

Gable Tax Service

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Dear Client:

Once again another year is behind us and tax time is here. Beginning with the last tax season, we are dealing with the biggest changes in tax law since 1986. Congress continued to write last minute income tax bills, and you can be assured we stay abreast of all the latest changes as they occur!

The enclosed organizers are designed to collect the information in exactly the form it is needed for tax purposes. **NOTE: TAX RETURNS ARE PREPARED MORE ACCURATELY AND TIMELY IF CLIENTS FURNISH US PROPERLY FILLED-IN ORGANIZERS.** If you prefer another format for assembling your tax information, be sure it contains all the information requested on these organizers. **IMPORTANT: IF YOU ARE COMPLETING MORE THAN ONE ORGANIZER, ENTER EACH AMOUNT ONLY ONE PLACE IN THE COMPLETE SET OF ORGANIZERS.** If an amount applies to more than one organizer, we will transfer it to the appropriate places. The more complete your information, the more accurately your return will be prepared, and with the greatest possible savings in tax dollars.

IMPORTANT: EACH PERSON OR MARRIED COUPLE FILING A TAX RETURN MUST COMPLETE AND RETURN A GENERAL ENGAGEMENT LETTER AS WELL AS A GENERAL TAX ORGANIZER. IF YOUR MINOR CHILDREN ARE REQUIRED TO FILE TAX RETURNS, A SEPARATE ENGAGEMENT LETTER AND GENERAL ORGANIZER ARE NEEDED FOR EACH CHILD.

IMPORTANT: DUE TO INCREASING CONCERN OVER IDENTITY THEFT, WE ARE NOW REQUIRED TO REPORT DRIVER'S LICENSE OR STATE ID CARD INFORMATION FOR EACH TAXPAYER AND SPOUSE. PLEASE FILL IN THE INFORMATION AS REQUESTED ON THE GENERAL TAX ORGANIZER.

I have completed 34 years of tax preparation and hold an Enrolled Agent license from the United States Treasury. Enrolled Agents (EA's) are the only federally licensed tax practitioners who specialize in taxation and also have unlimited rights to represent taxpayers before all levels of the IRS. The license is granted after passing an extensive three-part examination covering all aspects of federal taxation. Continuing education is required to maintain the license, and I have taken over 80 hours of continuing education during the last year. My son Lynn is returning to help prepare tax returns. He is participating in the IRS' Annual Filing Season Program and has met the continuing education requirements of that program. Grant Nightengale is also returning to our tax preparation staff. Cameron Swarey assists with payroll, bookkeeping, and other office duties. I review and sign all tax returns prepared in our office.

Our regular and toll-free phone numbers are shown above, if you desire to make an appointment. You can mail or fax your information or contact us for instructions how to securely transfer it to us via the internet. **NOTE: IF YOU SCAN YOUR INFORMATION, PLEASE SET YOUR SCANNER TO PDF FILES IN BLACK & WHITE MODE. JPEG AND GRAYSCALE DO NOT PRODUCE CLEAR ENOUGH SCANS FOR OUR PURPOSES.** If you have a large amount of information to mail, call us and request a large postage-paid Business Reply Mail envelope to mail us your information free of charge. **NOTE: PLEASE CALL BEFORE BRINGING YOUR INFORMATION TO THE OFFICE IN PERSON TO ENSURE THE OFFICE WILL BE OPEN.** Our office hours are 8:30 to 5:00 Monday through Friday, with some evening and Saturday appointments also available.

We hope this New Year will be a happy and prosperous one for all, and look forward to serving your tax filing needs. We value your relationship and say thank you for letting us serve you!

Sincerely,

Kelvin Gable Enrolled Agent

NOTE: For 2019, the standard deduction amounts have been adjusted for inflation and for most filers are

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|-----------------------------------|---------------------|
| Single or Married Filing Separate | \$12,200 per return |
| Married Filing Joint | \$24,400 per return |

NOTE: The personal exemption amount has been eliminated. An increased child tax credit of \$2,000 per child through age 16 is available to be deducted from the tax total, not from the income.

IMPORTANT: BUSINESSES AND FARMS THAT MAKE SALES IN OHIO OVER \$150,000 PER YEAR MUST FILE AND PAY OHIO'S COMMERCIAL ACTIVITY TAX, REFERRED TO AS THE CAT. If this applies to your business, and you have not yet registered with the Ohio Department of Taxation for the CAT, you need to do so immediately. The filing deadline for this tax is May 10.

NEW: The penalty for not having health coverage has been set to \$0. We no longer need this information.

NOTE: THE AMOUNT OF 2019 EQUIPMENT PURCHASES THAT CAN BE "EXPENSED" ON A BUSINESS OR FARM RETURN HAS BEEN INCREASED TO \$1,020,000. The equipment can be new or used and must have been on-site and available for use on December 31 to qualify for deduction on the 2019 tax return. It cannot have been purchased from your parent or child.

NOTE: For 2019, the standard mileage rate for business miles is 58 cents per mile. **IMPORTANT:** YOU MUST REPORT YOUR BUSINESS MILEAGE AS ASKED FOR ON THE VEHICLE ORGANIZER. You should keep the beginning and ending odometer readings for the year in your records for each car or pickup, whether we use the mileage rate or actual expenses for figuring the deduction. PLEASE PROVIDE ALL INFORMATION MARKED "REQUIRED" ON THE VEHICLE ORGANIZER.

IMPORTANT: If you have an account, property, or business interest in a **foreign country**, please let us know as some special rules will apply to you. There are substantial penalties for failure to disclose these items.

IMPORTANT: If you bought or sold any buildings or land during the year, please furnish a copy of the settlement or closing statement that was given to you at the time of the deed transfer.

IMPORTANT: If you gave, or received as a gift, money or anything such as land or buildings or a home or a share in a business or anything else worth more than \$15,000, let us know so we can determine whether any reporting is required.

NEW: If you own, or have any transactions in, virtual currency such as Bitcoin, IRS is requiring reporting. Please mark the required information on the General Organizer and provide us with details. Virtual currency in any internet-based money that exists only in electronic form.

NOTE: Generally, you can claim a dependent credit for your child up to and including the year the child turns 18. **HOWEVER, THE CHILD CANNOT HAVE PROVIDED MORE THAN HALF OF THE MONEY FOR HIS OWN SUPPORT FOR THE YEAR.** If your single child over the age of 18 lived with you, generally you can claim a dependent credit for the child only if his or her income for 2019 is less than \$4,200.

NOTE: ANY AGE PERSON WHOSE GROSS RECEIPTS FROM SELF-EMPLOYMENT ARE AT LEAST \$400 MUST FILE A RETURN, regardless of the source of the income or whether he or she is claimed as a dependent on the parents' return.

NOTE: PLEASE SEND US ALL FORMS 1099 AND K-1 YOU RECEIVE FOR OUR REVIEW. THIS WILL HELP ENSURE THE INFORMATION IS REPORTED CORRECTLY ON YOUR TAX RETURN. IRS is increasing emphasis on computer cross-referencing of Forms 1099 and K-1 with individual tax returns to ensure the amounts are reported correctly.