Pamela Price EA Inc.

Pamela Price EA & Associates
Enrolled to practice before the Internal Revenue Service

HOW TO PREPARE YOUR TAX SUBMISSION

USE OUR WORKSHEETS!

These worksheets have evolved over a period of years and they work.

Proceed as follows:

1. **Read through all the material on our worksheets.** There is important information on every sheet.

2. **Assemble everything you need to complete our worksheets.**
   - **Something to put everything in.** Any large office supply store carries "desk file/sorters." Globe-Weiss makes one called the "Everyday File & Fast Sorter." It's the way I organize receipts for audits. Get the one with numbers rather than alphabetical. Number the items on the worksheet and file the receipts in the corresponding number in the file. Otherwise a shoe box and plain legal size envelopes will serve.
   - **Gather all items of income. Take your paystubs and check them against your W-2s. Be sure that for each employer who issued you a check, there is a W-2.** If the first week in February goes by and you still have a paystub without a W-2, call the employer and tell them. You may never get a W-2….but the IRS will. In a couple of years you will get what's called a CP-2000, adjusting your return accordingly. If there is additional tax due, you will receive an automatic penalty for omitting income. If when you're ready to submit your tax information, you have called the employers but have not received all the W-2s, send in your final paystub and we will add the W-2s later. It is your responsibility, also, to figure out how much income you have received from fees without withholding, whether or not you receive a form 1099. Be sure to send all 1099s, forms, or statements specified in the income section of the worksheet.
   - **Tally Receipts.** This use to be a lot easier when we got our checks back, because in the end that is what the IRS wants to see in an audit. Best thing you can do these days is to go through your bank or credit card statements and check copies, which you can get online, of anything you are deducting. Sort by categories. Match receipts with the checks they match, or note the date they appear on your statement & which credit card or account. Get yourself a little calculator that prints a tape – they're cheap – and add up each category. Stapel the tape to the pile and record it on your worksheet. Remember – we don't want all the receipts, just the worksheets.
   - **Better still:** Consider computerizing your bookkeeping. Either Quickbooks or Quickbooks Online are great and very intuitive. Generating your checks through the system makes it even easier. At the end of the year you can run all kinds of lovely reports and then **just transfer the numbers to my worksheets.**

3. **Deal with the hard parts.** Our sheet entitled "**Recordkeeping Requirements**" will provide you with some detailed help on autos, entertainment, gifts, and research. Telephone should be the additional cost due to business. Keep the bills and checks. Go through at least 3 or 4 bills and add up business toll and long distance calls, call waiting, extended dialing, etc.

4525 Ambrose Avenue, Los Angeles, California 90027 Phone (323) 663-5727 Fax (323) 661-2770
pamelapriceea.com