

TAXPAYER: _____
BUSINESS EIN: _____
TAX YEAR: _____

Date:

Name of the business:

What kind of products or services do you provide?

When did you begin this business?

Why and how did you get started in this business?

What other similar businesses have you been involved with? .

What is your business location (physical address)?

E- Commerce: Do you sell using the internet or a web page? What is the web site?

Business Use of Home:

Do you have an area in your home that you use for the business?

Square footage of the office Square footage of home

Did you maintain a separate phone line in your home? Phone number

Did you have a cell phone? What % is business use? Did you keep a log?

Do you entertain your clients? How often?

What type of records do you maintain for this purpose?

What territory do you cover (where do you go for work)

Did you have occasion to be away from home overnight?

Does anyone accompany you?

How do you advertise your business and what media do you use?

Where do you purchase your products/supplies? Do you purchase items from computer sites such as E-Bay?

Who do you sell the product/service to?

Which relatives purchase your products?

How do you sell the product? Retail/wholesale? E-commerce?

Do you maintain sales receipts for all sales?

Do you deliver the product?

Do you maintain a record of mileage?

If no, what do you keep that you could reconstruct a mileage log from?
How many hours do you devote to your business weekly?
How many hours do other family members devote to the business?
What are your hours of operation?
Did you take a vacation during the tax year?
Where?

Did you hire anyone to help you in your business?
Number of employees - Full Time- Part Time-
Did you provide them with W2s or F1099 MISC?
If yes, provide copies. If no why not? -

How do you pay them? CASH?
How do you determine their wage?
What type of services do they perform?

What other types of income producing activities do you have (sale of by products/scrap copper, vending machines, etc.)?

Do you pay yourself a salary/draw?
If yes, how much-

How do clients pay you? Cash, check, credit cards. Do you receive Electronic payments?
What % of each.-
Who accepts payments for your sales?

Do you deposit all monies received from sales into your bank account –
If not all, what %?
How often are deposits made?
Into which account(s)?
Who generally makes the deposit?
Who CAN make the deposits and who has access to the accounts?

Are any funds transferred from one account to another?
Do you retain copies of your deposit slips?

Do you maintain a petty cash fund?
Who has access to the cash?
How did you pay for expenses in the year? Cash/check/credit card?
Where does the cash come from-
Which expenses are paid by cash?
Cash on Hand: Home, Business, and Elsewhere:
Who has authority to approve expenses?
Are all business and personal expenses kept separately?
Give a brief description of your daily duties-

**What type of accounting system do you use (circle answer): (cash) (accrual) (hybrid)?
What kind of books and records are kept? Do you use an electronic software package?
(single/double entry journals, source documents, invoices, etc)-**

**How often are the books posted?
By whom –**

**How were gross receipts determined and what records were used to arrive at gross receipts
per return?**

**Financial institutions -
Acct #
Style of acct (checking, savings, cds, etc)
Name on the acct –
Purpose of acct - (bus- personal – both)
Begin balance-
Ending balance-**

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**Do you have a Safety Deposit Box -
Contents-
Where- Loc name, Address, City, State, zip:**

**Where does your family live (city& State):
Mother/Father -
Brothers/Sisters –
Any other relatives that you are close to –**

How many vehicles did you have in your household in exam year?

Vehicles and Assets (list all vehicles and assets and/or provide your depreciation schedule)

| <u>Vehicle</u> | <u>YR</u> | <u>make/model</u> | <u>date of purchase</u> | <u>cost</u> | <u>license #</u> |
|----------------|-----------|-------------------|-------------------------|-------------|------------------|
|----------------|-----------|-------------------|-------------------------|-------------|------------------|

Inventory:

Was inventory used by taxpayer: Y N

Date inventory was taken:

Method used to take inventory:

Inventory Method of Valuing Goods: A- Cost, B- Lower- Cost/ Market, C- Other

Changes in the method of valuing inventories: Y N

Beginning and ending balances agree with prior/subsequent returns: Y N

Inventory included year end purchases: y n

Personal usage: y N

Loans, Notes and Mortgages

| <u>Name/ Address</u> | <u>Date</u> | <u>Amount</u> | <u>Payment</u> | <u>Asset Name</u> |
|----------------------|-------------|---------------|----------------|-------------------|
|----------------------|-------------|---------------|----------------|-------------------|

Capital Assets (purchased or sold)

| <u>Sold To/ Item</u> | <u>Date Acquired</u> | <u>Date Sold</u> | <u>Selling Price</u> |
|----------------------|----------------------|------------------|----------------------|
|----------------------|----------------------|------------------|----------------------|

| <u>Purchased From/ Item</u> | <u>Date Acquired</u> | <u>Cost</u> |
|-----------------------------|----------------------|-------------|
|-----------------------------|----------------------|-------------|

(Internal Controls High/Moderate/Low risk.)

Ratios:

Yr: _____ Yr: _____ Yr: _____

| | | |
|-----|-----|-----|
| G/R | G/R | G/R |
| G/P | G/P | G/P |
| % | % | % |