

Laguna-Business-Services, LLC.
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2010 Income Tax Checklist

Please review the following 2010 checklist information. Provide statements or receipts for any information that applies to your tax situation. Disregard any information that does not apply to you. To save time during your tax appointment, please provide total amounts, not individual receipts whenever possible.

Personal Information

- Provide your full legal name, social security number, occupation, date of birth, address and phone number for both you and your spouse.
- Provide full legal name, social security number, date of birth, relationship to you and number of months each dependent lived in your household during 2010. You **MUST** provide a social security number for every person claimed on your return.

Income Received

- W2 forms from all places of employment. Generally, if you are not an "employee" you are considered "self-employed" and must file the "Schedule C" on your 1040 return.
- Statements from all other sources of taxable income. You must claim ALL income even if no 1099 or statement was issued.
- Be sure to include items such as unemployment, social security, tips, etc. Include alimony, spousal maintenance, prizes, jury duty, lottery & gambling winnings, commissions and fees, etc.
- Interest and dividend income received from banks.
- Distributions from IRA's, retirement plans, pensions, annuities, and taxable disability.

- State income tax refund received in 2010 may be taxable.

Capital Gains and Losses

- Income (or loss) from capital gains/losses. Include investments, stocks, bonds, sale of rental or other business property, etc.
- Expenses you incurred with this gain (or loss). Information such as date of purchase/acquisition and date. Costs associated with this sale.
- Provide records such as purchase price or fair market value at time of purchase/acquisition and any fees charged.

Business “Self-Employment” Income (LLC’s)

- Business income is generally reported on your 1040 “Schedule C” as self-employed income.
Single member limited liability companies share the same tax treatment as the self-employed.
Multiple member limited liability companies are required to file a separate (1065) partnership tax return.
- Include details of any expenses you incurred while producing this income.
- Expenses are items such as advertising, car and truck expenses (or mileage), interest, office expenses, rent or lease, depreciation, repairs, supplies, telephone, health insurance, Keogh retirement or SEP, travel or meals & entertainment.
- Expenses related to using your primary residence as your home office.
This is a small sample of business expenses. Please contact the office for a more detailed list.

Other Income

- Total income from any rental property you own. If this property is in an LLC the previous LLC rules apply? Include payments received for any rent, royalties, partnerships, estates and trusts, etc.
- Include details on any expenses you incurred with this income. Expenses are items such as advertising, auto mileage and travel expenses, interest, depreciation, cleaning and repairs, supplies, insurance, taxes, utilities or telephone, etc. This is a small sample of business expenses. Please contact the office for a more detailed list.

Adjustments to Income

- Alimony or “spousal maintenance” that you are court ordered to pay. Include the recipient’s name and social security number.
- Your contribution to a traditional IRA may be deductible. Contributions to a Roth IRA are not deductible. Ask to determine if contributing to an IRA will benefit you
- State income tax payments made in 2010 for 2009 or any previous year.

Medical and Dental Expenses

- Total of all out-of-pocket medical expenses not reimbursed by your insurance company. Medical and dental insurance premiums paid from “pre-tax” compensation are not deductible.
- Contributions made to a Health Savings Account MAY be deductible. Cost and supporting documentation for any items purchased that were prescribed by your doctor. Be sure to include hearing aids, dentures, eyeglasses, contact lenses and special medical equipment.
- Total number of miles you drove related to medical expenses. Include any out of town travel, living and lodging expenses
- You may only claim medical expenses that are in excess of 7.5% of your gross income. If you are able to itemize deductions, the state of AZ allows 100% deduction of all medical expenses.

Deductions for your Primary Residence

- Property taxes and mortgage interest paid on your primary or a secondary residence.
- Property taxes can be written off even if you choose the standard deduction.
- **You can write off “Mortgage Insurance Premiums” if your home was purchased after 2007.**
- 2009’s “home improvements” generally are not deductible. They are potentially deductible at your time of sale. **Certain 2010 energy efficient upgrades may qualify for a current year tax credit.**
- If you sold, purchased, refinanced or acquired a second mortgage or home equity line of credit, provide your old and new closing papers. Certain expenses may be deductible.

Interest Paid

- Interest paid on a student loan may be deductible. **Credit card interest and other finance company charges are generally not deductible.**
- Ask to determine if any special circumstances allow a deduction any for these amounts.

Charitable Contributions

- Amounts donated by cash or check to a church or other tax deductible organization. Include the “fair market value” of items donated to a tax deductible charity. Receipts are required for 2009.

Miscellaneous Deductions

- Thefts and losses that were not recouped or reimbursed by an insurance company “may” be deductible.
- Cost of any items purchased or expenses incurred that were required by your employer. Include “total mileage” driven in your vehicle if you were not reimbursed for mileage. Expenses such as education, equipment, union dues, work boots or uniforms, dry-cleaning, etc.
- Fees charged or taxes paid to register your personal automobile or other personal property.

Moving Expenses

- Expenses incurred related to new or current employment. Lodging, travel, storage, transportation, etc. Include “Pre” and “Post” move expenses.

Education Expenses

- Education and other related expenses required by your employer or necessary to maintain or advance in your current career. Include “total mileage” driven if you were not reimbursed for mileage. Ask to determine if education expenses paid for you, spouse or dependents qualify for the “Hope” or “Lifetime” learning credits.

Child Care Expenses

- Child or daycare expenses paid. You **MUST** include provider's name, address, social security or identification number or the credit will be not be allowed.

State and Local Sales Tax Deduction

- Sales taxes paid on luxury items such as cars, motorcycles, motor homes, RV's, SUV's, trucks, vans and off-road vehicles “may” be deductible if

detailed receipts and records are kept. Your receipts must total more than the default amount allowed.

Miscellaneous Information

- Provide records of any estimated federal and state income tax payments made in 2010.
- Please bring a copy of your last year's tax returns if Laguna Business Services did not prepare your 2009 income taxes.
- Provide receipts for any items that you question or think may be deductible.

Laguna Business Services now proudly serves our Spanish speaking community. Please contact us for further information regarding, Will Salinas our Spanish speaking Financial Advisor. His contact number is (480) 840-1724.

Because of our country's current economic challenges there have been many changes to this year's tax laws. Please do not hesitate to call with any questions you may have. Laguna Business Services looks forward to serving you!

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