

February 2024

It's Tax Time!!

Welcome to another tax season for filing your 2023 tax returns.

By now you should have received most of your tax docs such as 1099s, W-2s, 1098s, etc. K-1s tend to take their time.

Tax Appointments

This tax season we plan to work with our clients via emails, phone and if preferred by some, in person appointments. We therefore request that you **email/upload** all your tax docs such as W-2s, 1099s, 1098s, K-1s etc., and your tax organizers **at least 24 hours before your appointment, including in person appointments.**

Schedule Your Appointment Online at <http://netappointment.judakallus.com/appman.php?rownumber=65>

Appointment Hours

Monday – Thursday	12 pm – 8 pm
Friday	12 pm – 6 pm
Saturday Sunday	2 pm – 6 pm

To get started, please click on the link below and read our cover letter. It contains very important and useful information.

<https://www.judakallus.com/files/Filing-Preference-and-Checklists.pdf>

After reading our cover letter, please come back to this page and you will be able to click on the IMPORTANT links below:

Tax Return Organizer

Our tax organizers will help you to compile your tax data needed to prepare your tax returns. This year our default organizers will be Excel based.

Many find our Excel organizers very useful with various automatic calculations and form filing features.

<https://www.judakallus.com/data-organizer/new-excel-based-data-organizers/>

Our original PDF organizer is also available but will only be updated, time permitting. You can still use our PDF organizers and we will edit your data entry, where its warranted due to tax form changes.

<https://www.judakallus.com/data-organizer/>

New Clients Please email/upload your last three years of tax returns, if available.

Extensions Filing late without an extension will subject you to one of the worst penalties, up to 25% of the tax due! So, don't delay!

An extension to file your tax return is not an extension to pay your taxes. The IRS will grant you an extension without payment but will charge you penalties and interest totaling up to 25% per year on the outstanding balance. Most States have similar rules with similar penalties for extensions and late payment. Some States do not require filing an extension form.

However, **New Jersey** and **NYC-UBT** rules are more draconian. You must pay sufficient amounts with the extension, or they will invalidate your extension and charge you late filing penalties. So be generous with your NJ and NYC UBT extension payments. Remember, if you over pay, you will get a refund. If you underpay, you will get a penalty, a stiff one. So, overpay!

Should You file 1099s? If you are self-employed and have paid any freelancer, subcontractor or other individual \$600 or more in the course of your business during the year, the answer is yes. Copies of your 1099s must be mailed to the recipients and the IRS by January 31st. Late filers or inaccurate 1099s will incur penalties. If you want us to prepare your 1099s, download our 1099 data organizer from our web site, fill it in, and e-mail it to us. Here is the link <https://www.judakallus.com/files/1099-DATA-SHEET.pdf>

Should you file FBAR? If you have one or more foreign accounts, you should read this. The rules are complex, the requirements are onerous and the penalties horrendous. For information, click here: <https://www.judakallus.com/files/S-FBAR-Info.pdf>

Due April 15th with automatic extensions to October 15th if an extension for income tax return is filed. If you have foreign financial accounts such as bank accounts, brokerage accounts, mutual funds, etc. **or have a signatory authority over such accounts, and on any one day during the year, the total value of all accounts exceeded \$10,000**, you are required to file this form. There are heavy penalties for late and non-filing. Click on the link below and fill in the necessary information, and send it to us. <https://www.judakallus.com/files/T-FBAR-FinCEN-114.pdf>

If you think FBAR is onerous, read this:
Reporting requirement of ownership of many entities. **BOI**.

The BOI requires entities and their owners to report ownership information starting in 2024. There are heavy penalties for non-compliance. Please click on the link below for information and our organizer for filing the BOI <https://www.judakallus.com/files/CTA-BOI.pdf>

Finally, applicable only to NYS LLCs
NYS LLC (IT-204-LLC) and Partnerships due date March 15th

Every Single Member LLC, Multi-Member LLC or LLP that has income or expenses from NYS sources must E-file form IT-204-LLC by March 15th. In addition, Regular Partnerships with 2023 gross income from NYS sources equal or in excess of \$1 million must also e-file this form. Please click on the link below, fill out this one-page sheet, and return it to us as soon as possible. <https://www.judakallus.com/files/NYS-LLC-IT-204-LLC-AND-PARTNERSHIPS-DUE-DATE-MARCH-15TH.pdf>



Juda Kallus, EA

Final Note: If you receive any notices/correspondence from the IRS or any other taxing jurisdiction, email, mail or fax a copy of the notice to us. Many adjustments are erroneous and can be resolved with a single correspondence. Calling the IRS is often frustrating and futile. Send the notice/correspondence to us before you call us.

Refunds and Payment Options

Your name(s) _____

All tax returns will be e-filed unless for technical reasons we are unable to, or you have opted out.
Please check all the boxes that apply in items 1–5:

1. Overpayments

Please apply some/all of my refund to next year's estimated tax payments. 1ST 2ND 3RD ALL
 I prefer to receive a refund. **If you checked the All box skip Step 2**

2. Faster Refunds

I want the IRS and State to deposit my refund directly into my bank account. See 4. below.
 No, I prefer to receive a check.

3. Balance Due

If there were a balance due:

Yes, I want to pay my taxes via electronic funds withdrawal on Transmittal day (1–3 days after we receive your signed documents).

No, I don't want to. I will pay by check with a voucher or I will pay Online www.irs.gov/payments/direct-pay

4. Distribute your Federal Refund

(into 1, 2 or 3 accounts, or 2 accounts + 1 IRA)

Account 1. ____% BANK'S NAME > _____

BANK ROUTING NO. > [] [] [] [] [] [] [] [] []
(9-DIGIT NUMBER ON BOTTOM LEFT CORNER OF YOUR CHECK, OR ASK YOUR BANK)

BANK ACCOUNT NO. > []
CHECKING SAVINGS Please Initial

Account 2. ____% BANK'S NAME > _____

BANK ROUTING NO. > [] [] [] [] [] [] [] [] []
(9-DIGIT NUMBER ON BOTTOM LEFT CORNER OF YOUR CHECK, OR ASK YOUR BANK)

BANK ACCOUNT NO. > []
CHECKING SAVINGS

2022 IRA

2023 IRA

5. NEW

Identification No.

As an additional means of validating a taxpayer's identification, AL, AZ, CA, CO, KS, NM, NY, OH, VT, WI require driver license or state identification on state returns. Failure to provide this info will cause delays in processing refunds.

Yes, I have a driver license / state identification card:

Taxpayer State _____

Exp Date _____ ID Num _____

Issue Date _____ Doc Num (NY ONLY) _____

Spouse State _____

Exp Date _____ ID Num _____

Issue Date _____ Doc Num (NY ONLY) _____

No, I do not have a driver license / state identification card. (e.g. minor, foreign resident, etc.)

All fees must be paid prior to e-filing

CREDIT CARD

CHECK DATE SENT: _____

PAYPAL (Go to www.judakallus.com click "make a payment")

ZELLE (Use judakallus@aol.com)

CASH

X

SIGNATURE

PRINT NAME

CARD NUMBER

[] []

SECURITY CODE

[] [] []

EXP. DATE

[] [] [] [] [] []

BILLING ADDRESS FOR CREDIT CARD

SAME AS HOME

SAME AS BUSINESS

OTHER BILLING ADDRESS, PLEASE PROVIDE BELOW:

BILLING ADDRESS

CITY

STATE / ZIP

1-2-3 Checklist

All questions are related to tax year 2023 unless otherwise indicated

Your name(s)

- YES NO Did you make any out of state purchases on which you did not pay sales tax?
If yes, please enter state sales tax on Sheet 1, second page.
- YES NO Were adjustments made **by the IRS or any state** to any prior 3 years' income tax returns?
- YES NO Will your income change significantly in 2024 Up Down
- YES NO Will your marital status change in 2024?
- YES NO Are you claimed as a dependent by your parents or anyone else?
- YES NO Did you have any new dependents?
- YES NO Are any of the dependents listed on last year's return no longer your dependents?
- YES NO Did you pay more than half the cost of supporting a parent?
- YES NO Did you have any sales or other exchanges of virtual currencies?
- YES NO Did you receive a distribution (1099-R) from a qualified employer plan Keogh IRA or 529. check all that apply Did you inherit an IRA?
- YES NO If yes, did you rollover the distribution to an IRA? within 60 days? (see 1099-R Organizer)
- YES NO If eligible, would you like to make a contribution to an: IRA Roth IRA SEP IRA 529
- YES NO Did you convert a traditional IRA to a Roth IRA?
- YES NO Did you buy sell stocks / bonds / mutual funds (not IRA, 401(k), etc.)? If sold attach 1099-B
- YES NO Did you receive, sell, exchange, gift, or otherwise dispose any financial interest in any digital asset?
- YES NO Did you buy sell your home (1099-S)? If so, provide us with closing statements for purchase and sale.
- YES NO Did you refinance your mortgage or take an equity loan on your 1st or 2nd home? If yes provide statement.
- YES NO Did you borrow money to make an investment? If yes, please explain.
- YES NO Did you make any loans that became uncollectible last year? Did you try to collect?
- YES NO Did you give / receive any gifts of over \$16,000 to any individual? Transferred / received Real Estate?
- YES NO Has anyone in your immediate family passed away this or last year? Relationship to you
- YES NO Do you have a will? If no, we recommend you make one.
- YES NO If completing sheets #3 or #4 did you adopt a capitalization statement (see our website - Data Organizer)
- YES NO Did you form a corporation, LLC, LLP or partnership?
- YES NO Did you have any income from foreign (non-US) sources, not reported on 1099s? Were any foreign taxes withheld? Did you have foreign (non-US) bank account or any other financial acct? If yes, which country:
- YES NO If yes, did you have income in a foreign (non-US) bank account / investments?
- YES NO Did you have foreign (non-US) bank or financial accounts with over \$10,000 in total at any time during the year?
- YES NO If yes, and you live in United States, was it over \$50,000 (single) or \$100,000?
- YES NO Or if you live abroad, was it over \$200,000 (single) or 400,000?
- YES NO Did you receive a distribution from, or were you the grantor of, or transferor to/from a foreign (non-US) estate/trust?
- YES NO Check yes to allow Juda Kallus to set your e-filing pin to 11111 and if married 22222 for your spouse.
- YES NO Check yes to allow Juda Kallus to discuss this return with the IRS / state if necessary?

Your Tax Return will be automatically uploaded for free to your personal Cyber Cabinet. In addition you may request a copy via email, CD or paper.

Email pdf (password protected)

Paper Tax Return \$40

I will pick it up

Please mail it to me

According to the IRS, you are required to keep records that will enable you to prepare a complete and accurate tax return. Although the law does not require any special form of records, **you must retain all receipts, cancelled checks, bank statements and other evidence** to support amounts claimed as deductions. You must keep your records for as long as their contents may be material in administering any Internal Revenue Law. In most instances, this means 3 years after the date of filing the return.

Please Initial

ACA Checklist

► Your name(s) _____

Please ✓ all the questions that apply

Yes No

Were you covered by health insurance? (Medicare & Medicaid accepted)

Was your spouse?

Were your dependents?

Did you get health insurance through the marketplace/exchange?

Did your spouse?

Did your dependents?

If yes, please provide Form 1095-A

Did you receive subsidy Y N

Did you get health insurance through employer, self-employed, Medicare, Medicaid, VA?

Did your spouse?

Did your dependents?

If yes, please provide Form

1095-B

1095-C

Were you out of the United States for 330 days or more?

Was your spouse?

Were your dependents?

Were you a bona fide resident of a foreign country for the entire year?

Was your spouse?

Were your dependents?

Please Initial

Prepaid Audit Agreement 2023

This agreement is between Juda Kallus, EA and _____
for **Prepaid Audit Coverage**. This agreement covers **Federal Form 1040** and all its attached
schedules and forms, as well as the following state returns:

RESIDENT FORMS

NY FORM IT-201

NJ FORM 1040

MA FORM 1

CA FORM 540

NYC FORM NYC 202

NON-RESIDENT

NY FORM IT-203NR

NJ FORM 1040NR

CT FORM CT-1040NR/PY

CA FORM 540NR

Under this agreement Juda Kallus, EA agrees to provide audit support in accordance with the level of service paid for by the client. Juda Kallus, EA and the client agree on the following items:

1. Meet client and plan audit strategy. Define necessary supporting schedules and documentation.
2. Assist client in preparing documentation and schedules for audit.
3. Prepare power of attorney form and contact IRS to schedule appointment for audit.
4. Represent client in audit with the taxing authorities.
5. Appeal audit results with auditor's supervision.
6. Appeal results of audit up to the conference level of the IRS Appeal process, if deemed reasonable prospect of success.
7. Prepare amended State and Local Tax Returns, if needed to conform with IRS audit results.
8. Juda Kallus, EA is not to be held liable for any tax, penalty or interest resulting from audit examination. Juda Kallus, EA will pay penalties, but not the tax or interest, applicable to any errors made by Juda Kallus, EA in preparation of the original tax return.
9. The client states that before signing the original tax returns, he/she/they will review them to verify that the information contained is true, complete and accurate and was derived from information provided to Juda Kallus, EA and his staff by the client.
10. The client states that he/she/they reported all income, 1099s and W-2s and understands that sometimes these documents do not reach the recipient but always reach the IRS. This agreement is not applicable if income is left out of the tax return.
11. The client states that he/she/they have been advised to keep all records which will support and verify the deductions claimed on their tax returns.
12. The client states that he/she/they have received complete copies of the tax return and will retain them for as long as necessary.
13. The client agrees that after filing the tax return, if additional information becomes available to them impacting the filed tax return, he/she/they will notify Juda Kallus, EA promptly. If it is deemed that amended tax returns are necessary, Juda Kallus, EA will prepare these tax returns for an additional fee.
14. The client agrees to forward to Juda Kallus, EA all correspondence received from the IRS or other taxing authorities within 10 days.
15. The client agrees to promptly review, sign and mail to the IRS, any letters prepared by Juda Kallus, EA on behalf of the client.
16. In the event of an audit the client agrees to actively and promptly participate and make available, in an organized fashion, supporting schedules and documents.

CLIENT(S) Signature _____

Date _____

Fee: _____

Prepaid Audit Fees

Prepaid Audit Agreement

IRS tax audits are stressful and distressful events. In most instances taxpayers lives are put on hold while they devote their full attention and energy to prepare for this event. In addition, taxpayers must often incur costly audit representation expenses which, when added to the additional taxes that are assessed by the IRS and the state taxing authority, could be disastrous to your financial health. With this in mind, we developed a Prepaid Audit Service designed to remove the financial burden of audit representation costs. Our plan is to offer the following coverage:

We will cover any correspondence in response to an inquiry by any taxing authority for which a tax return was prepared by us.

We will cover assistance in preparation for an audit and representation services at IRS and State offices, and at our or your office. We will also cover costs for amended return preparation services which are often required after an audit. This agreement does not cover any assistance in dealing with any taxing jurisdiction for which a tax return was not filed.

How to Compute Your Prepaid Audit Fees

A Lets say your tax preparation fee is \$400, and it includes Schedules "A" and "C"
Your Prepaid Audit Coverage fee is:
(\$400 X 25%).....\$100

B If you live outside the NY Metropolitan area,
.....your Prepaid Audit Coverage fee will not covertravel, transportation and lodging.

However these expenses may not be necessary. In the past we handled out-of-town audits via mail and telephone or transferred it to NY.

Audit Coverage Fees

as a percentage of your tax preparation fee

If your tax return consists of Form 1040, Resident State tax returns plus....

	Prepaid Audit Rates
Schedule A or B	15%
A + B	20%
A + B + C	25%
A + C	25%
A + D	25%
A + E	25%
A + B + C, or (D) or (E)	25%
A + B + C + (D) or (E)	30%
C	22.5%
C + D	25%
2 (two) Cs	30%
C + E	30%
A + B + 2Cs, + E	40%
A, B, C + D	35%
A, C + E	30%
A, B, C + E	35%
A, B, C, D + E	40%

Non Resident Tax Returns 5% each state

Additional Coverage

Tax returns consisting of supporting travel expense schedules, foreign or domestic, numerous stock or mutual fund transactions or other complexities will be covered at an additional 5%