PLEASE <u>READ</u>, <u>SIGN</u>, AND <u>RETURN</u>

WITH YOUR TAX DOCUMENTS

We, at Baron & Company, P.C., hope you had an enjoyable holiday season and are on your way to a prosperous 2009. We are getting ready for another busy tax season and wanted to send this letter of understanding to our clients. All of us at Baron & Company, P.C. want to make sure that we minimize the stress related to tax time and to keep tax preparation fees reasonable.

Our intent is to prepare the best possible tax return for our clients at a reasonable price. To accomplish this, we promise to:

1. Complete your return within two weeks of receiving the **last** piece of information.

2. For our computer based clients, we will send **one** e-mailed list of information needed to complete the return. We will follow-up with **one** phone call.

3. For our non-computer based clients, we will mail **one** list of information needed to complete the return. We will follow-up with **one** phone call.

4. Returns with <u>all</u> information received up to and including April 1st will be completed and not extended.

5. Every effort will be made by Baron & CO. to file timely returns for those clients that provide information to us after April 1st.

6. Provide helpful worksheets on our website **www.baroncompanies.net**.

7. Continue our efforts at being a “green” company and reducing our environmental foot print by asking that clients send copies (no original documents) of their information and utilize the web based organizers.

<u>Not providing all the information necessary to complete the return or providing the information piece-meal, influences our pricing. It is difficult for us to keep our pricing structure to a minimum if we keep starting a return to find we are still missing information that has not been provided</u>. The following is a list of ways that you the client can impact the tax preparation process:

1. Utilize the secure Web Format client organizer. We are required to review your Forms W-2 and Forms 1099. Please send <u>copies</u> for validation purposes via e-mail, mail, or hand delivery.

2. Send <u>copies</u> of your documents instead of the originals. Please make sure that both sides of the document are copied if necessary.

3. Review any prior year e-mailed list of missing information as a guide to what is

needed by us to prepare the current year's tax return.

4. Respond to the mailed/e-mailed list of missing information.
5. Have your brokerage company provide an "Excel" spreadsheet of the yearly sales with basis and short-term or long-term information.
6. Notify Baron & CO. of updated/changed e-mail addresses, mailing addresses, and phone numbers (as requested in the January 8, 2009 email and letter).
7. Notify Baron & CO. of changes in filing status and dependents.
8. **NEW FOR 2008.** Notify Baron & CO. of the $$ amount received from the IRS for the "economic stimulus payment."
9. Typical information needed to prepare your return are:

    1 Forms W-2 for wages, salaries and tips.

    2 All Forms 1099 for interest, dividends, miscellaneous income, etc.

    3 Traditional or ROTH IRA contribution amounts.

    4 Child care information with amount paid per dependent and child care provider's name, address, and FEIN/Social Security Number.

    5 Brokerage statements showing investment transactions for stocks, bonds, etc.

    6 Schedule K-1 showing income from partnerships, S corporations, estates, and trusts.

    7 Statements supporting deductions from mortgage interest and taxes.

    Please be aware that some statements have information on both sides

    1 Any amounts paid to the IRS for estimated tax payments with the amount and date paid. Please include payments made in January, 2009 for the 2008 estimated tax.

    2 Any tax notices sent to you by the IRS or other taxing authority.

    3 A copy of your income tax return from last year, if not prepared by this office.

    4 Closing/settlement statements for new home purchases or refinanced mortgages or sold properties. Provide the term or number of months of your mortgage. Send copies of both pages.

    5 **NEW for 2008:** If you bought a main home in the United States after

April 8, 2008, and did not own a main home during the prior 3 years, you may be eligible for the “first-time homebuyer credit.” If this applies to you, contact Baron & CO.

6 Provide the total miles business used vehicles were driven the entire year including personal and business mileage AND provide the total business miles.

7 Ad Valorem tax paid when renewed your vehicle, boat, trailer, etc. license tag.

8 County of residence.

9 NON-CASH Charitable contributions- Provide the total fair market value amount of the “non-cash” contributions (clothing, household goods, etc.) made to each qualified organization. Copies of receipts do not need to be sent. HOWEVER, you must keep records to prove the amount of the contribution. IF your contribution total is more than $500, you must provide a list with the charity name and address, date of each contribution, and amount of each contribution.

10 CASH Charitable contributions-Provide totals contributed to each qualified organization of donations in form of cash, check, electronic funds transfer, credit card, or payroll deduction. You are responsible to have a bank record, receipt, letter, or payroll deduction record on file to substantiate your donation.

11 Medical expenses- Provide the total amount paid for medical insurance, long-term care insurance by individual, doctor, dentist, vision, etc. Do not need list and receipts.

Remember that if you need any assistance, we are available for your questions or concerns. Please call or e-mail us directly at:

Diane Liscum - 678-252-6638 diane@baronfinancial.net

Shannon Callahan - 678-252-6634 scallahan@baronfinancial.net

All of us at Baron & Company, P.C. sincerely thank you for your past business and we look forward to fulfilling your tax needs in 2009. As always, please keep in mind that our success as a business is largely dependent upon our clients referring those who might also benefit from our services, So, when conversation with friends and family turns to taxes, please keep Baron & Company in mind.

Thank you for the opportunity to serve you.

Sincerely,

I have read and agree with this letter of understanding:

____ Taxpayer Signature

____Spouse Signature

____Date

PLEASE RETURN WITH YOUR TAX DOCUMENTS