

Tips for Accumulating Tax Data

The following, although not an all-inclusive list, are suggestions to help you gather your tax return data and help ensure a more efficient and timely preparation of your tax return.

Electronic Filing

The States of Virginia and West Virginia have made it mandatory for us to file your return electronically. This will be our procedure for everyone, unless you advise us in writing that you want your return filed in paper format. In addition, if you would like to have your refund deposited directly into your account or pay a balance due by using electronic withdrawal, please complete page 4A of the Organizer and include a voided check from your financial institution.

Eliminate Duplication

Many people choose to use the enclosed Organizer to help them gather tax return data. Some individuals will also recap data already listed in the Organizer on a separate sheet of paper, increasing the amount of time required to review the information provided. We suggest that, whether or not you elect to use the Organizer or another means to communicate data, you should try to eliminate duplication as much as possible. This will reduce our time and potential confusion when preparing your return.

Forms to Send

We are often asked, "what forms do I need to send to you?" In most cases, it is simply adequate to recap data in either the Organizer or in another format you prefer (as mentioned above). However, we suggest that for the following forms, you can simply provide an original or copy of the form (you may want to affix the statements to the proper location in the Organizer using a paper clip):

- Form 1099-INT - Interest Income
- 1099-DIV - Dividends and Distributions
- 1099-B - Proceeds from Broker and Barter Exchange Transactions
- 1099-R - Distributions from Pensions, Annuities, Retirement or Profit Sharing Plans, IRAs, Insurance Contracts, Etc.
- 1099-SSA - Social Security Benefit Statement
- W-2 - Wage and Tax Statement
- 1099-S - Proceeds from Real Estate Transactions
- HUD1 - Settlement Statement
- Schedule K-1 - Income from Partnerships, S-Corporations, Estates or Trusts
- Sales Tax Amount for New Car Purchase

Cost Basis for Security Transactions

One of the most common follow-up questions we have in preparation of individual tax returns is a request for cost basis information for securities that have been sold. Often a cost basis summary report is included in the December 31 account statement prepared by the financial institution, but is NOT included in the 1099 statements. If you sold securities during the year, be sure to look for the cost basis report with your December 31, 2009 statement and include this with the 1099 statement you give to us. The name of the report varies by broker, but it details sales of securities during the year and the cost basis of those securities. If it is not there, we suggest calling your broker for this report prior to providing your information to us.