

# Alpha Omega Accounting, LLC

Cynthia L. Finkenbinder, CPA

Lighting your way to financial understanding . . .

***Income tax time is just around the corner!*** This Engagement Letter and the enclosed Organizer packet has been prepared to assist you in gathering information to prepare your 2007 tax return. Please review the entire packet and answer any questions that apply.

Certain lines in the Organizer packet may contain information from last year's return (if we prepared your prior year returns). You will not need to change the dollar amounts from last year; these figures are provided for reference only.

**When you arrive for your appointment, please bring your completed Organizer packet and any of the following that may apply to your tax situation:**

- Last year's tax return (unless we prepared your prior year returns, which are still on file).
- Original form(s) W-2.
- Schedule(s) K-1 from partnerships, S-corporations, estates or trusts.
- Information about contributions to a pension or other retirement plan if this is the first year you collected income from the plan.
- Form(s) 1099 or statements reporting dividend, interest, retirement or other income.
- Broker statements providing details of capital gains transactions.
- Form(s) 1098 and copies of real estate tax bills, etc.
- Legal documents pertaining to the sale or purchase of real property.
- Identification for you and your dependants, such as a Military ID; State issued drivers license and Social Security card; or Green card or Visa issued by the US Department of Immigration.

We are instituting some procedural changes with regards to how your tax paperwork and payments will be handled. We want you to be well informed to avoid any surprises at the close of our transactions. Please be aware that tax information delivered to us after April 1, 2008 may need to have an extension filed to avoid being filed late. **We cannot guarantee completion by April 15<sup>th</sup> if the information is not in our office on or before April 1, 2008.**

At Alpha Omega Accounting, LLC, we work diligently for our clients and spend a large amount of time ensuring our client's taxes are done correctly and in compliance with the current tax laws. To maintain smooth and efficient processing of your tax returns, when you first bring in your Organizer and tax information, you will be asked to select how you would like to be notified (e-mail or phone call) when your paperwork is complete. At that time, you will also need to select one of the following options for the signing and receipt of your paperwork and arrangement for payment.

- Come into our office to sign your e-file paperwork and pay the fees for preparing your paperwork at that time. Once payment is made in full, your taxes will be either e-filed the same day, or you may take them with you to mail off at your leisure.

11 South Rutherford Ave. Johnstown, Colorado 80534  
970-587-5587 phone · 877-587-5586 toll free · 303-845-9036 fax · [info@alphaomega-acct.biz](mailto:info@alphaomega-acct.biz) · [www.alphaomega-acct.biz](http://www.alphaomega-acct.biz)

## Alpha Omega Accounting, LLC

- Mail your payment and signed e-file paperwork to our office. With this option, we will mail or fax you the e-file forms for you to return with your payment. Then, upon receipt in our office, we will e-file your taxes or mail your completed paperwork to you for you to submit.
- We can also accept credit card payment via PayPal over the internet. With this option, you will be notified by e-mail that your taxes are ready. You may sign your e-file papers and fax or e-mail it back to our office. Your taxes will then be e-filed the same day we are notified by PayPal that payment has been made in full.

Our tax software has the capability of obtaining Refund Anticipation Loans on a 24 to 48 hour basis; however, we strongly discourage the use of this service due to the high relative cost and fees associated with these loans. We recommend waiting for a refund from the IRS which can be conveniently deposited into your bank account in as little as two weeks at no additional cost to you.

The following statement is to confirm our understanding of the terms of our engagement and the nature and extent of the services which we will provide:

**You have hired us to prepare your 2007 Federal and State income tax returns.** For the preparation of these returns, you will be charged preparation fees plus out-of-pocket expenses that are due and payable at the time you receive your completed returns. If requested, an estimate will be provided without charge based on documentation provided. The original estimate is void if additional information/documentation is provided after the estimate is made. The estimate is not a final price. The final price is guaranteed not to exceed the estimate by 10%, exclusive of out-of-pocket expenses (for example: you require us to fly to another city to obtain tax information). In addition to the original returns, we will supply you with one copy of each return and the necessary envelopes for mailing to the Federal and State tax agencies, if you elect not to electronically file them.

As your Tax Professional, we will prepare the returns using information you supply in either (or both) the form of documents or in the completed Organizer packet provided to you by our office; and applying the tax law to the best of our ability. We will prepare your tax returns based on information that you provide. **We will not audit or otherwise verify the data you submit, although we may ask you for clarification of some of the information.** It is our responsibility to prepare your tax returns correctly according to the law and the information that you have provided. It is your responsibility to provide us with all the information required to prepare complete and accurate returns. We will copy or digitally scan and store your tax documents. The original documents will be returned to you. You should retain all documents, cancelled checks and other data that form the basis of your income and deductions; whether or not we made copies or scanned and stored them digitally. These documents may be necessary to prove the accuracy and completeness of your tax return to the IRS and State tax authorities.

**You have the final responsibility for your income tax returns and therefore, you should review them carefully before you sign and submit them.** By signing this Engagement Letter, you represent that you will provide us with accurate and complete information necessary to properly prepare your tax returns. You agree that you have provided us with all requested documents and will answer all of our questions fully so that we can properly prepare your returns. If you are claiming a deduction for mileage, travel, business expenses, or charitable donations, you need to have written records to substantiate these deductions. **The law imposes various penalties upon both the taxpayer and the Tax Professional when taxpayers understate their tax liabilities.** If you would like information on the amount or circumstances of these penalties, please contact us.

**Anything you tell us in the preparation of your tax return is confidential, but not protected by any accountant-client privilege.** If at any time we feel that you require legal advice, we will advise you to consult an attorney. We will not rent, sell, or otherwise make your personal information, including contact

## Alpha Omega Accounting, LLC

information, available to any third-party without your permission. We will use your information to complete your tax returns and to maintain our professional correspondence with you. We follow strict privacy practices and have a privacy policy in place that governs the use and handling of the information you provide to us. We invite you to contact us if you would like additional information about these policies.

**Tax law is sometimes unclear and subject to different interpretations.** The tax authorities may dispute a position taken on your tax return even though it meets the standards for tax positions described in Federal or State regulations. We will take a position favorable to your interests whenever the facts and circumstances justify it, but not without prior consultation with you. **We are not responsible for any tax, interest or penalties that may be assessed as a result of a position taken, which is successfully challenged by the tax authorities.** We require that aggressive positions be disclosed on Form 8275.

**This agreement covers only the preparation of your income tax returns.** We are not hired to represent you in an audit of this return or for collection of any tax that might be due. If you wish representation before any of the tax agencies, a separate agreement will be prepared.

If this Engagement Letter accurately reflects your understanding, please acknowledge your agreement by signing and returning the enclosed copy to us with your Organizer and tax information. **Please feel free to call our office with any questions or concerns at 970-587-5587.**

*We appreciate your trust in our business.*

Sincerely,

Cynthia Finkenbinder, CPA

Alpha Omega Accounting, LLC

## Miscellaneous Information

Name: \_\_\_\_\_

SSN: \_\_\_\_\_

Yes No

### General Information

- | <input type="checkbox"/> | <input type="checkbox"/> | 1. Were there any changes to your filing status or number of dependents during 2007?           |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | 2. Can you or your spouse be claimed as a dependent by someone else?                           |
| <input type="checkbox"/> | <input type="checkbox"/> | 3. Did you incur any childcare expenses?   |
| <input type="checkbox"/> | <input type="checkbox"/> | 4. Did you have a change in residence or job location during the year?                         |
| <input type="checkbox"/> | <input type="checkbox"/> | 5. Did you move during 2007? From where? _____ Date of move _____                              |
| <input type="checkbox"/> | <input type="checkbox"/> | 6. Did you reside in more than one state during 2007? If yes, which states? _____              |
| <input type="checkbox"/> | <input type="checkbox"/> | 7. Did you receive any notices from the IRS or the state taxing agency? If yes, please attach. |

Yes No

### Income Information

- | <input type="checkbox"/> | <input type="checkbox"/> | 1. Have you received all W-2s from all employers? How many W-2s are attached? _____   |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | 2. Did you use your vehicle on the job other than for commuting to work?  |
| <input type="checkbox"/> | <input type="checkbox"/> | 3. Did you have an employer-provided vehicle which you drove home or used personally? If so, enter the lease value. \$ _____                                  |
| <input type="checkbox"/> | <input type="checkbox"/> | 4. Did you work out of town at any time during the year?  |
| <input type="checkbox"/> | <input type="checkbox"/> | 5. Did you earn income from a state other than the state in which you live? If yes, what state and how much? _____  |
| <input type="checkbox"/> | <input type="checkbox"/> | 6. Did you or your spouse receive any tips not reported to your (or your spouse's) employer?  |
| <input type="checkbox"/> | <input type="checkbox"/> | 7. Did you receive any disability income during the year? \$ _____. Attach 1099-R.  |
| <input type="checkbox"/> | <input type="checkbox"/> | 8. Did you have an interest in or signature over a bank or brokerage account in a foreign country? Were you a grantor of or transferor to a foreign trust?    |
| <input type="checkbox"/> | <input type="checkbox"/> | 9. Did you earn interest from, or are you an authorized signature holder on, a foreign bank account?  |
| <input type="checkbox"/> | <input type="checkbox"/> | 10. Did you have any income from, or pay taxes to, a foreign country?   |
| <input type="checkbox"/> | <input type="checkbox"/> | 11. Did you engage in any bartering transactions during 2007?   |
| <input type="checkbox"/> | <input type="checkbox"/> | 12. Did you surrender any U.S. Savings Bonds during 2007?   |
| <input type="checkbox"/> | <input type="checkbox"/> | 13. Did you receive any state or local income tax refunds from prior years?   |
| <input type="checkbox"/> | <input type="checkbox"/> | 14. Do you or your spouse have any IRA accounts?  |
| <input type="checkbox"/> | <input type="checkbox"/> | 15. Did you recharacterize any IRAs this year?  |
| <input type="checkbox"/> | <input type="checkbox"/> | 16. Did you or your spouse "roll over" a profit-sharing or retirement plan distribution into another plan?  |
| <input type="checkbox"/> | <input type="checkbox"/> | 17. Did you receive a Schedule K-1 from a partnership, S corporation, or trust? If so, please attach.   |
| <input type="checkbox"/> | <input type="checkbox"/> | 18. Did you or your spouse receive any social security benefits during the year? Attach Form(s) SSA-1099.   |
| <input type="checkbox"/> | <input type="checkbox"/> | 19. Did you receive any type of prize, award, or gambling winnings during 2007?   |
| <input type="checkbox"/> | <input type="checkbox"/> | 20. Did you receive any of the following: Unemployment Income, Combat Pay, Jury Duty and/or Alimony, or Maintenance Received? If so, what and how much? _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | 21. Did you receive any income not shown in this organizer? If so, please list. _____   |
| <input type="checkbox"/> | <input type="checkbox"/> | 22. Does anyone owe you money that has become uncollectible?  |

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

## Miscellaneous Information

Page 2

Name:

SSN:

Yes No

### Business Information

- | Yes                      | No                       |  |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | 1. Did you start a new business or purchase any rental property during 2007?   |
| <input type="checkbox"/> | <input type="checkbox"/> | 2. Have you purchased any business assets (furniture, equipment, etc.) or converted any assets to business use? If yes, please list on an attached sheet the date placed in service, cost or basis of asset, business use percentage, etc. |
| <input type="checkbox"/> | <input type="checkbox"/> | 3. Did you dispose of any business assets (including real estate)? If yes, please list on an attached sheet the date removed from service, selling price and expense of sale.  |
| <input type="checkbox"/> | <input type="checkbox"/> | 4. Did you own rental property? What percentage of time did you spend managing your rentals? _____   |
| <input type="checkbox"/> | <input type="checkbox"/> | 5. Did you purchase any gasoline, diesel, or special fuels for non-highway business use?   |

Yes No

### Other Information

- | Yes                      | No                       |  |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | 1. Were any tuition costs paid during 2007 (even if classes were attended in another year)?  |
| <input type="checkbox"/> | <input type="checkbox"/> | 2. Did anyone in your household attend higher education classes in 2007?   |
| <input type="checkbox"/> | <input type="checkbox"/> | 3. Did you incur a loss due to damaged or stolen property?   |
| <input type="checkbox"/> | <input type="checkbox"/> | 4. Did you purchase, sell, or refinance your principal home or your second home or make a home equity loan during the year? If yes, please provide all escrow, closing, and other pertinent documentation and information. |
| <input type="checkbox"/> | <input type="checkbox"/> | 5. Did you make any gifts to any one person in 2007 in excess of \$12,000? If so, are you splitting this gift with your spouse?  |
| <input type="checkbox"/> | <input type="checkbox"/> | 6. Did you pay wages to any household employees (babysitter, housekeeper, nanny, etc.)?  |

### Information to bring to your appointment:

- |                          |   |
|--------------------------|---|
| <input type="checkbox"/> | Driver's license & social security card (for identity verification)                               |
| <input type="checkbox"/> | Copy of your 2006 income tax return (for comparison and review for all includible information)    |
| <input type="checkbox"/> | Preprinted IRS label received   |
| <input type="checkbox"/> | Original W-2s and other statements of income received from employers                              |
| <input type="checkbox"/> | 1099s and other statements reporting interest/dividend/miscellaneous income                       |
| <input type="checkbox"/> | Records of other income received (tips, self-employment, SSI, combined bank reporting statements) |

### To itemize deductions, bring receipts and documentation for these types of expenses:

- |                          |   |
|--------------------------|---|
| <input type="checkbox"/> | Prescriptions, first-aid  |
| <input type="checkbox"/> | State/local income taxes  |
| <input type="checkbox"/> | Mortgage interest   |
| <input type="checkbox"/> | Tax preparation fees  |
| <input type="checkbox"/> | Gambling losses (up to amount of winnings)  |
| <input type="checkbox"/> | Cash donations to charity (provide all receipts)  |
| <input type="checkbox"/> | Medical/Dental/Vision expenses and insurance premiums, mileage and lodging for seeking medical care (but not meals) |
| <input type="checkbox"/> | Real estate and personal property taxes paid in 2007  |
| <input type="checkbox"/> | Unreimbursed employee/work-related expenses (if self-employed, do not include items reported on Schedule C)         |
| <input type="checkbox"/> | Fair market value of property donated to charity  |
| <input type="checkbox"/> | Purchase price of new goods donated or used in volunteer work   |

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## Personal Data

Your Name				SSN			
Spouse's Name				SSN			
Address				Apt no.			
Address							
City		State		ZIP			
County				School District			
Taxpayer phone Daytime:		Ext:		Evening:		Cell:	
Spouse phone Daytime:		Ext:		Evening:		Cell:	
Taxpayer email				Spouse email			
Taxpayer occupation				Spouse occupation			
Your Date of Birth		<input type="checkbox"/> Blind	<input type="checkbox"/> Active military	Do you want \$3 to go to the Presidential Election Campaign Fund?			<input type="checkbox"/>
Spouse's Date of Birth		<input type="checkbox"/> Blind	<input type="checkbox"/> Active military	Does your spouse want \$3 to go to the Presidential Election Campaign Fund?			<input type="checkbox"/>

Date and time of this year's appointment

### Your Dependents

Dependent # 1			Dependent # 2			Dependent # 3		
First name		M.I.	First name		M.I.	First name		M.I.
Last name		Suffix	Last name		Suffix	Last name		Suffix
SSN/ITIN			SSN/ITIN			SSN/ITIN		
Relationship			Relationship			Relationship		
No. of months lived with you			No. of months lived with you			No. of months lived with you		
Age/DOB			Age/DOB			Age/DOB		
Qualifying child care expenses incurred and paid in 2007			Qualifying child care expenses incurred and paid in 2007			Qualifying child care expenses incurred and paid in 2007		
Portion of qualifying expenses provided by your employer			Portion of qualifying expenses provided by your employer			Portion of qualifying expenses provided by your employer		
Hope Credit qualified expenses paid			Hope Credit qualified expenses paid			Hope Credit qualified expenses paid		
Lifetime Learning Credit qualified expenses paid			Lifetime Learning Credit qualified expenses paid			Lifetime Learning Credit qualified expenses paid		
Tuition and Fees Deduction			Tuition and Fees Deduction			Tuition and Fees Deduction		
Minor child with income over \$850?		<input type="checkbox"/>	Minor child with income over \$850?		<input type="checkbox"/>	Minor child with income over \$850?		<input type="checkbox"/>

### Income Taxes Paid

#### Federal

#### State

#### Local

2007 Estimates:	Amount paid	Date paid	Check no.	Amount paid	Date paid	Check no.	Amount paid	Date paid	Check no.
April 17, 2007									
June 15, 2007									
Sept. 17, 2007									
Jan. 15, 2008									
2006 overpayment applied									
2006 Balance due									
2006 Refund									

## Child & Dependent Care

**Name:**

**SSN:**

Child Care Provider's Social Security Number or Employer ID Number					
Child Care Provider's Name					
Child Care Provider's Address					
Child Care Provider's City State Zip		Child Care Provider's Phone			
Amount Paid in 2007		Amount Paid in 2006			
Child Care Provider's Social Security Number or Employer ID Number					
Child Care Provider's Name					
Child Care Provider's Address					
Child Care Provider's City State Zip		Child Care Provider's Phone			
Amount Paid in 2007		Amount Paid in 2006			
Child Care Provider's Social Security Number or Employer ID Number					
Child Care Provider's Name					
Child Care Provider's Address					
Child Care Provider's City State Zip		Child Care Provider's Phone			
Amount Paid in 2007		Amount Paid in 2006			
Child Care Provider's Social Security Number or Employer ID Number					
Child Care Provider's Name					
Child Care Provider's Address					
Child Care Provider's City State Zip		Child Care Provider's Phone			
Amount Paid in 2007		Amount Paid in 2006			
Child Care Provider's Social Security Number or Employer ID Number					
Child Care Provider's Name					
Child Care Provider's Address					
Child Care Provider's City State Zip		Child Care Provider's Phone			
Amount Paid in 2007		Amount Paid in 2006			
Child Care Provider's Social Security Number or Employer ID Number					
Child Care Provider's Name					
Child Care Provider's Address					
Child Care Provider's City State Zip		Child Care Provider's Phone			
Amount Paid in 2007		Amount Paid in 2006			

# Wages and Salaries

Please attach all W-2(s).

**Name:**

**SSN:**

TS	Federal I.D. No.	Company Name	2006	2007	Federal tax	2006	2007
		Federal wages		2007			
		State wages		2007			
		Locality		2007			
		Federal wages		2007			
		State wages		2007			
		Locality		2007			
		Federal wages		2007			
		State wages		2007			
		Locality		2007			
		Federal wages		2007			
		State wages		2007			
		Locality		2007			
		Federal wages		2007			
		State wages		2007			
		Locality		2007			
		Federal wages		2007			
		State wages		2007			
		Locality		2007			





## Profit or Loss From Business Schedule C General Information

<b>Name:</b>		<b>SSN:</b>	
TS		Principal business or profession	
Business code			
Business name			
Business address			
Employer I.D. number			
Accounting method		<input type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other	
Inventory method		<input type="checkbox"/> Cost <input type="checkbox"/> Lower of Cost or Market <input type="checkbox"/> Other    Change of inventory method <input type="checkbox"/>	
Did you "materially participate" in the operation of this business?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
You started or acquired this business during 2007 <input type="checkbox"/>		Statutory employee wages	
<b>Information on your vehicle</b>		<b>2007</b>	<b>2006</b>
Date placed in service			Another vehicle available
Business miles			Available when off duty
Commuting miles			You have evidence
Other miles			It is written
<b>Other Information</b>		<b>20</b>	
Family Health Coverage			
Prior unallowed passive operating			
Prior unallowed passive 4797, Part 1			
Prior unallowed passive 4797, Part 2			
Prior unallowed passive operating			
Prior unallowed passive 4797, Part 1			
Prior unallowed passive 4797, Part 2			
Depreciation Adjustment (AMT)			
<b>Income</b>		<b>20</b>	
Gross receipts or sales			
Returns and allowances			
Other income (list on detail worksheet)			
<b>Cost of Goods Sold</b>		<b>20</b>	
Inventory at beginning of the year			
Purchases (less cost of items withdrawn for personal use)			
Cost of labor			
Materials and supplies			
Other costs (list on detail worksheet)			
Inventory at end of year			



## Itemized Deductions

Name:		SSN:	
<b>MEDICAL and DENTAL</b>	<b>2007</b>	<b>2006</b>	<b>GIFTS TO CHARITY</b> (attach receipts)
Health insurance premiums			Total gifts by cash or check
Long term care premiums			30% limitation
Medical miles			Charitable miles
Other medical and dental expenses (list):			Other than by cash or check
			Carryover from prior year subject to:
			50% limitation
			30% limitation
			20% limitation
			<b>JOB EXPENSES</b> (list):
<b>TAXES</b>			
State and local income taxes			
Sales tax			
Real estate taxes			
Homestead property			
Personal property taxes			
Other taxes (list):			
<b>INTEREST</b>			Tax preparation fees
Home mort. int. & points on Form 1098			<b>OTHER MISC. DEDUCTIONS</b> (list):
Home mort. int. not on Form 1098			
Name:			
Address:			
SSN/EIN:			
Points not reported on Form 1098			
Investment interest			<b>2% MISCELLANEOUS DEDUCTIONS</b>
Other interest (list):			



# Auto Expense Worksheet

<b>Name:</b>	<b>SSN:</b>
--------------	-------------

TS		For		
Profession/Business				

Description

Date placed in service

Enter the number of miles your vehicle was used for:	<b>2</b>
<b>a</b> Business	
<b>b</b> Commuting	
<b>c</b> Other	

Do you have another vehicle available for personal use?  Yes  No

Was your vehicle available for use during off hours?  Yes  No

Do you have evidence to support your deduction?  Yes  No

If "Yes", is the evidence written?  Yes  No

<b>Expenses:</b>	<b>2</b>
------------------	----------

Garage rent

Gas

Insurance

Licenses

Oil

Parking fees

Lease payments

Repairs

Tires

Tolls

Registration fees

Other expenses (list):	Apply Business %	
------------------------	------------------	--

	<input type="checkbox"/>	
--	--------------------------	--

	<input type="checkbox"/>	
--	--------------------------	--

	<input type="checkbox"/>	
--	--------------------------	--

--	--