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# S Corporation Tax Organizer

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Thank you for choosing Rock Solid Tax and Accounting LLC to do your tax preparation. Please read and sign the engagement letter on page 3 and answer all of the questions about the S-Corp on the subsequent pages. You may complete the remaining pages or just use them to help organize your information.

In addition, please provide the following:

- QuickBooks backup file or company ledgers
- Articles of Incorporation, bylaws, resolutions
- previous 3 years' tax returns
- depreciation schedules of fixed assets
- copies of W-2's and 1099-Misc and 1099-NEC issued



Client Name: \_\_\_\_\_

Thank you for choosing Rock Solid Tax and Accounting LLC to assist you with your 2021 taxes. 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 2021 federal and state income tax returns. 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. It is our understanding that you have receipts, and or canceled checks to support all deductions and expenses provided by you. An Organizer is enclosed to help you collect the data required for your return. The Organizer will help you avoid overlooking important information. By using it, you will contribute to the efficient preparation of your returns.

The tax return fee does not include bookkeeping. Bookkeeping necessary to make data tax return-ready will be added to the tax preparation fee. We will perform accounting services only as needed to prepare your tax returns. 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 inform you of any material errors, fraud, or other illegal acts we discover.

The law imposes penalties when taxpayers underestimate their tax liability. Call us if you have concerns about such penalties.

We will use our professional judgment in preparing your returns. Subsequent developments issued by the applicable tax authorities may affect the information we have previously provided, and these effects may be material. Whenever we are aware that a possibly applicable tax law is unclear or that there are conflicting interpretations of the law by authorities (e.g., tax agencies and courts), we will explain the possible positions that may be taken on your return. In accordance with our professional standards, we will follow whatever position you request, as long as it is consistent with the codes, regulations, and interpretations that have been promulgated. 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 ultimately adopt, on your behalf, the alternative you select.

Our fee is based on the forms required to prepare the return. Invoices are due and payable upon presentation. Tax returns will not be filed, and copies of the returns will not be provided to you until payment has been received in full. If you terminate this engagement before completion, all original documentation will be returned to you. Fees charged for tax return preparation do not include audit representation or preparing materials to respond to correspondence from taxing authorities. Such representation is available as a separate engagement. Preparation fees do include limited assistance and consultation during the year.

We will return your original records to you at the end of this engagement. Store these records, along with all supporting documents, canceled checks, etc., in a secure location in case these items are needed later to prove accuracy and completeness of a return. We retain copies of your records and our work papers for your engagement for at least four years. If you want us to delete the information after this time you must provide written instructions.

Our engagement to prepare your 2021 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 have not selected to e-file your returns with our office, you will be solely responsible to file the returns with the appropriate taxing authorities. Review all tax-return documents carefully before signing them.

To affirm that this letter correctly summarizes your understanding of the arrangements for this work, please sign and date in the spaces provided. Thank you for the opportunity to be of service. If you have any questions please contact our office at (480) 322-8207.

Sincerely,  
**Sheryl S. McClure, EA**

Sheryl S. McClure, EA  
Rock Solid Tax and Accounting LLC

Accepted By:

\_\_\_\_\_

Officer

\_\_\_\_\_

Print Name

\_\_\_\_\_

Date

For taxpayer convenience our office may provide forms, information and documents in a digital format and convey them to you via electronic signature software, electronic tax preparation software or a secure portal if you would like to OPT OUT of allowing us to use these methods to provide forms, information or documents, please sign and date below.

\_\_\_\_\_

Officer

Print Name

\_\_\_\_\_

Date

# S Corporation Tax Organizer

Use a separate organizer for each S corporation

## S Corporation General Information

Legal name of S corporation		EIN	–
S corporation address <input type="checkbox"/> (check if new address)			
S Corporation Representative		Title	
		Email	Phone ( )
<input type="checkbox"/> Yes <input type="checkbox"/> No	Did the corporation have a change of business name during the year?		
Principal business activity		Date business started	/ /
Principal product or service		Date business closed	/ /
<input type="checkbox"/> Yes <input type="checkbox"/> No	Was the primary purpose of the S corporation's activity to realize a profit?		
Accounting method: <input type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)			
<input type="checkbox"/> Yes <input type="checkbox"/> No	Does the corporation file under a calendar year? (If no, what is the fiscal year?)		

## S Corporation Specific Questions

<input type="checkbox"/> Yes <input type="checkbox"/> No	Did the corporation hold an annual meeting with shareholders with a record of minutes maintained?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Was the corporation a C corporation before it elected to be an S corporation?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Is any shareholder in the corporation a disregarded entity, a partnership, a trust, an S corporation, or an estate?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Did the corporation own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Did the corporation own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership or in the beneficial interest of a trust?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Did the corporation have any outstanding shares of restricted stock at the end of the tax year?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Did the corporation have any outstanding stock options, warrants, or similar instruments at the end of the tax year?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Did the corporation have any non-shareholder debt that was cancelled, forgiven, or had terms modified to reduce amount of principal?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Was the corporation's S election terminated or revoked during the year?
<input type="checkbox"/> Yes <input type="checkbox"/> No	At any time during the year, did the corporation have an interest in, or signature authority over a financial account in a foreign country?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Was there a distribution of property or a transfer (by sale or death) of a shareholder interest during the tax year?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Does the corporation satisfy the following conditions? <ul style="list-style-type: none"> <li>• The corporation's total receipts for the tax year were less than \$250,000, and</li> <li>• The corporation's total assets at the end of the tax year were less than \$250,000.</li> </ul>
<input type="checkbox"/> Yes <input type="checkbox"/> No	Did the corporation pay \$600 or more of nonemployee compensation to any individual? If yes, include a copy of Form 1099-NEC for each.

## Principal Shareholders Ownership Information

Name/Title	Tax ID number (SSN or EIN)	Address	Ownership percentage	Shareholder stock basis	U.S. citizen?
				\$	
				\$	
				\$	
				\$	

How many shareholders were there on the last day of the year?

## Shareholders – Provide the following information for any shareholder who was an officer or 2% or more owner of the corporation during the year

Shareholder/Officer name	Wages paid	Health insurance premiums paid	Capital contributions from shareholder	Distributions to shareholder	Shareholder loans to corporation	Loans repaid by corporation to shareholder

## All Clients – Additional information and documents required

- Provide the business income/financial statements for the year (per books), balance sheet, depreciation schedule per books, and cash reconciliation of all business bank accounts with ending cash balances.
- If the S corporation has employees, provide a copy of Form W-3, Form 940, Form 941, and any state quarterly tax filing reports.
- If the S corporation made payments of \$600 or more to independent contractors, provide copies of Form 1099-NEC issued.
- If any shareholders live in a different state or outside the United States, provide details. The corporation may be subject to withholding requirements.

## New Clients – Additional information and documents required

- Date incorporated
- State of incorporation
- Date of S corporation election
- Corporation state residence
- Provide a copy of the Articles of Incorporation, bylaws, and any corporate resolutions.
- Provide a copy of the depreciation schedules for book, tax, and AMT.
- Provide copies of returns for the last two years, including state returns. Enclose a copy of IRS Form 2553, *Election by a Small Business Corporation*, and IRS acceptance.

**S Corporation Balance Sheet**

Corporation assets at year end		Corporation debts and equity at year end	
Bank account end of year balance	\$	Accounts payable at year end	\$
Accounts receivable at end of year	\$	Payables less than one year	\$
Inventories	\$	Payables more than one year	\$
Loans to shareholders	\$	Mortgages, notes payable	\$
Mortgages and loans held by corporation	\$	Loans from shareholders	\$
Stocks, bonds, and securities	\$	Capital stock (common)	\$
Other current assets (include list)	\$	Retained earnings	\$

**S Corporation Income (include all Forms 1099-K received)**

Gross receipts or sales	\$	Dividend income (include all 1099-DIV Forms)	\$
Returns and allowances	\$ ( )	Capital gain/loss (include all 1099-B Forms)	\$
Interest income (include all 1099-INT Forms)	\$	Other income (loss) (include a statement)	\$

**S Corporation Cost of Goods Sold (for manufacturers, wholesalers, and businesses that make, buy, or sell goods)**

Inventory at beginning of the year	\$	Materials and supplies	\$
Purchases	\$	Inventory at the end of the year	\$
Cost of labor	\$		

**S Corporation Expenses**

Advertising	\$	Meals for business in restaurants (100% deduct.)	\$
Annual corporation fees	\$	Meals – other business meals (50% deduct.)	\$
Bad debts	\$	Office supplies	\$
Bank charges	\$	Organization costs	\$
Business licenses	\$	Pension and profit sharing plans – employee	\$
Cleaning/janitorial	\$	Pension and profit sharing plans – shareholder	\$
Commissions and fees	\$	Professional education and training	\$
Compensation of officers	\$	Rent or lease – car, machinery, equipment	\$
Contract labor (include Forms 1099-MISC)	\$	Rent or lease – other business property	\$
Employee benefit programs	\$	Rent paid	\$
*Entertainment	\$	Repairs and maintenance	\$
Health care plans – employee	\$	Salaries and wages (include Forms W-2)	\$
Health care plans – shareholder	\$	Taxes – payroll	\$
Insurance (other than health insurance)	\$	Taxes – property	\$
Interest – business credit cards	\$	Taxes – sales	\$
Interest – business loans/credit lines	\$	Telephone	\$
Interest – mortgage	\$	Utilities	\$
Internet service	\$	Other expense	\$
Legal and professional services	\$	Other expense	\$

\*Entertainment is no longer deductible for taxes.

**Car Expenses (use a separate form for each vehicle)**

Make/Model	Date car placed in service / /		
<input type="checkbox"/> Yes <input type="checkbox"/> No Car available for personal use during off-duty hours?			
<input type="checkbox"/> Yes <input type="checkbox"/> No Do you (or your spouse) have any other cars for personal use?	Did you trade in your car this year? <input type="checkbox"/> Yes <input type="checkbox"/> No		
<input type="checkbox"/> Yes <input type="checkbox"/> No Do you have evidence?	Cost of trade-in	Trade-in value	
<input type="checkbox"/> Yes <input type="checkbox"/> No Is your evidence written?	\$	\$	
<i>Mileage</i>		<i>Actual Expenses</i>	
Beginning of year odometer		Gas/oil	\$
End of year odometer		Insurance	\$
Business mileage		Parking fees/tolls	\$
Commuting mileage		Registration/fees	\$
Other mileage		Repairs	\$

Generally, you can use either the standard mileage rate or actual expenses to calculate the deductible costs of operating your car for business purposes. However, to use the standard mileage rate, it must be used in the first year the car is available for business. In later years, you can then choose between either the standard mileage rate method or actual expenses.

**Equipment Purchases – Enter the following information for depreciable assets purchased that have a useful life greater than one year**

Asset	Date purchased	Cost	Date placed in service	New or used?
		\$		
		\$		
		\$		

## Equipment Sold or Disposed of During Year

Asset	Date out of service	Date sold	Selling price/FMV	Trade-in?
			\$	
			\$	
			\$	
			\$	

## S Corporation Business Credits (if answered Yes for any of the below, please provide a statement with details)

<input type="checkbox"/> Yes <input type="checkbox"/> No	Did the corporation pay expenses to make it accessible by individuals with disabilities?	
<input type="checkbox"/> Yes <input type="checkbox"/> No	Did the corporation pay any FICA on employee wages for tips above minimum wage?	
<input type="checkbox"/> Yes <input type="checkbox"/> No	Did the corporation own any residential rental buildings providing qualified low-income housing?	
<input type="checkbox"/> Yes <input type="checkbox"/> No	Did the corporation incur any research and experimental expenditures during the tax year?	
<input type="checkbox"/> Yes <input type="checkbox"/> No	Did the corporation have employer pension plan start-up costs?	Total number of employees
<input type="checkbox"/> Yes <input type="checkbox"/> No	Did the corporation pay health insurance premiums for employees?	Total number of employees

## COVID-19 Related

<input type="checkbox"/> Yes <input type="checkbox"/> No	Did the business receive a Paycheck Protection Program loan?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Did the business receive an Economic Injury Disaster Loan or Emergency Advance through the SBA?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Did the business delay payment of employer payroll taxes?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Did the business receive a payroll tax credit for sick leave paid to employees due to COVID-19?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Did the business receive a payroll tax credit for paid family leave paid to employees due to COVID-19?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Did the business receive a payroll tax credit for a business suspension or slowdown?

## Tax Return Preparation

We will prepare the corporation's tax return based on information provided. In the event the return is audited, you will be responsible for verifying the items reported. It is important that you review the return carefully before signing to make sure the information is correct. Unless otherwise stated, the services for preparation of the corporation's return do not include auditing, review, or any other verification or assurance.

## Taxpayer Responsibilities

- You agree to provide us all income and deductible expense information. If additional information is received after we begin working on the return, you will contact us immediately to ensure the completed tax returns contain all relevant information.
- You affirm that all expenses or other deduction amounts are accurate and that you have all required supporting written records. In some cases, we will ask to review documentation.
- You must be able to provide written records of all items included on the return if audited by either the IRS or state tax authority. We can provide guidance concerning what evidence is acceptable.
- You must review the return carefully before signing to make sure the information is correct.
- Fees must be paid before the tax return is delivered to you or filed for you. If you terminate this engagement before completion, you agree to pay a fee for work completed. A retainer is required for preparation of late returns.
- You should keep a copy of the tax return and any related tax documents. You may be assessed a fee if you request a copy in the future.

**Signatures.** By signing below, you acknowledge that you have read, understand, and accept your obligations and responsibilities.

Taxpayer

Title

Date

## Privacy Policy

The nature of our work requires us to collect certain nonpublic information. We collect financial and personal information from applications, worksheets, reporting statements, and other forms, as well as interviews and conversations with our clients and affiliates. We may also review banking and credit card information about our clients in the performance of receipt of payment. Under our policy, all information we obtain about you will be provided by you or obtained with your permission.

Our firm has procedures and policies in place to protect your confidential information. We restrict access to your confidential information to those within our firm who need to know in order to provide you with services. We will not disclose your personal information to a third party without your permission, except where required by law. We maintain physical, electronic, and procedural safeguards in compliance with federal regulations that protect your personal information from unauthorized access.