

PARTNERSHIP/LLC TAX ORGANIZER
FORM 1065
(LONG VERSION)

Enclosed is an organizer that I (we) provide to our tax clients to assist in gathering the information necessary to prepare the current year tax returns.

The Internal Revenue Service matches information returns with amounts reported on income tax returns. A negligence penalty may be assessed where income is underreported. Accordingly, all Forms 1099, Schedules K-1 and other information returns reflecting amounts reported to the Internal Revenue Service should be submitted with this organizer.

Also enclosed is an engagement letter which explains the services I (we) will provide to the partnership. Please sign a copy of the engagement letter and return it in the enclosed envelope. Keep the other copy for your records.

The filing deadline for your partnership (Form 1065) return is. Your completed tax organizer needs to be received no later than _____. Any information received after that date may require an extension of time.

If an extension of time to file is required, any tax that may be due with this return must be paid with that extension. Any taxes not paid by the filing deadline may be subject to late payment penalties and interest.

I (we) look forward to providing services to you. Should you have any questions regarding any items, please do not hesitate to contact me (us).

PARTNERSHIP/LLC TAX ORGANIZER (1065)

Organization Name _____ Telephone # _____
 Address _____ Fax # _____
 E-mail Address _____
 Tax Period _____ Federal ID # _____ State ID # _____

Provide a general ledger, trial balance, depreciation schedules, balance sheet, and profit and loss statement by activity. Additional information will be needed as described below:

	<u>YES</u>	<u>NO</u>	<u>N/A</u>
100) GENERAL INFORMATION			
101) If this is the first year we will prepare your tax return(s), provide the following from your file or your prior accountant:	___	___	___
.1) Partnership or LLC agreement	___	___	___
.2) Tax returns for the prior three years	___	___	___
.3) Depreciation schedules	___	___	___
.4) Partner basis carryforward schedule	___	___	___
.5) Partner buy or sell agreement	___	___	___
.6) If the partnership or LLC elected a fiscal year-end, provide a schedule of Section 444 tax deposits and Form 8716.	___	___	___
.7) Section 704(b) capital account reconciliation	___	___	___
102) Has the partnership or LLC been notified of any changes to previous returns by any taxing authority? If yes, provide copies of all correspondence.	___	___	___
103) Have there been any amendments to the partnership or LLC agreement? If yes, provide copies of amendments since the last year.	___	___	___
104) Provide the following information for each partner or member:			
.1) Name	___	___	___
.2) Address	___	___	___
.3) Social Security or Taxpayer Identification Number	___	___	___
.4) Partner or member designation (general, limited, managing)	___	___	___
.5) Type of entity	___	___	___
.6) Domestic or foreign	___	___	___
.7) Profit sharing percentage	___	___	___
.8) Loss sharing percentage	___	___	___
.9) Percentage ownership	___	___	___
Relationship, if any, to other partnerships or corporations			
.10) Changes in partner or members' ownership interests after October 22, 1986 (if not previously provided)	___	___	___
.11) Guaranteed payments paid	___	___	___
.12) Cash or property contributions and distributions	___	___	___

PARTNERSHIP OR LLC TAX ORGANIZER (1065)

YES NO N/A

105) Which general partner or LLC member should be designated as the Tax Matters Partner, if applicable? _____

106) Has there been a change in ownership since last year? If yes, provide the following:

.1) Date of Transfer _____

.2) Type of Transfer:

(a) Sale

(b) Gift

(c) Inheritance

____ _ ____ _ ____ _
 ____ _ ____ _ ____ _
 ____ _ ____ _ ____ _

.3) Sale price or fair market value of partnership interest transferred (include FMV from estate return if transfer is due to death)

____ _ ____ _ ____ _

.4) Copy of Form 8308, if applicable (Report of a sale or exchange of certain partnership interest).

____ _ ____ _ ____ _

107) For any new partners provide the information requested in question #104 for each new partner.

____ _ ____ _ ____ _

108) Did any of the partner or members' taxable years change during the year? If yes, attach a schedule detailing the change.

____ _ ____ _ ____ _

109) List the names and telephone numbers of the partnership or LLC's advisors:

	Name & Address	Telephone #	Fax #	E-Mail Address
Attorney				
Banker				
Insurance				
Broker				

110) Describe the principal business activity of the partnership or LLC:

.1) Did the partnership or LLC acquire or dispose of a business or business segment during this tax year? If yes, attach a copy of the contract or agreement.

____ _ ____ _ ____ _

.2) Did the partnership or LLC engage in any new activities during this tax year? If yes, attach a description of the new business.

____ _ ____ _ ____ _

.3) Did the partnership or LLC discontinue operations for this year?

____ _ ____ _ ____ _

PARTNERSHIP OR LLC TAX ORGANIZER (1065)

	<u>YES</u>	<u>NO</u>	<u>N/A</u>
111) Does the partnership or LLC have any of the following employee benefit plans? If yes, provide copies of plan documents.	___	___	___
.1) Qualified retirement plan(s)? If yes, are we to prepare Form 5500? Number of plans _____ Are we to compute the contribution?	___	___	___
.2) SEP or SIMPLE plan? If yes, are we to compute the contribution(s)?	___	___	___
.3) Cafeteria plan? If yes, are we to prepare Form 5500?	___	___	___
.4) Non-qualified deferred compensation plan(s) or agreement(s)? If yes, has the "one time only" filing with the Department of Labor been done?	___	___	___
.5) Other benefit plans not described above?	___	___	___
112) Did the partnership/LLC include taxable fringe/welfare benefits such as health insurance, group life insurance, educational assistance, non accountable expense allowances and personal use of company vehicles in compensation on employees' Forms W-2 and, if applicable, subject such amounts to payroll taxes?	___	___	___
113) Provide a schedule, by partner/member, of fringe benefits paid on behalf of each partner such as medical, life insurance, disability and housing. Indicate which accounts have been charged.	___	___	___
114) Provide copies of all federal and state payroll tax reports filed including Forms W-2/W-3, 940, 941.	___	___	___
115) Did the partnership make any payments that would require it to issue 1099s?	___	___	___
.1) If yes, did the partnership file all required 1099s?	___	___	___
116) Provide copies of Forms 1099 or 1096, 1042, 8804, 8805, 5471, 8865, 8858, 8886, and 5500 <u>that have been filed.</u>	___	___	___
117) Provide copies of Forms 1099, 1099B, 5471, 8865, 8858, 8886, and Schedules K-1 <u>that have been received.</u>	___	___	___
118) Provide schedules of interest and dividend income not included on 1099s.	___	___	___
119) Did the partnership or LLC have loans with partners/members or other related parties during the tax year? If yes, attach a schedule indicating the amount of the loan, date of transaction, interest rate and payments. Also, attach a copy of the note if not previously provided.	___	___	___
120) Has the address from the prior year changed? If so, provide new address.	___	___	___

PARTNERSHIP OR LLC TAX ORGANIZER (1065)

- | | <u>YES</u> | <u>NO</u> | <u>N/A</u> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-----------|------------|
| 121) Does the Partnership or LLC own an interest in any other entity including but not limited to a partnership, C corporation, LLC, S corporation, Trust or disregarded entity?. If yes provided details. | _____ | _____ | _____ |
| 122) Circle method of accounting for tax purposes:

Cash___ Accrual___ Other (Describe) _____ | | | |
| 123) Did the partnership or LLC establish any new general ledger accounts during the tax year? If yes, attach a list with a brief explanation of each account. | _____ | _____ | _____ |
| 124) Did the partnership LLC post any entries to the partnership/LLC capital accounts during the year? If yes, provide detail of the activity. | _____ | _____ | _____ |
| 125) Was there a distribution of property or a transfer (for example, by sale or death) of a partnership or LLC interest during this tax year? If marketable securities were distributed, provide the date of distribution and fair market value at distribution dates(s). | _____ | _____ | _____ |
| 126) Has the partnership or LLC ever elected to “step up” the basis of any assets in connection with the death of a partner/member or a change in ownership? (Section 754 election) | _____ | _____ | _____ |
| 127) Did the partnership or LLC, at any time during the tax year, have an interest in, or signature authority over a foreign bank or securities account? If yes provide details including the highest balance during the year in any foreign account(s). | _____ | _____ | _____ |
| 128) Was the partnership or LLC the grantor of, or transferor to, a foreign trust during the tax year? If yes, provide details. | _____ | _____ | _____ |
| 129) Does the partnership or LLC do business in more than one state? If yes, list the states. | _____ | _____ | _____ |
| .1) Provide copies of supporting schedules reflecting the property, rents, payroll, and sales by state. | _____ | _____ | _____ |
| .2) Provide a schedule showing any amounts for which there are known timing or treatment differences between federal and applicable state reporting. | _____ | _____ | _____ |
| .3) Provide schedule of state income tax withholding for non-resident partners or members. | _____ | _____ | _____ |
| 130) How many additional paper copies of the return do you need? _____ | | | |
| 131) Do you want an electronic copy of returns? | _____ | _____ | _____ |
| 132) Is this a final return? | _____ | _____ | _____ |
| 133) Can the Internal Revenue Service and state tax authority discuss questions about this return with the preparer? Yes _____ No _____ | | | |

PARTNERSHIP OR LLC TAX ORGANIZER (1065)

YES NO N/A

200) INCOME

201) Does the partnership or LLC engage in more than one trade or business activity? If yes, provide details.

202) Does the partnership or LLC engage in any rental real estate activity? If yes, provide details.

203) Did the partnership or LLC receive interest and dividend income from the following sources? If yes, provide details (Forms 1099-INT and 1099-DIV).

- U.S. agencies
- U.S. government
- Tax-exempt by state
- Tax exempt-private activity

204) Did the partnership or LLC sell any stocks, bonds or securities during the year? If yes, provide Form(s) 1099-B and the sale and basis detail provided by the broker

Description of Securities Sold	Dates Acquired	Cost or Basis Plus Selling Expenses	(Trade Date) Date Sold	Total Sales Price

205) Did the partnership or LLC own any securities that became worthless or loans that became uncollectible during the year? If yes, provide details.

206) Did the partnership or LLC acquire any "Qualified Small Business Stock"? if yes, provide details.

207) During the tax year, did the partnership or LLC sell or dispose of any assets used in the business? If yes, provide a schedule listing:

- Description of asset sold (Form HUD-1 for real estate)
- Date sold
- Sales price
- Selling expenses
- Date acquired
- Original cost or basis
- Depreciation claimed in prior years

208) Provide detail of all items greater than \$ _____ in the miscellaneous income account.

Description	Amount

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YES NO N/A

- 209) Did the partnership or LLC have any sales during the year that qualify for the installment method of reporting? If yes, provide a copy of the agreement, a schedule of payments received, and the beginning of year contract balances. If available, provide amortization schedule. ___ ___ ___
- 210) Were there any sales or exchanges during the year between the partnership/member and a partner or member or other related party? If yes, provide a detailed listing. ___ ___ ___
- 211) Did the partnership or LLC engage in any bartering activity during the year? If yes, provide a schedule of all such activities. ___ ___ ___
- 212) Did the partnership or LLC have any foreign sales? If yes, provide sales by country and amount. ___ ___ ___

300) DEDUCTIONS

- 301) Were there any payments to partners/members during the year for services or for the use of capital determined without regard to income? If yes, provide the details below: ___ ___ ___

Partner/Member	Description	Amount

- 302) Do the uniform capitalization rules under Section 263A related to items such as inventory and construction apply? If yes, provide copies of all schedules reflecting the calculation of the amount of general and administrative expenses required to be capitalized in ending inventory or associated with self-constructed assets. ___ ___ ___
- 303) Provide details for calculating the domestic activities deduction. ___ ___ ___
- 304) List all charitable contributions made during the tax year by organization, date and amount. Note: You need to have written acknowledgment from any charity to which individual donations of \$250 or more were made during the year. You must have receipts or bank records for all cash contributions. ___ ___ ___
 - .1) Did the partnership or LLC make a contribution of inventory or property? If yes, provide details by account posted. Provide appraisal and donee confirmation if over \$5,000. ___ ___ ___
 - .2) Did the partnership or LLC make political contributions during this tax year? If yes, provide details by account posted. ___ ___ ___

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YES NO N/A

305) Did you incur any expenses to influence legislation (lobbying)? If yes, provide a schedule of "lobbying expenses" and indicate to which accounts these expenses were posted.

306) Did the partnership pay life insurance premiums for any partner or member(s)? If yes, provide the following for each policy:

- Face amount
- Insured
- Policy owner
- Beneficiary
- Type of policy
- Premium paid
- Cash surrender value at year end
- Loan balance at year end
- Interest paid on policy loan
- Loans to pay premiums

To which general ledger accounts have the payments been posted?

307) Did the partnership or LLC pay any penalties or fines during the tax year? If yes, list amount(s) and indicate the reason for the penalty or fine.

Description	Amount

308) Did the partnership or LLC acquire any assets during the tax year? If yes, provide a schedule of assets purchased including the date placed in service, and a copy of the purchase invoice. Include any trade-in information. (Form HUD-1 for real estate).

309) Did any partners or members contribute any assets to the partnership or LLC during the year? If yes, provide a schedule of such assets received including date placed in service and partner or member's basis in such assets and fair market value of such asset.

310) Does the partnership or LLC wish to use accelerated depreciation methods?

311) Does the partnership or LLC wish to elect first year Section 179 expense?

312) Does the partnership or LLC own or lease any vehicles? If yes, provide the following information for each vehicle (note: certain exceptions may apply for taxpayers with more than five vehicles):

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YES NO N/A

- Vehicle description
- Date placed in service
- Business miles
- Commuting miles
- Other personal miles
- Total miles
- Average daily round trip commuting distance

- .1) Does the partnership or LLC have evidence to support the claimed business use?
If yes, is the evidence written? _____
- .2) Were the vehicles available for personal use during off-duty hours? _____
- .3) Were the vehicles used primarily by a more than five percent owner or related person? _____
- .4) Is another vehicle available for personal use? _____
- .5) Provide a copy of the lease for any leased vehicles. If not available, provide the following:
- Date of lease _____
 - Fair market value at inception _____
 - Term of lease _____
 - Lease payments _____

313) Regarding partnership policy for vehicles:

- .1) Does the partnership or LLC maintain a written policy that prohibits all personal use of vehicles, including commuting, by employees? _____
- .2) Does the partnership or LLC maintain a written policy that prohibits personal use of vehicles, excluding commuting, by employees? _____
- .3) Does the partnership or LLC treat all use of vehicles by employees as personal use? _____
- .4) Does the partnership or LLC provide more than five vehicles to employees and retain the information received from employees concerning the use of vehicles? _____
- .5) Does the partnership or LLC require or maintain copies of vehicle logs? _____

314) Are computers, cellular phones or other property used for personal purposes? If yes, complete the following: _____

Description	Date Placed in Service	Business Use %	Cost or Basis

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YES NO N/A

- .1) Does the partnership or LLC have evidence to support the business use claimed? _____
- .2) If yes, is the evidence written? _____
- 315) Did the partnership or LLC have any meal or entertainment expenses? If yes, provide details by account posted. _____
- 316) Did the partnership or LLC pay any social or entertainment club dues? If yes, provide details by account posted. _____
- 317) List all items in the miscellaneous expense account greater than \$ _____. _____

Description	Amount

- 318) Will all compensation-related accruals (including vacation pay) be paid within two and one half months of year-end? If no, provide details of unpaid amounts. _____
- 319) Provide copies of certification for employees of target groups and associated wages paid that qualify for the Work Opportunity Credit. _____
- 320) Provide the following information for all items of interest expense:

Payee	Purpose Of Loan	Recourse/ Non-Recourse	Year End Principal Balance	Interest Expense

- 321) Were there any accruals of interest, compensation, guaranteed payments, or other expenses to partners at year-end? If yes, provide detail by account posted. _____