



## **2007 NON PROFIT ENTITY - TAX PREPARATION CHECKLIST**

### **General:**

- 🍷 Please provide our office with backup disks of your business accounting software.
- 🍷 Please bring in your signed engagement letter if you have not already returned it to our office.

### **Cash:**

- 🍷 Reconcile bank accounts and provide a year-end statement and copy of the reconciliation for all relevant accounts.
- 🍷 If a petty cash fund is used, please provide a sub-ledger detail or reconciliation for the account.

### **Donations and Grants Receivable:**

- 🍷 Please check your accounts receivable open invoices or aging report as of year end and make sure the balances are correct and identify any receivable balances that are no longer collectible.
- 🍷 Have you received or invoiced all revenue that your company had earned as of year-end?

### **Notes Receivable:**

- 🍷 Please look at note receivable accounts. Are the year-end balances correct? Did you earn interest income on notes held this year in accordance with the note agreement?
- 🍷 Please provide copies of any new note agreements entered into this year.

### **Fixed Assets:**

- 🍷 Please review your federal fixed asset report from the prior year. Have you scrapped, sold or traded in any items? If you have sold or traded in an item, please note what you received for it and the date it was sold or traded in.
- 🍷 Review your current year fixed assets accounts for completeness. You will want to post the purchase of any tools, equipment, office equipment and furniture and tenant improvements which cost more than \$500 to fixed assets. Please send us a copy of your invoice and loan agreement, if you have purchased an asset or other financed item during the year.
- 🍷 REMINDER NOTE: Please review your county personal property tax notice for items that you no longer own and cross them off. Add any current year asset purchases and send in the personal property tax affidavit to the appropriate county office by the April 30th filing deadline.

### **Prepaid Expenses:**

- 🍷 Did you prepay any expenses (e.g. insurance or loan fees) that will benefit your entity beyond last year?

### **Accounts Payable:**

- 🍷 Please run an unpaid bill or aging report. Are all of the open balances valid as of year end?
- 🍷 Have you accounted for all payables that are owed by the entity as of year-end?

### **Credit Cards Payable:**

- ☛ Paying for a purchase with a credit card is the same as paying with cash (for tax reporting purposes) so please enter and reconcile all of your business credit card activity for the year, including finance charges. Please bring in copies for the year of statements for all credit cards, if not yet entered and reconciled in your general ledger or only your year-end statement if all the data has been entered and reconciled.

### **Combined Excise Taxes Payable:**

- ☛ For excise tax reporting do you use the Cash or Accrual method of accounting for revenue? (Call us for clarification, if necessary. Your revenue recognition method should be consistent for federal and state reporting purposes.)
- ☛ Please bring copies of all local (City) and State of WA excise tax reports for the year, if our office did not prepare the reports.

### **Payroll:**

- ☛ Please bring copies of all W-2s, 941 reports, 940 FUTA report, Employment Security, and L & I reports for the year, if our office did not prepare the reports.

### **Notes & Leases Payable:**

- ☛ Are note payable balances correct as of the end of the year? Please provide us with your year-end statements from the bank or third party financing institution which report the balances owed, as well as the interest paid for the year.
- ☛ Please provide copies of any new note or lease agreements entered into this past year.

### **Vehicle Use:**

- ☛ The business mileage reimbursement rate for **2007** was 48.5 cents per mile. If you have not already reimbursed yourself for mileage for the business use of your personal vehicle (*not to include any vehicle you have listed as a fixed asset*) what was your business mileage for this past year?

### **Other:**

- ☛ Did the entity receive donated goods or services this past year? If so what was the timing and value received for these donated goods and services?
- ☛ Listing of the officers and directors of the entity for this past year, including full names and addresses for each, as well as an estimate of how much time each volunteered in their role with this entity as a weekly average.
- ☛ Federal 1099 reporting – remember that 1099 forms must be sent to all service providers that are not incorporated, including rent paid for the business use of your personally owned office.
- ☛ State of WA Resale Certificate – make sure that you provide or update, if you have already provided, your State of WA resale certificate at least once every four years as required by the Dept. of Revenue. The buyer (a.k.a. the retailer or contractor) must provide a properly completed resale certificate to the seller (a.k.a. the wholesaler or subcontractor) in order to substantiate the fact that the seller is not responsible to collect sales taxes from the buyer, otherwise the Dept. of Revenue deems the seller responsible for the uncollected sales taxes.

