

2022 Organizer for Partnerships & Multimember LLCs

This Organizer will assist you with organization of your business information relating to preparation of your Entity's tax return. **It is important you answer all questions contained in this Organizer.**

- **FIRST YEAR CLIENT: MUST HAVE** a copy of your depreciation schedule, any special elections you have made, and Articles of Organization and Entity Agreements.
- **Please update your Operating Agreements to reflect who the LLC's responsible party is during an audit.**

| | Yes | No |
|--|-----|----|
| If changed: Business Name: <i>(if DBA)</i> | | |
| If changed: Business Address: | | |
| Phone: _____ Email: _____ | | |
| Did the Entity elect S status? If so, provide the S acceptance by the IRS. | | |
| What Iowa county did you conduct business in? | | |
| What date was the Entity first authorized to do business in Iowa? _____ | | |
| Did the Entity make or revoke a corporate tax filing election during the year? | | |
| What is the principal business activity of the Entity? _____ Any changes in operations? | | |
| Who does your accounting? KPJ _____, Self _____, Other <i>(firm name)</i> _____ | | |
| What accounting method does the Entity use? Cash _____ Accrual _____ Other <i>(describe)</i> _____ | | |
| If accrual, are all accounts receivable and accounts payable accounted for? | | |
| Is the Entity's tax year a calendar Year? <i>(If not, what is the fiscal year?)</i> | | |
| Does the Entity have any cryptocurrency holdings? | | |
| Is this business registered/conducted in a state other than Iowa? | | |
| How many partner/members were there on the last day of the year? _____ | | |
| Was there any change in membership owners during the year? | | |
| • Was a 754-election made? | | |
| • Do you want KPJ to make the election? | | |
| Did you have 50 or more employees at any time during the year? | | |
| Were there any contributions of property and equipment for membership shares? | | |
| Did you have a PPP Loan forgiven in 2022? | | |
| Did you make payments of \$600 or more during the year for services to an attorney or an unincorporated business such as an LLC, a sole-proprietor or landlord? | | |
| Did you issue Forms 1099-MISC to these businesses or individuals? | | |
| • If not , do you want KPJ to prepare Forms 1099-MISC for you? | | |
| Did you prepay any expenses in excess of 12 months? | | |
| If automobiles, are they titled, licensed, or owned in the Entity's name? | | |
| IA Capital Gains: | | |
| • If disposed of property, did you hold it for 10 years? | | |
| • Did you materially participate within those 10 years? | | |
| Travel Expense Meal Per Diem: | \$ | |
| • If worked out of town, list per diem. | | |
| Do you have any R & D Costs? | | |

Entity Information

| | Yes | No |
|--|-----|----|
| Does the Entity have investments in or involvement in Foreign Activities? | | |

\$2,500 per Invoice Expense Accounting Policy

For taxable years beginning____, 2022 and later, the general capitalization policy is that all equipment and other fixed assets costing no more than \$2,500 per invoice (or per item as substantiated by the invoice) will be treated as an expense for both book and tax purposes. This accounting policy is intended to comply with the IRS de minimis safe-harbor provisions at §1.263 (a)(1)(f).

_____ Authorized Signature of the Company

_____ Date

Partner/Member Information

| | | |
|--|------------|-----------|
| | Yes | No |
| Do you have any Non-Resident Members? | | |

| First Name-Last Name <small>(Enter information for all partner/members who owned shares at any time during the year)</small> | Social Security Number | Partner/Member Mailing Address <small>(street address, city, state, zip)</small> | General or Limited Partner | # of shares owned at start of year | Percent % | # of shares owned at end of year | Percent % | Dates of share ownership change (if any) |
|---|------------------------|---|----------------------------|------------------------------------|-----------|----------------------------------|-----------|--|
| | | | | | | | | |
| | | | | | | | | |

Provide the following information for any person who was a partner or owner/member during the year.

| Partner or Member Name | Guaranteed Payments to the partner or member | Health Insurance premiums paid for partner or member during the year | Capital Contributions made by the partner or member during the year | Distributions made to the partner or member during the year | Partner Loans to the Entity during the year* | Loans Repaid by the Entity to the partner or member during the year |
|------------------------|--|--|---|---|--|---|
| | | | | | | |
| | | | | | | |

*If Member/Partner has loaned the Entity funds; where did the Member/Partner get the funds (savings, home equity, family loan, bank, etc.)?

Information relating to deductions and credits the Entity may qualify for

| | Yes | No | Details |
|--|-----|----|---------|
| Did the Entity purchase a plug-in electric vehicle this year? | | | |
| Did the Entity pay wages to any employees who were members of a targeted group? <i>(worker opportunity credit)</i> | | | |
| <ul style="list-style-type: none"> • If yes, provide us with the appropriate state agency acceptance letter. | | | |
| Did the Entity initiate a new qualified retirement plan during the year? | | | |
| Did the Entity pay for disabled access equipment or improvements during the year? | | | |
| Did the Entity provide for or reimburse employees for Childcare expenses/tuition during the year? | | | |
| Did the Entity make energy-efficiency improvements? | | | |

Rental/Real Estate Section

| | Yes | No |
|---|-----|----|
| Security deposits utilized are rental income, please include in gross receipts. | | |
| What type of rental? Land ___ Commercial ___ Equipment ___ Residential ___ | | |
| Are any properties owned by a trust? | | |
| Do you rent to a related party? | | |
| Does a related party live in the property? | | |
| <ul style="list-style-type: none"> • If yes, is it rented at fair market value? | | |
| Gross rent received? <i>(Do NOT include any security deposits to be held on behalf of the client) (DO include prepaid rent/all charges to tenant) & (DO include security deposits utilized)</i> | | \$ |
| Are there any tenant security deposits held at year end? | | |
| <ul style="list-style-type: none"> • If so, how much? | | \$ |
| Was the property available for rent all year? | | |

Qualified Business Income

| | Yes | No |
|--|-----|----|
| Is this a trade or business at the entity level? | | |
| <ul style="list-style-type: none"> • Is this a self-rental? | | |
| <ul style="list-style-type: none"> • Is this a NNN lease? | | |
| <ul style="list-style-type: none"> • Are you involved in the day-to-day operations of the rental? | | |
| Is your company a Specified Service, Trade or Business? | | |

Fuel Tax Credit

| | Yes | No |
|--|---------------------|-------------------|
| Did you purchase any gas/diesel for off road use? | | |
| If so, provide type: | # of Gallons | Gas Diesel |
| <ul style="list-style-type: none"> • commercial | | |
| <ul style="list-style-type: none"> • off highway business use | | |
| <ul style="list-style-type: none"> • on a farm for farming purposes | | |
| <ul style="list-style-type: none"> • aircraft | | |
| <ul style="list-style-type: none"> • construction equipment (<i>skid loaders, Utility Vehicles, handheld equipment</i>) | | |

Income

| | | |
|---|------------|-----------|
| What were the business gross receipts or sales for the year? | \$ | |
| | Yes | No |
| If sales tax is collected, is it included in gross receipts? | | |
| <ul style="list-style-type: none"> • If yes, how much sales tax was included in the income? | | |
| Did the Entity have any other income from this business activity not included in gross receipts above? <i>(Insurance proceeds, asset sales, bartering, etc.)</i> | | |
| <ul style="list-style-type: none"> • If yes, describe: | | |
| Did you pay health insurance for yourself or family with after tax dollars? | | |
| <ul style="list-style-type: none"> • If yes, list per person | | |
| Could you have elected to be covered under a group plan? <i>(example: spouse's work health plan)</i> | | |

Interest and Dividend Income Worksheet

- Provide copies of all interest and dividend statements the Entity received
- If the Entity received interest payments under a seller financed mortgage provide the name, address, SSN or EIN of the party making payments.

| Bank Name or Other Payer | Total Interest Received | Name of Entity or Other Payer | Total Dividends Received |
|--------------------------|-------------------------|-------------------------------|--------------------------|
| | \$ | | \$ |
| | \$ | | \$ |

Sale of Stock, Real Estate or Other Property

- Please attach copies of year-end brokerage statements relating to stock sales
- If real estate was sold during the year, provide copies of closing papers

| Description of Property Sold | Date Purchased | Purchase Price | Date Sold | Sales Price |
|------------------------------|----------------|----------------|-----------|-------------|
| | | \$ | | \$ |
| | | \$ | | \$ |

Assets Purchased or Assets Sold/Disposed During the Year

| Description | Date placed in service | Cost | Partial Disposition? | Disposition Date | Sales Price | Purchased from or Sold to a related party? |
|-------------|------------------------|------|----------------------|------------------|-------------|--|
| | | | | | | |
| | | | | | | |

| | Yes | No |
|---|-----|----|
| Do you wish to utilize the 179-expense deduction? | | |
| Do you wish to elect out of bonus depreciation? | | |

Tell us about any leases the company has entered into (*Capital, Operating, Vehicle, Equipment*):

Cost of Goods Sold (COGS)

| | Yes | No |
|---|-----|----|
| Do you manufacture or produce a product for sale to customers? | | |
| Do you operate a wholesale or retail business where you maintain an inventory of goods? | | |
| | \$ | |
| | \$ | |
| | \$ | |
| | \$ | |
| | \$ | |
| | \$ | |
| How are you valuing your inventory? Cost ___ Lower of cost or market ___ Average cost ___ | | |

*****Please provide a copy of your 2022 Income Statement and Balance Sheet*****

Preparers Items:

| | Yes | No |
|---|-----|----|
| See Audit Opt Out Chart Attached | | |
| Did the Company Start a Retirement Plan in 2022? | | |
| Does this Partnership have any bottom dollar debt items? | | |
| Is this Partnership considered a syndicate (cash to Accrual Basis issue)? | | |
| Does the company have any special debt and liquidation allocations? | | |
| Does the company have any special recourse debt allocations? | | |

Audit Opt-Out Chart (Preparer Only)

| Type of Partner | Qualified Owner? | Disqualified Owner No 'opt-out' allowed |
|---|------------------|---|
| C Corporations | XX | |
| C Corporations with LLC owner | XX | |
| Estate of deceased partners | XX | |
| Estate of anyone other than a deceased partner | | XX |
| Individuals | XX | |
| Foreign Corporations | XX | |
| Grantor or living trust | | XX |
| LLC taxed as partnerships or corps | | XX |
| Partnerships | | XX |
| Person holding an interest for another party | | XX |
| SMLLC disregarded entity | | XX |
| S Corporations | XX | |
| S Corporation with disregarded entity owner | XX | |
| Trusts – all types(Grantor & Revocable | | XX |

Dear CLIENT:

We are pleased that you have decided to engage Kuhl Phillips & Jans, Inc. ("KPJ") to prepare tax year **2022** income tax return(s) for you. This letter, along with the attachments, describes the basis on which KPJ will provide tax preparation services to you, your responsibilities, and how we will bill for our services.

Scope of Engagement

I will have primary responsibility for your return(s) but may use other accountants and assistants at our office in the best exercise of our professional judgment. If at any time you have questions, concerns, or criticisms, please contact me at once.

It is your responsibility to provide true, accurate and complete information to prepare a complete and accurate return. KPJ and its personnel are not liable for errors or omissions that result from a failure on your part to fully and properly disclose information needed to accurately complete the tax returns. Please verify the accuracy of your return. Upon filing of your **2022** tax return our engagement shall be complete.

Representations and Warranties

You represent and warrant that you shall: (1) provide true, correct, and complete information regarding your income and expenses; (2) to provide your income and expenses in a clear manner; (3) retain for 7 years, all documents, receipts, cancelled checks and other records required to substantiate the items of income and expenses; and (4) maintain written documentation supporting all amounts, including logbooks and receipts. If receipts are provided KPJ will review these for their reasonableness but will not be auditing these receipts. You further represent that you understand that if a question arises regarding the interpretation of tax law, and a conflict exists between the authorities' interpretation of the law, and other supportable positions, that KPJ will use our professional judgment in resolving these issues. KPJ keeps copies of your return for 3 years per IRS rules. As a client, it is your responsibility to contact us immediately if you discover additional information that will lead to a change in your return.

Responsibility and Indemnification

You should review your completed tax return carefully before signing them. You have the final responsibility for anything submitted to a taxing authority. By signing below you agree to indemnify, defend, and hold harmless KPJ, its officers, directors, members, employees, and agents from and against any and all claims, demands, suits, costs, liabilities, losses, and expenses (including attorneys' fees) arising out of or in connection with (i) the services provided hereunder; (ii) any negligent or intentional acts or omissions of KPJ or any of its officers, directors, employees, or agents; (iii) the inaccuracy of any information provided by you to KPJ; and (iv) any action by a third party against you or relating to the services hereunder.

Fees

The tax preparation fee covers the following services:

- One tax preparation appointment and preparation of your **2022** return(s).
- Electronic filing of the federal return/state return when applicable.
- **One** paper copy unless a PDF is requested.

The cost of preparing your **2022** return will be payable at the time of pick up. If your tax situation changes and you need a consultation or review of your upcoming (2023) tax return, such services shall be billed at our hourly rates, with a minimum charge of \$75.00. This includes phone calls, mail and/or email correspondence. If your preparer determines (in his/her absolute discretion) that your records need to be organized and/or totaled, there will be an hourly fee for organizing your receipts. Additional fees may be assessed for all other extra services: For example: 1099 Preparation

Communication

We will send you copies of pertinent correspondence, documents, and other materials we prepare or receive in the course of our engagement. We ask that you contact us whenever you have any questions or comments regarding our services, fees, the status of your matter, or whenever any new facts or considerations come to your attention. Unless otherwise agreed, the work we plan to perform in conjunction with this engagement will be performed utilizing email via the Internet, telephone, facsimile, and delivery and mail services for communications with you. By signing below, you consent to our use of e-mail via the Internet for correspondence with you, including transmission of sensitive documents. Please be advised that our firm will not deliver tax advice in the form of a text, nor will our firm receive tax material in the form of a text message. **DO NOT SEND CONFIDENTIAL INFORMATION SUCH AS CREDIT CARD, BANK ACCOUNT, SOCIAL SECURITY NUMBERS OVER EMAIL. EMAIL IS NOT SECURE.** We cannot fax or email to a third party due to disclosure rules set by the IRS. The IRS charges \$50 and takes 10 weeks if you want them to provide a copy.

- KPJ CANNOT RECEIVE ANY TAX INFORMATION VIA TEXT.

Termination

Unless our engagement is previously terminated, our engagement will continue until completion of your **2022** return. Either party may terminate this engagement at any time for any reason upon written notice to the other. **If the engagement is terminated after the tax return process is started, you will be responsible for paying our fees and expenses through the date of termination for any professional time incurred.**

Conflicts of Interest (if KPJ prepares the business/estate/fiduciary return and associated personal return)

A conflict of interest occurs when we do not prepare the other shareholders/partners/beneficiaries personal returns and we do not take responsibility for the outcome of their personal returns.

Miscellaneous

It is agreed that our relationship is governed by the laws of the State of Iowa, regardless of any conflict of laws. Any action or proceeding between us arising out of this engagement shall be resolved only in the U.S. Southern District or Iowa courts located in Johnson County, Iowa. This Agreement constitutes the entire agreement and understanding of the parties with respect to the subject matters hereof and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof. This Agreement may be amended at any time only by a written instrument signed by both of the parties hereto.

| | Yes | No |
|--|-------------------------|-----------|
| Does the Entity have ownership or control over a foreign financial account or trust? | | |
| If yes , provide the name(s) of the foreign country and maximum account values for the year. | <i>Foreign Country:</i> | |
| Who is the Responsible Party during an IRS audit? <i>(this should be the same responsible party listed on your Operating Agreement)</i> | | |
| Do you wish to 'opt out' of the new Partnership (less than 100 partners) audit rules? | | |

Confirmation of Engagement

I (we) have submitted this information for the sole purpose of preparing my (our) tax return(s). Each item can be substantiated by receipts, canceled checks or other documents. This information is true, accurate and complete to the best of my (our) knowledge.

Accepted by Signature: _____

Print Name:

Date: _____