



Self-Employment Income & Single Member LLC Organizer

This self-employment organizer will assist you with organization of your business information and records. The IRS imposes reporting and record-keeping rules, some of which are described in this Organizer. It is important you answer all questions contained in the Organizer.

- Certain personal expenses such as [charity, home mortgage expenses and real estate taxes](#), may be deductible on your tax return; however these expenses should not be shown as business expenses on page 3. If you used your home for your business, please complete [the Business Use of Home Worksheet](#) on page 5.
- If you use **QuickBooks, Quicken or Excel**, you can provide us with a backup file of your records rather than completing the income, expense, and balance sheet sections of this organizer.
- **If you would like our accounting staff to prepare a business profit and loss for you**, we will need you to provide us with the following documents:
 - Business bank statements for all months of the year
 - Credit card statements (for business-use credit cards)
 - Receipts for cash purchases not shown on bank or credit card statements
 - Checkbook register (Identify all checks by entering an expense category in the memo section)
- **If you have employees**, please bring copies of the following documents:
 - [Form W-3](#) (*This form is filed with W-2s to report total annual payroll*)
 - Federal [Form 940](#) (FUTA) – of the tax year.
 - Federal [Form 941](#) (FICA) quarterly reports for periods ending 3/31, 6/30, 9/30 & 12/31 of the tax year.
 - Oregon Combined Quarterly Reports (other states if applicable) for periods ending 3/31, 6/30, 9/30 and 12/31 of the tax year.
- **To minimize accounting and bookkeeping errors and costs**, we strongly recommend you do not mix personal and business expenses. You may transfer funds to and from your business and personal accounts.
 - Identify a personal withdrawal of funds from your business account as "Owner Draw"
 - Identify a deposit of personal funds to your business account as "Owner Contribution"
- **If you made payments of \$600 or more during the year** to an attorney or an unincorporated business such as an LLC, a sole-proprietor or landlord, you must issue Forms 1099-MISC or -NEC to these businesses or individuals. **Did you issue Forms 1099-MISC/NEC where so required?** Yes ☐ No ☐
If not, do you want us to prepare [Forms 1099-MISC/NEC](#) for you? Yes ☐ No ☐

Information about your self-employment or business activity	
This business belongs to: Taxpayer <input type="checkbox"/> Spouse <input type="checkbox"/> Both <input type="checkbox"/>	
Describe your principal business or profession:	
Business name (if DBA):	
Business address:	
Employer I.D. number (EIN if you have one)	
Accounting method:	Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other <input type="checkbox"/>
Inventory method:	Cost <input type="checkbox"/> Lower of Cost or Market <input type="checkbox"/> Other <input type="checkbox"/>
Did you "materially participate" in the operation of this business? Yes <input type="checkbox"/> No <input type="checkbox"/>	
What year _____ and in what state _____ did you start or acquire this business?	

Income	
What were your gross receipts or sales for the year?	\$
What portion of your gross receipts was Tip Income?	\$
What portion of your receipts was reported on Form 1099K?	\$
What portion of gross sales listed above was refunded or returned?	\$
Did you have any other income from this business activity not included in gross receipts above?	
Yes <input type="checkbox"/> No <input type="checkbox"/> Describe:	



Cost of Goods Sold (COGS)

Business such as restaurants, retail sales and manufacturing generally must account for COGS.
COGS includes all costs associated with manufacturing a product or purchasing a product for resale.

Do you manufacture or produce a product for sale to customers? Yes ☐ No ☐

Do you operate a wholesale or retail business where you maintain an inventory of goods? Yes ☐ No ☐

Did you change your method of counting inventory during the year? Yes ☐ No ☐

What was your opening cost of inventory on the first day of the year?

What were your purchases of product (less cost of items withdrawn for personal use)?

Cost of labor related to sale or production of goods held for sale

Materials and supplies used in manufacture or sales production

Closing inventory at end of year

Preparer use only Net COGS \$

Business Expenses	\$
Advertising	
Auto (Complete auto worksheet , page 4)	
Bank fees and charges	
Cell phone (100% of cost) \$ _____ (x Business use _____%) =	
Commissions and fees	
Computers, equipment, furniture (Complete the Asset Depreciation Worksheet shown on page 3)	
Contract labor (You must issue a 1099 NEC to any nonemployee to whom you paid \$600 or more for the year)	
Dues and Subscriptions	
Employee benefit programs	
Health Insurance (employee)	
Health Insurance (self/family)	
Insurance (other than health)	
Internet service	
Interest – Mortgage (<i>business- not home</i>)	
Interest – Business credit cards	
Interest – Business loans/credit line	
Laundry/cleaning/janitorial	
Legal and professional services	
Local (in-town) business meals (Enter travel meal expense on Page 3)	
Entertainment is not deductible	
Merchant credit card fees	
Office expense (<i>Do not include equipment costing more than \$2,500 per item – use Asset Depreciation Worksheet on page 3</i>)	
Parking & tolls	
Postage & shipping	
Professional education & training	
Rent (office, leasehold, storage) (1099-MISC to unincorporated payees required)	
Rent or lease (vehicles, machinery, and equipment)	
Repairs and maintenance	
Software (<i>if cost is over \$2,500, enter on Asset Depreciation Worksheet on page 3</i>)	

[illegible]

- You must report the purchase and disposition of all assets you used in your business.
- For each asset costing \$2,500 or more that was bought or sold, provide the following information (computers, furniture, equipment, machinery, vehicles, leasehold improvements):

Assets sold or disposed of during the year

[illegible]

Meal Per Diem (Important facts)

- For each day you traveled away from home for business outside the metro area, you may claim the actual cost of your lodging and meals. For meals only, you may claim a daily per diem amount instead of the actual costs.
- If you paid travel expenses for your employees outside the metro area, you may choose between claiming the actual cost of employee meals and lodging; or you can reimburse the employee a daily per diem amount for meals and lodging.
- The daily per diem amount varies depending on the city and country you and/or your employee traveled to. Please provide a detailing of each city that you or your employee traveled to for business during the year and the number of days in each city. *(PNW Tax will look up the **daily rate** and figure the **total per diem deduction amount**)*
- You can alternate between actual expenses and the per diem method for each business trip; however you may not use both per diem and actual for the same business trip.
- A partial per diem is allowed when you travel outside the metro area for less than a full day.

City visited	# of days in city	Daily rate	Total per diem	City visited	# of days in city	Daily rate	Total per diem
				(Preparer use only) Total per diem allowable			

Travel Expenses	\$	Travel Expenses	\$
Airfare		Meals - actual receipts <i>(Do not include cost of meals where you are claiming the daily per diem rate)</i>	
Bus, train, taxi		Other travel <i>(describe below)</i>	\$
Entertainment is not deductible			

Lodging			
Parking & tolls		(Preparer use only) Total travel	

Business Use of Automobile

IMPORTANT: you must keep documentation to prove business use of a vehicle

If you used your automobile for active conduct of your rental business, you can claim expenses for business use of your vehicle. You must have proof of business use in the form of a mileage log or a written calendar unless you can show your vehicle was 100% business use.

You may be eligible to claim a standard mileage rate or claim actual operational expenses for your vehicle. In either case, **you must maintain written records to support your deduction.**

Provide ALL the following information for EACH vehicle you used for your business

Purchase price of vehicle		\$
Description (<i>Model and year</i>)	Date vehicle was first used in your business:	
Odometer reading on January 1:	Odometer reading on December 31:	
Commuting miles (Miles you drove to/from job)		Average # of days you commute each week _____
Business Miles for each half of the year	Vehicle A	
Interest paid on auto loan for this vehicle \$		Tolls & Parking
Was the vehicle available for personal use? Yes <input type="checkbox"/> No <input type="checkbox"/> Is another personal-use auto available? Yes <input type="checkbox"/> No <input type="checkbox"/>		
Was the standard mileage rate used last year? Yes <input type="checkbox"/> No <input type="checkbox"/> I don't know <input type="checkbox"/>		

Automobile Expenses (*Provide these expenses if you are NOT claiming the standard mileage rate*)

Garage rent	\$	Oil	\$		\$
Gas	\$	Repairs	\$		\$
Insurance	\$	Tires	\$		\$
Licenses	\$	Registration Fees	\$		\$
Lease payments	\$	Other	\$		

Child Day Care Provider Daily Meal Log

If you operated a child daycare business, you can claim a daily per-diem amount for the cost of meals you gave to children in the course of your business. For each child for whom you provided meals, please provide a log which contains all of the information shown here.

Name of Child	Date	Time in	Time Out	Number of Breakfasts	Number of Lunches	Number of Dinners	Number of Snacks



Business Use of Home

Did you use a portion of your home for regular and exclusive business use ? Yes <input type="checkbox"/> No <input type="checkbox"/>		
If yes, please provide the following additional information:		
Purchase price of Home		\$
Cost of improvements to home since you purchased it.		
Value of the land your home is built on.		
Area of home used regularly and exclusively for business	_____	Square Feet
Total area of home	_____	Square Feet
Did you claim office-in-home expenses last year? Yes <input type="checkbox"/> No <input type="checkbox"/>		
Deductible mortgage interest paid (<i>for entire home</i>)		\$
Real estate taxes paid (<i>for entire home</i>)		
Mortgage insurance		
Insurance paid (<i>for entire home</i>)		
Rent paid (<i>for entire home</i>)		
Repairs and maintenance (<i>for entire home</i>)		
Repairs and maintenance allocable directly to business-use area of home only		
Utilities		
Other expenses: Describe		\$
Date you first used your home for business	_____	Month Year
If you use your home for operating a child daycare business, enter the total hours during the year that children were using your income. _____ Hours for the year		
Did you live in the home all year? Yes <input type="checkbox"/> No <input type="checkbox"/>		
If no, enter the dates you lived in the home _____ to _____		

Additional Information for OREGON and County/City Returns

<ul style="list-style-type: none"> If you did business inside the City of Portland and/or Multnomah County, or did business in other cities or states, it may be necessary to file additional tax returns for the applicable cities and states. In situations where you operated a business location or had employees in more than one state, it is necessary to apportion income between the states. 	
Did you conduct business inside the City of Portland? Yes <input type="checkbox"/> No <input type="checkbox"/>	If yes, what portion of your gross receipts of your business were from activities inside the City? \$ _____
Did you conduct business inside Multnomah County? Yes <input type="checkbox"/> No <input type="checkbox"/>	If yes, what portion of your gross receipts were from activities inside Multnomah County? \$ _____
Did you conduct business in any cities other than Portland? Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, provide the names and income earned in these cities.	
City name _____	Income apportionment \$ _____
City name _____	Income apportionment \$ _____
City name _____	Income apportionment \$ _____
City name _____	Income apportionment \$ _____

Business income from OTHER states

Did the you conduct business in more than one state? Yes <input type="checkbox"/> No <input type="checkbox"/>		
If yes, please apportion income and payroll by state.		
State name _____	Income apportionment \$ _____	Payroll apportionment \$ _____
State name _____	Income apportionment \$ _____	Payroll apportionment \$ _____
State name _____	Income apportionment \$ _____	Payroll apportionment \$ _____
State name _____	Income apportionment \$ _____	Payroll apportionment \$ _____



Terms of Engagement

Thank you for choosing Pacific Northwest Tax Service to assist you with preparation of your tax return(s). This letter confirms the terms of our engagement with you and outlines the nature and extent of the services we will provide.

We will prepare your federal, state, county, and city income tax returns for the year(s) you identify in this Agreement. We will depend on you to provide the information we need to prepare complete and accurate returns. We may ask you to clarify some items but will not audit or otherwise verify the data you submit. Tax organizers are available on our website at www.pnwtax.com. We encourage you to use these organizers to help you collect the data required for your return. Our staff can also provide you with paper copy of the organizer if you request one.

Payment of Retainer

Payment of a **non-refundable** retainer is required at the earlier of:

1. The date you schedule your appointment, or
2. The date you deliver this tax organizer and/or other documents to us.

Retainer Price:

New Clients:

Business Tax Return Retainer: \$850

Returning Clients:

Business Tax Return Retainer: \$700

Tax Return Preparation Procedures

To help ensure we deliver you with the best possible service, it is important that you understand the procedures involved in the preparation of your return which are as follows:

Step 1. Information collection

We ask you complete this tax organizer and deliver documents to us at least one week prior to your scheduled tax preparation appointment. You may deliver documents to us by dropping them off at our offices, by uploading them to our SecureFilePro portal system or by mail/delivery service.

Step 2. Analysis and preparation

Prior to your tax appointment, we will review and analyze the tax documents and other information you have provided to us. Our staff will contact you via email or phone to request additional information or documentation that we need, and to ask questions to clarify the information we already have. Please provide any requested documents or information as quickly as you can. If you cannot deliver the requested information before your appointment, we may need to reschedule your appointment.

Step 3. Tax Return Appointment

At your appointment, you and your tax preparer will be able to:



- Ask and receive answers to any questions either of you might have.
- Review your completed tax return.
- Make any necessary corrections to your return.
- Present required documents for you to sign (paper or electronic format)
- Review tax preparation invoice and make payment.

Step 4. Signing Your Return

You should carefully review your return and notify your preparer of any required changes you believe should be made. It is especially important to advise your preparer of incorrect names, addresses, tax identification numbers, or bank routing and account numbers. You should also ensure that income and deduction amounts seem accurate.

Both you (and your spouse if filing jointly) must sign the following forms before we can electronically file your return:

Form 8879 (E-File Authorization Form).

Pacific Northwest Tax Service Engagement Letter.

Direct Deposit and/or ACH Payment Authorization (if you have elected to receive your refund or pay your taxes directly from your bank account)

Due diligence forms may need to be signed for taxpayers receiving certain tax benefits such as the earned income credit, child tax credit or head of household filing status.

State 8879, 8453 or other e-sign authorizations may also need to be signed for certain state returns.

Dropbox e-signing procedures

We use the Dropbox, e-signature service which allows you to authenticate and sign your return from your computer or smart phone. The following rules apply to e-signing your return:

Look for an email from Dropbox sign.

Your access code password for e-signing signing your return is your full 9-digit SSN. Enter your SSN, including dashes, in the following format (000-00-0000).

Joint filers receive and sign e-sign documents in separate emails. Taxpayer and spouse will each use your own SSN.

Signing at our offices

If you prefer to sign paper forms, you may do so at our offices. Your tax preparer, or our front desk staff can print the required forms for you when you come in. Please have your ID ready to present to our staff at this time.

Step 5. Payment of Tax Preparation Fee

Your tax preparation bill must be paid before we finalize and electronically file your return. You can pay your invoice in any of the following ways:

1. Authorize.net e-invoice allows you to pay your bill online.



2. Phone into our offices with your credit or debit card.

3. In person at our offices with debit or credit card.

Paying by check

We do not accept checks except in the cases of trust and estate returns. We will wait for your check to clear before we e-file your return.

Step 6. Tax Consultant Review and Error Check

After you have signed Form 8879 and paid your tax preparation fees, your return will be routed to our processing department where it will be error-checked. If significant errors are discovered, your preparer will contact you to notify you of the errors. You will be provided with a corrected copy of your return, and you will be asked to sign a new Form 8879 which you will need to sign and return to us before we will file your return.

Step 7. E-filing and Finalization of Return

When review of your return is completed by our Designated Consultant, your return will be electronically filed with the IRS and applicable state(s). After your return(s) are accepted by the IRS and applicable state(s), our front desk staff will contact you to notify you by phone, email and/or text message that your return has been finalized.

Step 8: Delivery of tax return & return of original documents

We will upload an electronic copy of your return to your secure portal. Please let your tax preparer know if you want a paper copy of your return. The additional cost of a paper printout is \$30.

If you delivered paper tax documents to our offices, you will be able to pick your documents up after your tax return has been electronically filed and accepted by IRS and state. Our front desk staff will contact you via phone, e-mail and/or text message to notify you paperwork is ready for pickup. You can stop by our offices during normal business hours to pick up your documents. Any documents not picked up within 4 years will be destroyed.

Accounting services

Pacific Northwest Tax Service offers bookkeeping, accounting, and payroll services for small business. These services are offered separately from our tax preparation services and are not included in the cost of preparing your return. The hourly rate for bookkeeping and payroll is \$125/hour outside of tax season. We do not do bookkeeping during tax season. Complex accounting services performed by our senior accounting staff or CPA, are billed at a rate of \$325/hour. Our work will not include procedures to find defalcations or other irregularities. Accordingly, our engagement should not be relied upon to disclose errors, fraud, or other illegal acts, though it may be necessary for you to clarify some of the information you submit. We will, of course, inform you of any material errors, fraud, or other illegal acts we discover.

Unclear law

Should we encounter instances of unclear tax law, or of potential conflicts in the interpretation of the law, we will outline the reasonable courses of action and the risks and consequences of each. We will adopt, on your behalf, the reasonable alternative that you select.



Penalties for late payment of tax

You are solely responsible for making timely payment of taxes that you owe. The law imposes penalties when taxpayers underpay or make late payment of their tax liabilities (amounts owed) including:

Estimated tax penalty: If you underpay taxes during the year, you can be assessed an estimated tax penalty.

Late payment penalty: If you pay taxes after the April 15 filing deadline, you can be assessed late filing penalties, late payment penalties and interest on amounts you owe.

IMPORTANT: An extension of time to file does not give you more time to pay your tax. You are solely responsible for paying your tax on time. You should remit any amount you owe by the tax filing deadline with your timely filed Form 4868. You may also pay taxes owed online with the IRS and your state.

Price Schedule

We generally charge a flat fee for each form and worksheet that is included with preparation of your tax return. A time charge may apply for additional bookkeeping or consulting services. Our fee for preparing your returns will be based upon the Price Schedule posted in our offices. More information about our pricing can be found on our website at <https://www.pnwtax.com/1040-individual-tax-return-pricing>.

Return and retention of original documents

We will return your original records to you at the end of this engagement. You should securely store these records along with all supporting documents, canceled checks, credit card statements, etc., as these items may later be needed to prove the completeness or accuracy of your return. We will retain copies of your returns, W-2s and certain other required documents for a minimum of 4 years, after which these documents will be destroyed.

End of Engagement

Our engagement to prepare your tax returns will conclude with the delivery of the completed returns to you (if paper filing), or your signature and our subsequent submittal of your tax return (if e-filing). If you choose not to e-file your returns or are not able to e-file your returns with our office, you will be solely responsible for filing the returns with the appropriate taxing authorities. We will not mail paper returns to the government for you. Review all tax-return documents carefully before signing them.

Identity theft alert and use of secure portal

The IRS strongly advises all taxpayers to avoid sending valuable personal information via email. Cyber-thieves routinely target tax return preparers, banks, medical offices, and other businesses that store confidential information that can be used to steal your identity. We are committed to the protection of your information and therefore maintain the following policies for security reasons:

1. We will not email copies of your tax return to you, and we strongly advise that you do not email your valuable information to your tax preparer.
2. Instead, we request that you use our SecureFilePro cloud-based portal. The portal allows you to send and receive information in a secure environment. Information on how to use the portal is found on our website at www.pnwtax.com. Click on the User Instructions link in the upper left



corner of the landing page. Your tax preparer will set up Portal access for you at your request.

3. We do not mail copies of returns; however, we will arrange for signature delivery via UPS or FedEx for an additional charge of \$75.



Affirmation and acceptance of terms

To affirm that this letter correctly summarizes your understanding of the arrangements for this work, please sign this letter in the space indicated and return it to us.

Taxpayer Signature

Date

Spouse Signature

Date

Payment of Retainer - Please indicate which of the following is true:

- ☐ I have already paid the required retainer.
- ☐ Please charge the retainer to my credit card/debit card.

Name on card

Credit Card #

Billing Street address

Zip

Exp date

CV code

Authorized Signature