

Name \_\_\_\_\_

Tax Year  
2022

EMPIRE TAX PREP

[www.empiretaxprep.com](http://www.empiretaxprep.com)

212-967-8387

[staff@empiretaxprep.com](mailto:staff@empiretaxprep.com)

## **Please Do Not email unprotected documents**

**You can send us your documents in the following ways...**

### **1. Secure Online Portal**

Please **combine** your docs into **3 pdf's max**. (Many clients are using the [Genius Scan](#) app for this.)

**Make sure they are clear and legible.** (If you can't read them, neither can we.)

Next, **email us and we will send you a secure link** to upload your documents.

### **2. Mail**

Please **send copies only**. Keep your originals. Mail to:

Dominic Comperatore

440 W 34<sup>th</sup> St 6D

New York NY 10001

### **3. Drop off 24/7**

Midtown Manhattan

Place your documents in an envelope, **mark it "Dominic Comperatore 6D"**.

Leave it with the doorman at 440 W 34<sup>th</sup> St.

### **4. Drop off (by appointment only)**

East Harlem

Brooklyn (Prospect Heights)

**Once we receive your documents we'll get you on the schedule asap!**

You may have **questions** your first time.

No problem, just give us a ring. That's why we're here!

Please take your time. Be thorough. This may be more work than you have been asked to do in the past, but this packet is the single best tool we have to get you the best return possible and to protect you in the event of an audit.

We are aware that there are preparers who will allow you to "estimate" or "average". This is actually a tremendous disservice to the client and a big no-no with the IRS, as well. We do not work that way.

Take the time. It's worth it.

...also, we require it. 😊

**All Done?**

Great... give us shout.

## PRE-APPOINTMENT CHECKLIST

Provide any items that apply to you.

**If you are missing items, the return will take longer and cost you more – so please be thorough.**

Yes No

	<b>Last Year's Tax Returns - only if we didn't do them</b>
	1095-A "Marketplace" Health Insurance
	3895 California "Marketplace" Health Insurance
	W-2's
	1099-NEC Contractor/Non-Employee Compensation
	1099-MISC Rents, Royalties and Other Income
	<b>OTHER income (cash, check, PayPal, Venmo, etc) – anything not reported on another form</b>
	1099-INT Interest Income
	1099-DIV Dividends and Distributions Income
	<b>1099-B Sale of Stocks and Bonds – must include purchase dates and amounts you paid</b>
	1099-G State Tax Refund
	1099-G Unemployment
	1099-R Retirement Distributions (Pensions, Annuities, IRAs, 401ks, etc.)
	1099-S Income from Sale of Real Estate
	1099-SA Distributions from HSA or MSA
	1099-C Cancellation of Debt
	SSA 1099 Social Security
	K-1 Partner or Shareholder Income
	W-2G gambling winnings
	1098 Mortgage Interest
	1098-E Student Loan Interest
	1098-T Tuition
	<b>If you Rented Real Estate (or a Room) to Others – please download the Landlord/AirBnB Worksheet</b>

### QUESTIONS & "I DON'T KNOW WHERE IT GOES"

AFTER you've gone through the packet, please use the space below or a separate sheet.


## Married Couples – PLEASE SHARE ONE PACKET

Taxpayer Name _____	Spouse Name _____
Soc. Sec. # _____	Soc. Sec. # _____
Occupation _____	Occupation _____
Date of Birth _____ Blind Y N	Date of Birth _____ Blind Y N
Email _____	Email _____
Phone _____	Phone _____
Address _____ Apt _____	
City _____ Zip _____ Different from W-2(s)? Y N	

### Identity Protection PIN (IP PIN)

If the IRS issued you an IP PIN **for 2022** please enter it here \_\_\_\_\_

### Marital Status

Single \_\_\_ Married \_\_\_ Married but Filing Separately \_\_\_ Head of Household \_\_\_ Widow (date) \_\_\_\_\_

If married but filing separately, does spouse itemize? Y N

If Yes, Spouse's Social Security Number? \_\_\_\_\_

Can you be claimed as a dependent on someone else's return? Y N Spouse? Y N

### Dependent Information

When claiming a child, please provide of copy of **one** of the following **every year**: Birth Cert., Social Security Card, 1095

Enter a **Dependent Code** for each: **L** - Child who lived with you, **N** - Child who did not live with you due to divorce or separation, **O** – Other dependent

Code	Full Name as it appears on SS Card	Date of Birth	Soc. Sec. #	Relationship	# Months lived in home in 2022

### Child Care Expenses

Name of Care Provider	Address	Phone	Fed ID #	Amount Paid

### WARNING: Are you a signatory on any accounts outside of the United States? Y N

*(If at any time during the previous year you had a financial interest in or signature authority over at least one financial account located outside of the United States and the aggregate value of all foreign financial accounts exceeded \$10,000 at any time during the calendar year, then you must fill out the FBAR paperwork at <http://bsaefiling.fincen.treas.gov/main.html>. We will NOT be responsible for filing this form.)*

Did you earn any foreign income? Y N Did you pay foreign tax on it? Y N

*(If yes to either, please bring in a record of when, where and how much.)*

**E-filing information**

Bank account: Checking\_\_\_ Savings\_\_\_ Ownership: Taxpayer\_\_\_ Spouse\_\_\_ Joint\_\_\_

Routing # \_\_\_\_\_ Account # \_\_\_\_\_

Bank Name \_\_\_\_\_

**Estimated (quarterly) Payments for the 2022 tax year**

*(If you don't know what this is, you didn't make any.)*

	Federal	State	Local
Quarter 1 by 4/18/22			
Quarter 2 by 6/15/22			
Quarter 3 by 9/15/22			
Quarter 4 by 1/17/23			
<b>TOTALS</b>			

**Extension Payments for your 2022 tax return**

Did you file extensions in 2023 for your 2022 return? Y N Did you make payments? Y N

Payment date \_\_\_\_\_ Amount paid to FED \_\_\_\_\_ Amount paid to STATE \_\_\_\_\_ List state \_\_\_\_\_

**State ID** If you have a state-issued ID from ANY state, enter it here. **NOT your passport.**

**Taxpayer** Issuing State \_\_\_\_\_ ID # \_\_\_\_\_ **Spouse** Issuing State \_\_\_\_\_ ID # \_\_\_\_\_

Issue date \_\_\_\_\_ Exp. Date \_\_\_\_\_ Issue date \_\_\_\_\_ Exp. date \_\_\_\_\_

**NY Document # (NY only)** \_\_\_\_\_

**NY Document # (NY only)** \_\_\_\_\_



Document Number



Document Number

Document # may have "ID USA" in front of it



Document Number (after 1/28/14)



ID Number

Document Number

**Health Insurance**

1. Which months did you have health insurance for you (and your dependents)? (please circle)

Jan Feb March April May June July Aug Sept Oct Nov Dec

2. Did you purchase insurance through a FED or STATE "marketplace"? Y N  
Healthcare.gov, NY State of Health, Covered California, Get Covered NJ, etc.

3. IF YES, you we need your Form 1095-A. For Covered California, we need your Form 3895.

**Did you move in 2022?** Date \_\_\_\_\_

Former city/state \_\_\_\_\_ New city/state \_\_\_\_\_

**Rent**

Did you pay rent for your home? Y N How much (total) for the year? \_\_\_\_\_

**“Digital Assets” (crypto currency, NFT’s, etc.)**

Did you receive, sell, exchange, gift or otherwise dispose of a digital asset in 2022? Y N

If yes, please provide gross proceeds, cost basis and holding periods.

**Adjustments**

	Taxpayer	Spouse
<b>HEALTH INSURANCE PREMIUMS, Self-paid</b> (what you paid for coverage)		
EDUCATOR/TEACHER EXPENSES (full time teachers only)		
HSA CONTRIBUTIONS <b>Do Not include HSA amounts from W2.</b>		
<b>RETIREMENT CONTRIBUTIONS</b> Please wait until we do your taxes to contribute. You have until Tax Day to contribute for last year. <b>Do Not include 401k amounts from W2.</b>	Roth = Trad = Sep = Solo401K =	
STUDENT LOAN INTEREST Y N (if YES you must provide <b>1098-E</b> )		
TUITION Y N (if YES you must provide <b>1098-T</b> )		

**Deductions**

If you are **filing jointly**, please **combine** these expenses.

A-1	<b>MEDICAL EXPENSES out of pocket, not reimbursed by insurance</b> (medical, dental, eye glasses, eye exams, therapists, medicare part B, medical policy payments, RX, ambulance, parking, etc.) <b>MUST</b> be medically necessary. <b>DO NOT INCLUDE HEALTH INSURANCE PREMIUMS HERE – SEE ABOVE</b>	
A-5	SALES TAX on any major purchases (over \$5000)	
A-5b	REAL ESTATE TAXES	
A-5c	DMV REGISTRATION see your Vehicle Registration renewal notice	
A-8	HOME MORTGAGE INTEREST	
A-8d	PRIVATE MORTGAGE INSURANCE	
A-11 300/abl	CHARITABLE CONTRIBUTIONS: <b>MONEY</b> must be able to validate ANY amounts with bank receipts. <b>Please list organizations and amounts on a separate sheet.</b>	
A-12	CHARITABLE CONTRIBUTIONS: <b>GOODS</b> (furniture, clothing, etc.) <b>Please list organizations, amounts, addresses &amp; dates on a separate sheet.</b>	
A-16	TAX PREP FEES to prepare taxes LAST YEAR <b>Please... do not ask us to look this up for you.</b>	
A-16	INVESTMENT EXPENSES & CERTAIN LEGAL FEES for business purposes only	
A-16	MISC DEDUCTIONS (gambling losses, only to the extent of gambling winnings, etc.)	

**Please DO NOT duplicate expenses.  
If you are unsure, we will discuss during your appointment.**

### ARTIST EXPENSES

If you produced a film/play, please use the INDEPENDENT/SELF-EMPLOYED worksheet on page 11.

		Taxpayer	Spouse	Leave Empty
C-8	ADVERTISING & PUBLICITY Photos, Resumes, Postcards, Video Reel, Voice Over Reel, Demo, Website, etc.			
	GIFTS FOR BUSINESS Limited to \$25 Per Person/Year			
C-10	AGENTS' COMMISSION & MANAGERS' FEES			
	CASTING REGISTRIES Actor's Access, CastingAbout, IMDB etc. or Theater Company Dues			
C-18	<b>OFFICE SUPPLIES</b> Stationary, Postage, Ink, etc.			
C-20B	STUDIO RENTAL / BUSINESS PROPERTY RENTAL			
C-21	MAINTENANCE OF PROFESSIONAL COSTUMES <b>not general street wear</b>			
	REPAIRS AND MAINTENANCE OF EQUIPMENT			
C-22	PURCHASE OF PROFESSIONAL COSTUMES Nurse, Police, Clown, etc. <b>not general street wear</b>			
	MAKE-UP, HAIR CARE & NAILS –Tied to work only, <b>not general street use</b> Professional Performance Supplies, Photo Sessions, Specific Job Requirements--i.e., Hand Model, <b>there is no "maintenance expense" or everyday usage allowed</b>			
	<b>SUPPLIES FOR RESEARCH</b> Props, Sheet Music, Books, Tapes, Scripts, etc.			
C-25	CALLING SERVICE for Background Actors			
C-27	COACHING/LESSONS Acting and Dance Classes, Casting Dir. Workshops, etc.			
	TRADE PUBLICATIONS Backstage, Hollywood Reporter, Variety, etc.			
	AUDITION EXPENSE & ACCOMPANIST Audition costs, Sides, etc.			
	OTHER EXPENSES			
NO C	UNION DUES & INITIATION FEES (include 2% AEA dues)			
	OTHER			
<b>please SUB TOTAL</b>				
C-25	HOME TELEPHONE/FAX Business Calls Only, Call Waiting			
	CELL PHONE – Please list the <b>TOTAL</b> expense for each person <b>to the RIGHT</b> <b>taxpayer biz %</b> _____ <b>spouse biz %</b> _____			
	INTERNET – Please list the <b>TOTAL</b> expense for each person <b>to the RIGHT</b> <b>taxpayer biz %</b> _____ <b>spouse biz %</b> _____			
C-27	RESEARCH / VIEWING Expenses - Theater, Movies, Netflix, Hulu, Amazon Prime, Film Societies - <b>for educational purposes only, must be documented</b> <b>taxpayer biz %</b> _____ <b>spouse biz %</b> _____			
	CABLE, SATELLITE, TIVO - <b>for educational purposes only, must be documented</b> <b>taxpayer biz %</b> _____ <b>spouse biz %</b> _____			

**TOTAL** \_\_\_\_\_

## EQUIPMENT

*Major purchases only, please don't list anything costing less than \$200.  
For lesser amounts please include under "supplies" on page 7 or 11.*

ITEM DESCRIPTION	PURCHASE DATE	COST	x BIZ %	NET WRITE OFF	Taxpayer or Spouse?
			x		
			x		
			x		
			x		
			x		

**TOTAL** \_\_\_\_\_

## PUBLIC TRANSPORTATION

	Taxpayer	Spouse
<b>SUBWAY, CAR SERVICE, PARKING for BUSINESS</b> <b>(NOT COMMUTING - see definitions below)</b> <i>If the trip involved <b>overnight travel</b> do not include it here – see next page.</i>		

## CAR

	Car 1	Car 2
YEAR, MAKE, MODEL		
DATE VEHICLE PLACED IN SERVICE the day you started using it for your business		
<b>TOTAL MILES</b> DRIVEN for the full calendar year		
<b>BUSINESS MILES</b> interviews, agents, job search, <b>when you are NOT getting paid</b>		
<b>COMMUTING MILES</b> driving to work and back <b>when you ARE getting paid</b>		
MILES FOR MEDICAL PURPOSES to and from doctor, treatments, etc.		
MILES FOR CHARITABLE PURPOSES to and from volunteer work		

### CAR ACTUAL EXPENSES

GASOLINE, OIL, REPAIRS, INSURANCE, ETC.		
VEHICLE RENTAL		
PRICE OF CAR if purchased / leased within last five years		
DATE OF PURCHASE / LEASE		
LEASE PAYMENTS not auto purchase payments		
INITIAL DOWNPAYMENT ON LEASE _____ Year Leased _____		

Did you purchase or lease a new car last year?    Y    N    *(If yes, please bring in the sales agreement.)*

**CAR MILEAGE** (if you use **PUBLIC TRANSPORTATION** the concepts are the same, but you will track TRIPS instead of MILES)

- 1) **TOTAL** - *Sum total of all miles the car was driven.*
- 2) **BUSINESS** - *Miles you drove specifically for business (looking for work).  
Any miles you drive for business related reasons **when you are NOT getting paid** such as auditions, photography sessions, rehearsals, classes, movies, printers, entertaining agents, buying scripts, etc.. Include both directions.*
- 3) **COMMUTING** - *Miles you drove while traveling to and from paid work.  
Commuting is defined by the IRS as mileage to and from your place of employment (Driving to and from work – **when you ARE getting paid.***
- 4) **PERSONAL**





## BUSINESS MEALS

(in- town events, business lunches, dinners, etc.)

You must keep the following information to substantiate your expenses. This information should be kept in your expenses log or diary accompanied by proper records or receipts with the information written on the back.

**You must keep the following information for every event.** If there is not enough room below, just enter the totals.

Please **group separately** for Taxpayer and Spouse (or use separate pages)

TP/SP	NAME of person you met with	DATE	BUSINESS PURPOSE	LOCATION	\$

Taxpayer total In-Town Meals \_\_\_\_\_

Spouse total In-Town Meals \_\_\_\_\_

Taxpayer Out-of-Town W2 Meals \_\_\_\_\_

Spouse Out-of-Town W2 Meals \_\_\_\_\_

Taxpayer Out-of-Town 1099 Meals \_\_\_\_\_

Spouse Out-of-Town 1099 Meals \_\_\_\_\_

**Taxpayer TOTAL MEALS** \_\_\_\_\_

**Spouse TOTAL MEALS** \_\_\_\_\_

## OFFICE IN THE HOME

*If you have a space in your home that is **used solely for business**, please enter the information here.*

	Taxpayer	Spouse
Square footage of home		
Square footage of office space		
Total rent paid for the year		
Total of all utilities paid for the year		
Other expenses specific to this office		

**Please DO NOT include expenses already entered on page 7.  
If you are unsure, we will discuss during your appointment.**

## INDEPENDENT or SELF-EMPLOYED BUSINESS

*If you have multiple **types** of business (design, tutoring, film or play production, etc.),  
please use a separate column for each.*

Type of business    **Business 1** \_\_\_\_\_ **Business 2** \_\_\_\_\_ **Business 3** \_\_\_\_\_

### INCOME

	Business 1	Business 2	Business 3
<b>Self Reported income</b> (not W2 or 1099)			
<b>1099 NEC/Misc income</b> (not W2)			

### EXPENSES

		Business 1	Business 2	Business 3
C-8	Gifts			
C-8	Advertising			
C-9	Car & Truck Expenses (Gas, Insurance, Repairs)			
	<i>Business Miles for this specific business</i>			
C-10	Commissions & Fees			
C-11	<b>Contract Labor (cash/1099 you paid to others)</b>			
C-13	Equipment for Depreciation <i>please fill in the chart on page 8</i>			
C-15	Insurance			
C-17	Legal & Professional Services			
C-18	Office Expense <b>supplies</b> – stationary, postage, ink, etc.			
C-20a	Equipment Lease			
C-20b	Property Rent or Lease			
C-21	Repairs & Maintenance			
C-22	<b>Supplies</b> non-consumable - stapler, keyboard, etc.			
C-23	Tax & Licenses			
C-23	Travel (Out of Town / Overnight)			
C-24a	Meals & Entertainment			
C-25	Utilities			
C-26	<b>Wages Paid to Others (W2 income you paid to others)</b>			
C-27	Landline/Fax line			
C-27	Cell Phone			
C-27	Internet			
	<b>other</b>			

# EMPIRE TAX PREP

\_\_\_Dominic Comperatore \_\_\_David "Matt" Crabtree

## ENGAGEMENT OF SERVICES AGREEMENT

Name (print) \_\_\_\_\_

**This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide.**

We will prepare your Federal Income tax return and income tax returns for the **states of** \_\_\_\_\_, with supporting schedules, and perform related research as considered necessary (herein after known collectively as the "returns").

This engagement pertains only to the **tax year** \_\_\_\_\_, and our responsibilities do not include preparation of any other tax returns that may be due to any taxing authority. Our engagement will be complete upon the delivery of the completed returns to you. Thereafter, unless the process of electronic filing is appropriate, you will be solely responsible to file the returns with the appropriate taxing authorities.

We will furnish you with our tax packet to guide you in gathering and understanding the necessary information required for your tax preparation. Your thorough completion and use of these forms provide for the most accurate return and assist us in keeping our fees to a minimum.

It is your responsibility to provide all the information required for the preparation of complete and accurate returns. We will not audit or otherwise verify the data you submit. Accordingly, our engagement cannot be relied upon to disclose errors, fraud, or other illegal acts that may exist in the information you have provided.

In addition to the information you have placed in the packet, or other papers you may provide, you further acknowledge that to the best of your knowledge and belief during the interview/preparation process you have provided accurate, complete and full disclosure in your answers to any and all questions regarding income, expenses, deductions and exemptions in an effort to ensure that your return is prepared accurately.

To the extent we render any accounting and/or bookkeeping assistance, it will be limited to those tasks we deem necessary for the preparation of the returns and may lead to additional costs. Therefore, your commitment is essential to our ability to complete this engagement. Specifically, we must receive comprehensive information from which to prepare your returns within a reasonable period of time.

If, during our work, we discover information that affects your prior-year tax returns, we will make you aware of the facts. However, we cannot be responsible for identifying all items that may affect prior-year returns. If you become aware of such information during the year, please contact us to discuss the best resolution of the issue.

Your returns may be selected for review by one or more taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. This agreement is limited to preparation services only and does not include representation in the event of any such review, inquiry or audit.

You should retain all the documents, receipts, records, canceled checks and other data that form the basis of income and deductions. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority. You have the final responsibility for the income tax returns and, therefore, you should review them carefully before you sign them.

**Taxpayer sign:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Spouse sign:** \_\_\_\_\_ **Date:** \_\_\_\_\_

### RATE SCHEDULE valid 1/1/23 to 12/31/23

Base rates include preparation and e-filing of your Federal plus one State return and up to 1.5 hours of preparation time.

February **\$240**      March 1-15 **\$260**      March 16-31 **\$290**      April and after **\$320**.

Additional states **\$40 each**      Additional time **\$160/hr** (billed in 15 minute increments)

## the fine print...

Dominic Comperatore, Tax Preparer  
Federal Tax Preparer Identification Number (PTIN): P00730311  
New York State Tax Preparer Registration Identification Number (NYTPRIN): 11664421  
California Tax Education Council Identification Number (CTEC ID): A149390

David M. Crabtree, Tax Preparer  
Federal Tax Preparer Identification Number (PTIN): P02381927  
New York State Tax Preparer Registration Identification Number (NYTPRIN): 12860643

### The Policy of California Tax Education Council (CTEC)

This is being presented so that you are aware of the Tax Preparer Code of Conduct and Responsibilities established by the California Tax Education Council.

**Background:** In 1996 the California Legislature passed the Tax Preparers Act, Business and Professions Code 22250-22259, which regulates tax preparers. Those sections of the statute pertaining to tax preparer ethics, professional conduct, conduct regarding bonding and penalties for breaking the law are listed below.

A tax preparer is defined as *“a person who, for a fee, assists with or prepares tax returns for another person or who assumes final responsibility for completed work on a return on which preliminary work has been done by another person, or who holds himself or herself out as offering those services.”*

A tax return is defined as *“a return, declaration, statement, refund claim, or other document required to be made or filed in connection with state or federal income taxes or state bank and corporation franchise taxes.”*

When a person prepares a tax return, for a fee, without the appropriate lawful designation, he or she could be cited and fined up to \$5,000 for each illegally prepared tax return. According to California Business and Professions Code 22253.2, the Franchise Tax Board may notify the California Tax Education Council when it identifies an individual who has violated the law. The Franchise Tax Board pursuant to an agreement with the California Tax Education Council, may do any of the following: (1) Cite individuals preparing tax returns in violation of subdivision (a) Section 22253. (2) Levy a fine of up to five thousand dollars (\$5,000) per violation. (3) Issue a cease and desist order, which shall remain in effect until the individual has come into compliance with the provisions of paragraph (1) of subdivision (a) of Section 22253.

#### CTEC Registered Tax Preparers (CRTPs):

- ∞ Must register as a tax preparer with the California Tax Education Council (CTEC).
- ∞ Must maintain a \$5,000 Tax Preparer Bond issued by a surety company admitted to do business in California. A tax preparer shall provide to the surety company proof that he or she is at least 18 years of age before a bond can be issued.
- ∞ Must not conduct business without having a current surety bond in effect. ∞ Must furnish evidence of a current bond upon the request of any state or federal agency or law enforcement agency.
- ∞ **Must, prior to rendering any tax preparation services, provide the customer, in writing, with the tax preparer’s name, address, telephone number, and evidence of compliance with the bonding requirement.**

**Registration:** 440 W 34<sup>th</sup> St, 6D New York, NY 10001 212-967-8387

**Bonding:** Dominic Comperatore Merchants Bonding Company CTEC# A149390

*The registered CTEC number indicates I am in compliance with the regulations. Feel free to go on line and check me out at [www.ctec.org](http://www.ctec.org).*

## Office of the Taxpayer Rights Advocate

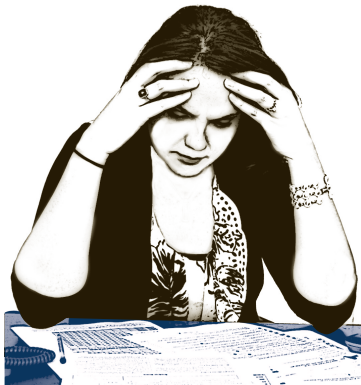
Having difficulty resolving a tax issue through regular channels at the Tax Department?

As an independent organization within the department, the Office of the New York State Taxpayer Rights Advocate is committed to helping New York State taxpayers by balancing taxpayer assistance against enforcement efforts. We will listen to you, learn about your problems or concerns, and work with you in an effort to resolve them.

The worst thing you can do is ignore a tax bill or your tax debt. Consider applying to the office for help.

### Contact the Taxpayer Rights Advocate:

- Visit our Web site
- Call [518] 530-HELP



### Know your rights before you hire a tax preparer

Most tax preparers act within the law and treat their clients fairly. But there are some who do not.

This brochure contains important information about how to protect yourself when you hire a tax preparer.

### To file a complaint about a tax preparer:

- Visit our Web site
- Call [518] 530-HELP

If your preparer is located in New York City, contact the NYC Department of Consumer Affairs by calling

- 311 [from New York City], or
- [212] NEW-YORK [from outside New York City]

### For general tax questions:

- Visit our Web site
- Call [518] 457-5181

[www.tax.ny.gov](http://www.tax.ny.gov)

Pub 135 (9/13)

New York State  
Department of Taxation and Finance

## Consumer Bill of Rights

Regarding Tax Preparers



Para español: Vea la publicación 135-SPA, *La Declaración de Derechos del Consumidor con Respecto a los Preparadores de Declaraciones de Impuestos.*

### Before you hire a tax preparer:

- ask for a written estimate of all fees
- ask about qualifications
- ask if the preparer will e-file your return
- ask if the preparer will represent you if you are audited

### A tax preparer should never do any of the following:

A preparer should never prepare your return without reviewing the appropriate records, such as information about your dependents, child care expenses, or tuition expenses.

A preparer should never ask you to sign

- a blank return
- an incomplete return
- a return with false information on it
- a return with information that you do not understand

A preparer should never charge a separate fee to e-file your New York return.

A preparer should never guarantee that

- you will receive a tax refund
- you won't be audited by the IRS or the New York State Tax Department

### When your return is completed:

- review the entire return before you sign
- make sure your preparer also signs the return
- get your papers back, including copies of all final returns
- get a receipt that contains the preparer's address and phone number
- make sure that you understand what is on the return

### What is a Refund Anticipation Loan (RAL)?

A RAL is a high-interest loan for which the lender will charge you interest and fees, which will reduce your income tax refund.

Before you enter into a RAL agreement, your preparer must give you a written statement that explains:

- the name of the lending institution
- you are not required to take a RAL in order to receive your tax refund
- the amount of fees and interest you have to pay if you take a RAL
- the amount you will receive after the fees and interest are deducted, as well as the amount of the refund if you do not take out a RAL

You are responsible for the entire amount of the loan, even if it is more than your refund.

Your tax preparer must sign the RAL Disclosure Form and include his or her unique identification number.

All discussions concerning the RAL must be in the language you and your preparer primarily use.

### What is a Refund Anticipation Check (RAC)?

A RAC is a check or payment allowing you to get your refund money. RAC fees are deducted from the refund shown on your return.

The fees include charges for tax preparation and a fee for the RAC.

Before you enter into a RAC agreement with a tax preparer, the preparer must give you a written disclosure statement explaining:

- you are not required to take a RAC in order to receive your refund
- the amount of fees you will have to pay if you take a RAC

Your tax preparer must sign the RAC Disclosure Form and include his or her unique identification number.

All discussions concerning the RAC must be in the language you and your preparer primarily use.



[www.tax.ny.gov](http://www.tax.ny.gov)

# Consumer Bill of Rights Regarding Tax Preparers

*By law, tax preparers must give you a copy of this document before beginning any discussions about tax preparation services.*

## You have the right to know:

- **Identification and qualifications of tax preparer.** Tax preparers must have a sign stating their relevant qualifications. (Note: Attorneys, Certified Public Accountants (CPAs), and Internal Revenue Service (IRS) Enrolled Agents do not have to post this sign.)
- **Fees and additional charges.** Tax preparers must have a sign listing their tax preparation services and fees.
- **Your options for paying for service and receiving your refund.** Tax preparers cannot require you to use Refund Anticipation Checks (RAC), Refund Anticipation Loans (RAL), Refund Transfers, or similar products. These options may have additional fees, increase the tax preparation fee, and/or delay the receipt of your refund.

## You have the right to receive:

- **A copy of your tax return** prepared at the time the original is filed or given to you to file. (Note: Tax preparers must sign every tax return prepared.)
- **An itemized receipt** listing the individual cost of each service and form prepared for you. The receipt must list the address and phone number where you can contact the tax preparer throughout the year.
- **Your personal papers returned to you upon request,** when the original tax return is given to you for filing (unless the tax preparer is specifically permitted to keep such papers under state law).

## BEFORE YOU PAY for tax preparation

### services, you have a right to receive:

- **A written estimate of the total cost for all charges** related to each service offered by the tax preparer, including basic filing fees, interest rates, RAL, PAC, and Refund Transfer processing fees, and any other related fees or charges. You can also request an estimate of how long you can expect to wait for your refund based on the selected methods of payment and/or refund delivery.
- **A written estimated interest rate** for a RAL or any other loan service offered by the tax preparer.
- **A written list of the refund options and tax services** offered by the tax preparer.

- **Whether or not the tax preparer will represent you at a government audit.** Tax preparers that fail to post a sign stating they will not represent you at an audit must represent you or provide you with representation.
- **Whether the tax preparer is an attorney (member of the Bar of the State of New York) or a CPA, certified by the New York State Department of Education, Office of the Professions.** Tax preparers must tell you if they are NOT an attorney or CPA (though they can still prepare your taxes).

## Common terms:

Form 1040 is also known as “the long form,” and Form 1040A is also known as “the short form.” Form 1040 is the standard federal income tax form used to report an individual’s gross income. It is also known as “the long form” because it is more extensive than the shorter 1040A and 1040EZ Tax Forms. “Schedule C” is a form sometimes attached to Form 1040 that is used to report income or loss from a business you operated or a profession you practiced as a sole proprietor.

You may be entitled to a refund from state or federal tax agencies if you paid more taxes than you owed. The fastest way to get your refund is to choose to have it **directly deposited** into your bank account from the IRS or New York State Department of Taxation and Finance.

## It's illegal for a tax preparer to:

- Ask you to sign a blank or incomplete tax return, or alter a tax return after it has been signed by you, without your written consent.
- Charge a fee based upon the amount of tax owed or refund due.
- Guarantee a specific refund amount, or guarantee that you will not be audited by any government tax agency.
- Request a taxpayer to assign to the preparer any portion of the refund.

## Beware of Refund Anticipation Loans (RALs)

- A RAL is a loan made through a bank that you must pay back to the bank, which will reduce your income tax refund. Some RALs have a high interest rate. A RAL is not an “instant refund,” and tax preparers cannot use this or similar terms (“rapid refund,” “express refund,” or “fast cash”) that hide the fact that a RAL is a loan.
- Taking out a RAL is optional. Tax preparers cannot require you to take out a RAL or charge you fees beyond the bank’s fees for a RAL.
- **BEFORE YOU TAKE OUT A RAL,** a tax preparer first must give you a single sheet of paper that tells you in English and Spanish:
  - that you are not required to enter into the RAL;
  - that the RAL is a loan you must repay regardless of the amount of your tax refund;
  - the amount of your expected tax refund;
  - the bank fees for the RAL and approximate amount you will receive as your loan;
  - the interest rate expressed as the estimated annual percentage rate (APR) based on the amount of time the loan will be outstanding, if applicable;
  - the approximate date you would get your loan money if you take out a RAL; and
  - the approximate date you would get your refund without the RAL.
- If you cannot read English or Spanish, the tax preparer must explain this information to you in a language that you understand.
- Even “free” RALs and other refund advance products can have fees. For example, RACs and Refund Transfers may include a fee to waive the up-front cost of tax preparation but then deduct that cost from your refund. Remember, you have a right to receive a written estimate of the total cost for all charges for each service offered by the tax preparer, including refund advance products, and the time it will take for you to receive your refund with or without a RAL, RAC, or Refund Transfer, so be sure to ask.

**For more information or to file a complaint against an individual offering tax preparation services, call 311 or visit [nyc.gov/dca](http://nyc.gov/dca)**



If your annual income is \$66,000 or less, you may qualify for **NYC Free Tax Prep** services, which could help you claim important tax credits like the Earned Income Tax Credit (EITC) and the New York City Child Care Tax Credit (CCTC). For more information, call 311 or visit [nyc.gov/taxprep](http://nyc.gov/taxprep)

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