MEDOWS CPA, PLLC
Taxation.Accounting.Consulting.

Information Needed for Your Tax Appointment & Tax Return Preparation

Please consult the checklist below and send us the necessary documents. If you are a new client please also provide your prior year tax returns.

Businesses/Self-Employed

Prior year tax returns (new clients only)

- EIN
- Profit and Loss Statement
- Balance Sheet
- A listing of estimated tax payments you made to the IRS and other state and local entities (entity paid, date paid, and amount paid)
- To settle taxes or filing fees owed to the federal, state, or city level please bring your business' bank name, routing number and account number so we can have settlement via ACH.

  Please advise us if any banking information has changed from prior year returns.
- A description of your business and the services or products you provide.
- Form 1099-NEC to report nonemployee compensation
- Form 1099-Misc to report payments to individuals related to your business in excess of $600 (in 2025).
- A summary of revenue and expenses for your business. Unless you are an accrual taxpayer, revenues and expenses are amounts that are collected or expensed during the tax year.
- Remember to include tips and any overtime wages that you received in 2025.
- Examples of expenses:
  - Refunds to clients; uncollected invoices do not count unless you are on the accrual tax basis.
  - Advertising
  - Contract labor such as freelancers you hired
  - Wages paid to employees
  - Assets purchased during the year, such as computers or other hardware
  - Business interest expense
  - Legal and CPA fees
  - Office rent
  - Computer software

  - Repairs and maintenance
  - Office supplies
  - Office furniture
  - Travel
  - Meals – These are 50% deductible in 2025.
- Car expenses including miles driven to/from work; miles driven to/from home; expenses for annual upkeep of your car; parking; gas; insurance; monthly lease payments; the purchase price of any new car; and the model and year of your car.

- Any car loan documents and purchase documents for business vehicles that you may have purchased during the year which may be deductible under the One Big Beautiful Bill provisions as indicated below:

- **The 2025 Auto Loan Interest Deduction (OBBB Act) -** Signed into law in July 2025, the OBBB Act creates a new "above-the-line" tax deduction, meaning you do not need to itemize to claim it.

  Key Requirements:

  - **Timeframe:** Applies to loans for new vehicles purchased between 2025 and 2028.
  - **Vehicle Criteria:** The vehicle must be new, used for personal use, weigh less than 14,000 pounds, and have had its final assembly in the United States.
  - **Income Limits:** The deduction phases out for higher earners. For single filers, it starts phasing out at a Modified Adjusted Gross Income (MAGI) of $100,000 and is fully gone by $150,000. For joint filers, the phase-out is between $200,000 and $250,000 MAGI.
  - **Deduction Cap:** You can deduct a maximum of $10,000 in interest per year.

  - Business taxes, such as NYC unincorporated business tax or NYC corporate tax.
  - Telephone
  - Internet
  - Bank service fees
  - Postage
  - Home office deduction expenses (If applicable):
    - Rent
    - Utilities

    - Homeowners insurance premium
    - Square footage of your home/apartment
    - Estimated amount of space used exclusively for work
- A list of questions you may have or issues that you need to address.
- Please be aware that Everyone who files Forms 1040, 1040-SR, 1040-NR, 1041, 1065, 1120, and 1120S must check one box answering either "Yes" or "No" to the following question in regard to cryptocurrency usage:
    - “At any time during 2025, did you: (a) receive (as a reward, award or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)?”

Individuals

- Your most recent federal tax return and state tax return (for new clients only: birthdates for you, your spouse and your dependents)
- A copy of your driver’s license, front and back (NYS now mandates driver’s license information for verification purposes)
- In case of tax refund or tax liability, bring your bank name, routing number and account number so we can have settlement via ACH.
- If you or your spouse were assigned an Identity Protection PIN (“IP PIN”- six-digit number) please submit as the tax returns will be rejected for electronic filing without your IP PIN. Please note that your account's IP PIN is generated each year. The IRS will send your new IP PIN via the United States Postal Service each year.
- Your address, telephone number(s) and email address.
- A description of your employment and any other sources of income
- Documentation of any unemployment benefits received
- Social Security numbers and birthdates of any new dependents
- Form W-2 Wage statements
- Form K-1 for income from partnerships, LLC, LLP, S-Corporations, trusts and estates
- Form 1099-SSA Social Security Benefits
- Form 1099 Interest and Dividend Income
- Form 1098 Mortgage Interest and Real Estate Tax Statement
- Form 1095A (If you purchased health insurance through the Health Insurance Marketplace). This may not be mailed to you. If it is not, you can download the form at https://www.irs.gov/forms-pubs/about-form-1095-a.
- Form 1040 Schedule 1 If you received, sold, sent, exchanged, or otherwise acquired any financial interest in any virtual currency (also known as cryptocurrency). Please

bring all records related to your virtual currency transactions.

- Information and Interest in foreign financial assets (such as foreign bank accounts, foreign pension, foreign trust, or active or passive foreign investments).
- If you rent your home or apartment, your annual rent to determine if you are eligible for a rental credit on your state and local tax returns.
- Receipts for all charitable contributions, especially cash contributions.

  Tax Year 2025 Tip: Consider accelerating donations in 2025 to avoid provisions of the new floor being introduced in 2026.
- Summary of all medical expenses
- Cost basis of any investments you sold during the year
- Real estate transactions (purchase, sale, or refinance) HUD-1 Settlement Statement
- Form 1098-E Student Loan Interest Paid
- Form 1098-Tuition Paid
- You can deduct up to $4,000 in tuition and fees expenses incurred when pursuing continuing education to improve your skills and maintain licensing. To claim this deduction, you need to fill in Schedule 1 and Form 8917.
- If you moved 50 or more miles for work include:
  - If applicable, the amount paid by your employer if they paid for part of the cost of your move.
- A listing of estimated tax payments you made to the IRS and other state and local entities (entity paid, date paid, and amount paid)

- Day care and camp expenses for any dependent child (amount paid, name of organization, and EIN of organization).
- If you adopted a child, include the expenses and employer reimbursements for costs associated with the adoption.
- Documentation of any unemployment benefits received.
- For clergy: parsonage declaration amount for tax year and amounts spent on parsonage.
- Please be aware that Everyone who files Forms 1040, 1040-SR, 1040-NR, 1041, 1065, 1120, 1120 and 1120S must check one box answering either "Yes" or "No" to the following question in regard to cryptocurrency usage: “At any time during 2023, did you: (a) receive (as a reward, award or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)?”
- A list of questions you may have or issues you need to address.

If you need to make a telephone appointment related to the preparation of your taxes, please

use our convenient online scheduling: https://www.medowscpa.com/client-tools/book-appointment/

For Tax Year 2026 keep in mind the following:

- You will need to summarize all charitable contributions, especially cash contributions. Cash contributions have expanded deductibility under the One Big Beautiful Bill starting in 2026.
- Personal record-keeping for third-party platform sales and reporting will be key as the onus for reporting all taxable income from these sources is shifted more squarely on individuals who sell on these platforms.