <ul style="list-style-type: none"> • Form 1095 A, B, or C must be received from the marketplace, the insurance carrier, or your employer for every person included on the tax return. |
| 20 | State taxes income, property taxes paid, sales tax paid on vehicles, motorcycles, or homes | <ul style="list-style-type: none"> • Prior year's income tax return • Property tax bills • Closing papers from the purchase or sale of property • Letter from the state regarding any change on a prior-filed return |
| 21 | Refinance a home | <ul style="list-style-type: none"> • Closing papers with amount borrowed • Form 1098 • Description of use of money |
| 22 | First-time homebuyer credit | <ul style="list-style-type: none"> • Credit no longer available |
| | Recapture/repayment 2008 credit | <ul style="list-style-type: none"> • Sale or change in use • Record of amount repaid—Year 8 of 15 |
| 23 | Charitable contributions of money, property, or out-of-pocket expenses | <ul style="list-style-type: none"> • Date and type of contributions • Knowledge that receipts from the organizations have been received • Statement regarding whether goods and services were received for donation • Mileage log for charitable work • Form 1098-C for vehicle or boat donations |
| | Charitable miles (14 cents/mile) | <ul style="list-style-type: none"> • Total charitable miles driven |
| | Transfer of IRA to charity | <ul style="list-style-type: none"> • Brokerage statement showing transfer (1099-R) |
| 24 | Job-related expenses | <ul style="list-style-type: none"> • Meals, lodging, and miscellaneous expense amounts for items related to employment |
| | Business miles (53.5 cents per mile) | <ul style="list-style-type: none"> • Total miles driven per vehicle: January–December • Business miles driven per vehicle: January–December |
| 25 | Education expenses | <ul style="list-style-type: none"> • Form 1098-T for parents or children; if the child is a student, the form will come to the child. • Actual expense record to verify expenses for credit/deduction purposes • Financial transcript from school needed to show when actual expenses were paid |
| | Student loan interest | <ul style="list-style-type: none"> • Interest record for student loans • Form 1098-E |
| 26 | Child or disabled spouse care | <ul style="list-style-type: none"> • Name, address, and ID number of the day-care provider • Amount paid to the provider (if the provider comes into your home, a W-2 may be required) |
| 27 | Energy credit | <ul style="list-style-type: none"> • Information regarding the purchase of solar, fuel cell, or small wind energy property business or residence |
| 28 | Bankruptcy filing | <ul style="list-style-type: none"> • Date filed • Bankruptcy papers—property rejected/returned by court |
| 29 | Debt forgiveness or abandonment of property: (principal residence debt forgiveness exclusion no longer exists) | <ul style="list-style-type: none"> • Form 1099-A for abandonment • Date property was taken by the bank or sold in foreclosure • Form 1099-C for cancellation |
| 30 | IRS or state communications | <ul style="list-style-type: none"> • Letters, additional taxes paid, changes in prior-year returns, installment agreements, or offers in compromise |
| 31 | Foreign investments or holdings | <ul style="list-style-type: none"> • Any foreign accounts? • Any greater than \$10,000? • Foreign business interests or stock of \$50,000 or more? • Signature authority over foreign accounts? |

About the Author

Mary R. Mellem, EA, is a tax professional from Green Bay, Wisconsin, who has been in the tax business for 33 years. She and her husband David operate Ashwaubenon Tax Professionals. In addition to servicing 1,200 tax and accounting clients during the year, their business includes tax consulting for other tax professionals as well as teaching tax seminars around the country. To contact Mary email her at marymellemea@yahoo.com.

Happy Holidays!!!
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