



ANZELC & ASSOCIATES, INC.

Certified Public Accountants

Happy New Year from Anzelc & Associates, Inc.

Goodbye 2020! That was one for the books! Let's hope for a smoother tax season this year. You will receive an email of the full tax packet for 2020 this year. We have also placed a link on our website (www.anzelcandassociates.com) for you to download. Please take the time to update the enclosed personal data sheet and return it with your tax documents. This will help us to make sure we have accurate banking and contact information for you should we have questions during the tax preparation process. With the recent stimulus payments and the missteps with direct deposit, having accurate banking information is essential.

We will be limiting our tax appointments drastically this year but we will have our locked drop box on our front porch only during business hours and you will also be able to upload your tax documents through a secure portal accessed on our website. Although we will be limiting in-person meetings, we are always available to answer your questions via phone or email.

Just a few specific tax items to note for 2020:

Economic Impact Payment (first stimulus). Eligible individuals received a payment of \$1,200 (\$2,400 joint filers) plus \$500 for each qualifying child, and \$600 per person second stimulus payment, with payments phased out based on adjusted gross income. These payments are required to be reported on your 2020 tax return. If you received stimulus funds you should have received IRS Notice 1444, Your Economic Impact Payment. You will need to provide this form with your tax documents. If you do not have the form, you can verify with your bank the amount received and provide this to us.

Charitable Deductions. For 2020, nonitemizers will be allowed a \$300 deduction per tax return. For 2021 the deduction remains at \$300 for single and head of household filers but increases to \$600 for joint returns. As always, we will require receipts to substantiate this deduction on your tax return.

Virtual Currency. Virtual currency transactions (Bitcoin, Ethereum and Ripple, etc.) are becoming more common and are being scrutinized heavily by the IRS. The sale of virtual currencies or the use of currencies to pay for goods or services generally have tax consequences and will need to be reported on your tax return.

Business Meals. For 2021 and 2022 only, business meals are 100% deductible (rather than the current 50%). The expense must be business related and for food or beverage provided by a restaurant.

If you would like a full organizer with your information from last year (2019) please call our office at (330)689-1040 and Jen will email/mail this out to you. I know some may use this information as a guide to pull together your information for the current tax year.

Again, we thank you very much for your business and please feel free to call our office with any questions. We look forward to seeing you soon!

Sincerely,

Deb Anzelc

3833 Stow Road • Stow, OH 44224 • tel: (330) 689.1040 • toll free: (877) 721.1040 • fax: (330) 689.1093

www.anzelcandassociates.com



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ENGAGEMENT OF SERVICES & PRIVACY POLICY

This letter is to confirm and specify the terms of our engagement with you and to clarify the nature and extent of the services we will provide. In order to ensure an understanding of our mutual responsibilities, we ask all clients to confirm the following arrangement.

We will prepare your 2020 federal, state(s) and local income tax returns from information you will furnish. We will not audit or otherwise verify the data you submit, although it may be necessary to ask you for clarification of some of the information. We will furnish you with questionnaires and/or worksheets to guide you in gathering the necessary information. Your use of such forms will assist us in keeping pertinent information from being overlooked.

It is your responsibility to provide all the information required for the preparation of complete and accurate returns. You should retain all documents that form a basis of income and deductions as they may be necessary to prove the accuracy and completeness of the returns to a taxing authority. You have final responsibility for the income tax returns and, therefore, you should review them carefully before you sign them.

Our work in connection with the preparation of your income tax returns does not include any procedures designed to discover defalcations or other irregularities, should any exist. We will render such accounting and bookkeeping assistance as determined to be necessary for preparation of the income tax returns.

We will use professional judgment in resolving questions where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions. Unless otherwise instructed by you, we will resolve such questions in your favor whenever possible.

The tax filing deadline for Individual returns is Thursday, 4/15/21; Corporate returns-4/15/21; Partnership and S-Corp returns-3/15/21. If an extension of time is required, any potential tax due must be paid by the due date. Any amounts not paid by the deadline are subject to interest and late payment penalties.

Your returns may be selected for review by the taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such review, we will be available upon request to represent you and will render additional invoices for the time and expenses incurred.

All invoices are due and payable upon presentation. Upon delivery of these tax returns we will have completed this engagement and we will look forward to again being retained to provide you with additional professional tax services. Tax planning and other services are separate engagements and will be billed accordingly.

If the foregoing fairly sets forth your understanding, please submit your information to Anzenc & Associates, Inc. Submission of your tax information indicates your agreement to the terms of this engagement letter.

POLICY ON PRIVACY OF CLIENT'S FINANCIAL INFORMATION

We collect nonpublic personal information from the following sources:

- Information we receive from you on applications or other forms
- Information we receive from you during interviews and
- Information about your transactions with our affiliates, others, or us

We do not disclose any nonpublic personal information about our clients or former clients to anyone, except as permitted or required by law. We restrict access to nonpublic personal information about you to those employees who need to know that information to provide products or services to you. We maintain physical electronic and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

2020 Tax Organizer Personal and Dependent Information

Personal Information

	Name	SSN	Has IP PIN	Date of birth
Taxpayer				
Spouse				
Street address, city, state, and ZIP				
	Occupation	Daytime phone	Evening phone	Cell phone
Taxpayer				
Spouse				
Taxpayer email				
Spouse email				

Marital Status at end of 2020

- Married
 Married filing separately
 Single
 Widow(er) If spouse died in 2020 enter the date of death _____

Other Information

- Are you blind?**
Are you disabled?
Are you a full-time student?
Do you want \$3 to go to the Presidential Election Campaign Fund?

Taxpayer

- Yes No
 Yes No
 Yes No
 Yes No

Spouse

- Yes No
 Yes No
 Yes No
 Yes No

At any time during 2020 did you receive, sell, send, exchange, or acquire any financial interest in any virtual currency? Yes No

Dependent Information

First and last name SSN	Has IP PIN	Relationship	Months in home	Date of birth	Disabled	Full- time student	Childcare Expenses

List dependents required to file a return _____

COVID-19 Implications

Yes **No**

- Did you receive an Economic Impact Payment (EIP)?
If "Yes," provide Notice 1444 from the IRS.
 Did you experience economic loss due to COVID-19 (loss of job, closed business, etc.)?
 Were you unemployed for any portion of the year due to COVID-19?
 Did you continue to receive wages from your employer even if you were unable to work?
 Did you receive a distribution from a retirement plan (401K, IRA, etc.) due to COVID-19?

If you own a farm or business:

- Did you continue to pay any employee while they were not working?
 Did you delay withholding FICA taxes from any employee's pay?
 Did you receive a Paycheck Protection Program (PPP) loan?
If "Yes," was the loan forgiven or have you applied for forgiveness? _____
 Were you unable to work due to COVID-19 and, if employed by someone other than yourself, would have qualified for sick or family leave?

Appointment Information

Your 2020 appointment is scheduled for _____

Additional Taxpayer Information

Name: _____

SSN: _____

Estimates

	Federal		Resident state		Resident city	
	Date paid	Amount	Date paid	Amount	Date paid	Amount
Overpayment applied from 2019	_____	_____	_____	_____	_____	_____
First quarter	_____	_____	_____	_____	_____	_____
Second quarter	_____	_____	_____	_____	_____	_____
Third quarter	_____	_____	_____	_____	_____	_____
Fourth quarter	_____	_____	_____	_____	_____	_____
Additional payments	_____	_____	_____	_____	_____	_____

Account Information for Deposits or Withdrawals

Name of bank	Bank routing number	Bank account number	Type of account		Use this account for	
			Checking	Savings	Deposits	Withdrawals

Identification Information

Taxpayer

Type of photo ID Driver's license State-issued photo ID

Driver's license or state-issued photo ID number _____

State the driver's license or state-issued photo ID was issued in _____

Issue date of the driver's license or state-issued photo ID _____

Expiration date of the driver's license or state-issued photo ID _____

Spouse

Type of photo ID Driver's license State-issued photo ID

Driver's license or state-issued photo ID number _____

State the driver's license or state-issued photo ID was issued in _____

Issue date of the driver's license or state-issued photo ID _____

Expiration date of the driver's license or state-issued photo ID _____

Did you have a financial interest in or signature authority over a financial account(s) or asset(s) located in a foreign country having an aggregate value of over \$10,000 on any day of the year? We are required to answer this question on your tax return. If the account(s) exceed the \$10,000, a FBAR Form 114 is required to be filed (by April 15th). Please use below space to provide information on foreign assets or description of foreign property. Yes No

At any time during 2020 did you receive, sell, send, exchange or otherwise acquire any financial interest in any virtual currency?

Yes No

If yes, please provide all tax documents.



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THE FOLLOWING CHECKLIST IS TO HELP YOU ASSEMBLE YOUR TAX INFORMATION SO THAT WE CAN COMPLETE AN ACCURATE TAX RETURN. SOME ITEMS MAY NOT BE APPLICABLE TO YOU; NOR IS THIS INTENDED TO BE A COMPLETE LIST. YOU MAY NEED TO PROVIDE ADDITIONAL INFORMATION.

- Please update the attached Personal info page.
- **Bring a copy of any IRS or Ohio notices you may have received that we should discuss. Also, IRS Identity PIN Letter (if applicable)**

INCOME

- W-2 wage forms received from your employer(s)/Miscellaneous Income reported on form 1099-MISC/1099-NEC
- Interest Income-usually reported on form 1099-INT
- Dividend Income-usually reported on form 1099-DIV
- Sale of stocks or investments during the past year that were reported on Form 1099B.
- Distribution or withdrawals from retirement savings accounts 401K & IRAs-usually reported on form 1099-R
- Unemployment (Form 1099G)/disability benefits received for the year.
- Social Security benefits received-reported by the Social Security Administration on form 1099-SSA
- Alimony received (Not Child Support). For divorces finalized prior to 2019.
- If you are a partner in a Partnership, member of an LLC, stockholder of an S Corporation or beneficiary of a Trust, provide Schedule K-1 report from the Partnership, LLC, S Corporation or Trust.
- Any other income you received during the year (prizes, awards, lottery or gambling winnings, debt cancellation).

DEDUCTIONS

- Individual Retirement Accounts (Traditional/ROTH IRA) deposits applicable to tax year 2020 must be made on or before April 15, 2021. For SEP IRA deposits you have until April 15, 2021 or extended due date of return to make deposits.
- Alimony paid (Not child support) with ex-spouse's name and Social Security number. For divorces finalized prior to 2019.
- Health, dental and long-term care insurance premiums you pay out of pocket (not provided by employer)
- Other medical costs incurred, not reimbursed by insurance or employer pre-tax benefit plan (includes: doctors, hospitals, eye care and products & laser surgery, dental, professional counseling, travel/mileage etc.) These are deductible for federal purposes only when they exceed 7.5% of your income and you itemize your deductions.
- Federal and State and Local estimated taxes paid for 2020 and dates paid.
- Real estate taxes paid on any property (list properties and amounts)
- Sales tax paid-significant sales tax paid on major purchases. Tell us if you have purchased any vehicle, boat, plane, or mobile/motor home in 2020.
- Mortgage interest paid on your residence or second home (may include mobile home, recreation vehicle or boat)-usually reported to you by your mortgage lender on form 1098. Interest paid on a home equity loan or line of credit if used to buy, build or improve the home.

- Any other mortgage interest you paid to an individual (provide name, address and Social Security number of the person receiving the payments).
- Any Interest paid on college student loans? You may be able to deduct up to \$2,500.
- If you purchased, sold or refinanced your home, provide a copy of each closing settlement statement.
- Charitable contributions (cash and non-cash). Were any made for \$250 or more in one payment? If yes, please be sure to get receipt. Any mileage and other costs incurred for charitable work that you paid out-of-pocket are also deductible.
- Childcare expenses (even if you get reimbursed through a pre-tax benefit plan). Include the name of the childcare provider, address and Social Security or Tax Identification number of the provider.
- Any person(s) in household attending college? Provide costs paid out-of-pocket for educational expenses (This includes any amounts paid with student loans). These are reported to you on form 1098-T or through an educational institution.
- 529 Plan contributions/distributions.

FOR RENTAL REAL ESTATE (SCHEDULE E) OR SMALL BUSINESS ACTIVITY (SCHEDULE C)

- Provide a breakdown of all revenue by property or business.
- Provide a breakdown of all expenses incurred to operate the property or business (include: wages, contractors, office expenses, supplies, insurance, professional fees, conferences, subscriptions, interest, rent paid, repairs, snow removal, grounds care, taxes, licenses, meals and entertainment, travel, utilities, etc.).
- Provide a list of any purchases of capital equipment or property improvements, including cost and acquisition date.
- Provide detail of business mileage and total mileage (personal & business) for the year for the vehicle(s) used for business purposes. Provide date vehicle was placed in service.
- Do you have an office in your home? If yes, provide total square footage of the entire home and the amount utilized for business purposes, as well as all costs of operating the home so we may allocate those costs to the home office (for example: insurance, rent, heat, electricity and other related expenses, business related grounds care, snow removal, etc.).
- Have you issued form 1099-MISC/1099-NEC to lawyers and all non-corporate vendors/subcontractors to whom you paid more than \$600 in the current year?

SPECIAL INFORMATION

- Did you pay wages to any household employees (babysitter, nanny, housekeeper, etc.)?
- Did you make any energy-efficient improvements to your main home during the year? (Solar, wind, geothermal and fuel cell, windows, roof, insulation, AC, furnace)
- Please let us know if you anticipate any changes in 2021 for which tax planning should be done (such as a change in employment, self-employment, change in marital status, change in # of dependents etc.)
- Are you interested in or do you have questions related to 401(k), 401(k) rollovers, Roth IRAs, Traditional IRAs or overall financial planning?

Anzelc & Associates, Inc.
2020 Foreign Bank Account/ Cryptocurrency Disclosure

Did you have a financial interest in or signature authority over a financial account(s) or asset(s) located in a foreign country having an aggregate value of over \$10,000 on any day of the year? We are required to answer this question on your tax return. If the account(s) exceed the \$10,000, a FBAR Form 114 is required to be filed (by April 15th). Please use below space to provide information on foreign assets or description of foreign property. Yes No

Account #1

Name of bank or institution	
Address of bank	
Account number	
Owner of account (if not primary taxpayer or spouse, indicate name, SSN, and address)	
Co-owner of account (if not primary taxpayer or spouse, indicate name, SSN and address)	
Type of account (securities, bank, pension)	
Highest balance of account during tax year in foreign currency (indicate currency)	
Total amount of Interest/dividends earned during 2014	

Account #2

Name of bank or institution	
Address of bank	
Account number	
Owner of account (if not primary taxpayer or spouse, indicate name, SSN, and address)	
Co-owner of account (if not primary taxpayer or spouse, indicate name, SSN and address)	
Type of account (securities, bank, pension)	
Highest balance of account during tax year in foreign currency (indicate currency)	
Total amount of Interest/dividends earned during 2014	

At any time during 2020, did you receive, sell, send, exchange or otherwise acquire any financial interest in any virtual currency?

Yes No

If yes, please provide all tax documents.