

# *Wishing All a Prosperous 2024*

**One thing I noticed is people are making major decisions without notifying their tax preparer. Sometimes these major decisions affect your taxes. Before you make any major financial decisions, please talk to me beforehand.**

We are scheduling in-person and virtual appointments. You may also mail-in, drop off, or upload your information without an appointment. We provide a secure portal for transferring information and tax documents. We encourage you to drop off your tax info during business hours, fax or use our secure portal. Our secure portal site is: <https://a1incometax.securefilepro.com/portal/#/login>. Upload the files as a guest at any time or to your personal secure portal file. **IT IS NOT SAFE FOR ANYONE TO SEND PERSONAL INFORMATION VIA EMAIL.**

To meet IRS guidelines, included are a **CLIENT CHECKLIST, ENGAGEMENT LETTER, & CONSENT TO DISCLOSE**. We must have the forms completely filled out and signed before we can **START** your tax returns. We can no longer complete any of these forms for you. If you would like an organizer which shows last year's info, please contact your preparer and one will be provided for you.

We value our clients and want to be transparent. A fee increase is necessary to keep up with inflation and increases in our overhead expenses. We greatly appreciate your business and thank you for understanding.

**Due to the complexity and the time needed to accurately prepare a return, those who do not want to go on extension MUST have ALL their information to us by March 1<sup>st</sup> 2024.**

***Due to those with allergies, no fragrances or pets are allowed in our office.***

## **Protection Plus**

Individual tax preparation services now feature support from Protection Plus. If you receive a notice, inquiry, or audit, Protection Plus will provide up to \$1,000,000 worth of services to find a resolution. Their audit defense team is composed of highly skilled and qualified tax resolution experts who will work diligently on your behalf. Additionally, their Privacy Advocates are available to provide support and assistance in the event of an identity theft incident, whether related to taxes or not. Please let us know right away if you think you may need these services.

## **Tax Filing Due Dates for 2023 Returns**

The tax filing due date, without extension, is Monday, April 15<sup>th</sup>, 2024. The due date with extension is Tuesday, October 15<sup>th</sup>, 2024. Remember, an extension is an extension to file, **NOT** to pay. Failure to pay any balance due may result in penalty and interest to be charged from the taxing authority.

## **Federal Updates for 2023**

- Plug-In Electric Vehicle Credit – Credit rules for the purchase of an electric vehicle have changed for 2023 and will again for 2024. For 2023, used vehicles purchased from a dealer qualify for the credit. For 2024 you may be able to apply the credit at the time of purchase with the dealer directly, but restrictions apply. The VIN number and documents provided from the dealer are required to file your taxes. More information, including eligible vehicles, can be found at <https://www.irs.gov/credits-deductions/credits-for-new-clean-vehicles-purchased-in-2023-or-after>.
- Annual Gift Tax Exclusion was increased to \$17,000 for 2023 and \$18,000 for 2024.
- Changes to form 1099-K reporting has been delayed by the IRS again. Old rules of more than 200 transactions or \$20,000 for 2023 will still require reporting. For 2024 the amount drops to \$5,000 as of right now, subject to change. Future guidance is expected soon.
- New credits for home improvements went into effect this year and can provide you with tremendous tax benefits. If you had a home energy audit or if you installed a new furnace, A/C, boiler, heat-pump, water

## **Mileage Rates and Log Requirement**

For 2023, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) were:

- 65.5 cents per mile for business miles.
- 22 cents per mile driven for medical purposes.
- 14 cents per mile driven in service of charitable organizations.

**You must have a log in order to take the mileage deduction.** IRS and Oregon are both continuing to aggressively audit this area. You are required to record mileage as it occurs instead of trying to recreate it later. There are online sites and apps to help record your mileage. We are using [www.mileiq.com](http://www.mileiq.com).

## **Foreign Bank and Off-Shore Accounts**

If you have any accounts, including online gambling, fantasy sports, virtual currency, retirement or business interests, with a combined value of more than \$10,000 at any time during the year, or a foreign business ownership (not a mutual fund), **you** must file the FinCEN 114 Form electronically online. There are **substantial penalties** for failure to disclose this information. A link to the forms is available on our website <http://gevansincometax.com/> under “Resource Links”.

**You can go to our website at: <https://a1incometax.securefilepro.com/portal/#/login> for links and more information that we feel may impact our clients.**

**Remember you must keep all your business or tax-deductible receipts. (We advise scanning or photocopying receipts because they fade). Document all your deposits so if you are audited you can provide proof whether or not it is taxable income. Auditors are scrutinizing cash deposits. If you cannot prove that it was a gift or other nontaxable income, they are taxing it along with penalties and interest.**

## **Office Hours**

Beginning January 8<sup>th</sup>, our office will be open 5 days a week from 9am to 5pm. Beginning Monday January 29<sup>th</sup> our hours will be: 9am to 5pm Monday through Saturday with extended hours Monday and Wednesday until 7pm.

Don't delay your return preparation just because you think you owe taxes. The earlier we receive your information the sooner we can finish your return and the more time you will have to prepare for payment, which is due April 15, 2024.

Thanks,

**Gaylen Evans, EA, LTC**  
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Gladstone, OR 97027

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fax: 503 775-4041

email: [gaylen@gevansincometax.com](mailto:gaylen@gevansincometax.com)

website: <http://gevansincometax.com/>

heater, woodstove, windows, doors, insulation, solar panels, or battery storage please be sure to provide us with details and a copy of the invoice. More information can be found at <https://www.irs.gov/credits-deductions/energy-efficient-home-improvement-credit>.

- For the first time the IRS allows you to convert an unused 529 plan to a ROTH IRA. There are many restrictions and rules, but this can be a great opportunity to get money out of an unused plan and also benefit from tax savings. Please let us know if this may apply to you and find more information at <https://www.cnn.com/cnn-underscored/money/529-to-roth-ira>.
- Many new rules around retirement accounts went into effect for 2024 including an increase of the maximum contribution for ROTH and Traditional IRA accounts to \$7,000. The minimum age required to take RMDs has been increased to 73 if you have not already begun to collect them. One change still pending is the ruling on inherited IRAs. The IRS is expected to make a final announcement soon but currently the 10-year drain rule is still in effect. There are also new exclusions to avoid the 10% early withdrawal penalty based on certain circumstances. More information can be found at <https://www.nerdwallet.com/article/investing/traditional-ira-rules>

### **Oregon Updates for 2023**

- 2023 is another year for the Oregon Kicker. The kicker is at record high levels, 44.28% of your 2022 Oregon tax liability. Your kicker will be verified by your preparer and entered on your return. If a taxpayer or spouse died in 2022 the full kicker can be claimed by the surviving spouse. If a single taxpayer died and is not required to file a 2023 tax return the estate or executor may file a return solely for the purpose of claiming any kicker due.
- Beginning in 2024, 1099-G informational returns will not be mailed to taxpayers by the state. This means that if you received **Oregon Unemployment** or **Paid Oregon Family Medical Leave**, you would need to go to their system to collect the document yourself as we will need it for your tax preparation.

### **Business, Corporation, Partnership, Schedule C, and Rental Updates for 2023**

- The Corporate Transparency Act (“CTA”) was enacted by Congress on January 1, 2021, as part of the National Defense Authorization Act. New beneficial ownership (BOI) reports must be filed with the Financial Crimes Enforcement Network (FinCEN), a bureau within the U.S. Department of Treasury. Most active corporations, LLCs, and other businesses formed by filing a document with a Secretary of State’s office in the United States must complete this form. If you have any ownership **OR** control of any LLC, partnership, corporation, or trust please discuss this with your preparer. More information can be found at <https://www.fincen.gov/boi> and <https://sos.oregon.gov/business/Pages/corporate-transparency-act.aspx>.
- New for 2024 filing of 2023 information returns, if you file 10 or more information returns, including all versions of the 1099 **AND** W-2s, you must file them electronically using the IRS IRIS system. We can assist you with this preparation or you can file them yourself. Information and access to the IRIS system can be found at <https://www.irs.gov/filing/e-file-forms-1099-with-iris>.
- Beginning January 1<sup>st</sup> 2023 many tax jurisdictions in Oregon including the City of Portland, Metro, Multnomah County, and TriMet changed the calculation they use for apportionment of income. This affects businesses considered “professional services” and not “in-person” services as defined by the State of Oregon. Please consult with your tax preparer to see if these changes affect you and what you will need to do regarding record keeping and reporting. Some clients may see a reduction in tax liability for some jurisdictions.

### **Virtual Currency (like Bitcoin) and Other Digital Assets**

There are questions on every tax return asking if you received, sold, exchanged, or acquired any financial interest in any digital asset. You must report any and all sales and dividends (air drops) or other activities. The Crypto exchanges will be reporting to the IRS all crypto transactions in the future but are not currently required to. You **MUST** keep your own records. Rules and laws in this area are changing rapidly but we will be keeping up on the latest. Bottom line, **ALL CRYPTO AND DIGITAL ASSET ACTIVITY SHOULD BE DISCUSSED WITH YOUR PREPARER.**

# 2023 Client Checklist

Form Must Be **FULLY** Completed

Client Name \_\_\_\_\_

## Personal Information

- \_\_\_\_\_ Prefer Hard or Electronic Copy of Return
- YES/NO \_\_\_\_\_ **Did You Have Any Foreign Accounts Or Assets** (Outside of USA)
- YES/NO \_\_\_\_\_ **Did You Purchase, Sell, Receive or Trade Any Cryptocurrency or Digital Asset/NFT**
- YES/NO \_\_\_\_\_ Did You Purchase an Electric/Plug In Hybrid Vehicle *Need Paperwork*
- YES/NO \_\_\_\_\_ Did Your Address, Occupation or Marital Status Change *Note Below*
- YES/NO \_\_\_\_\_ Did You Add or Remove Any Dependents
- YES/NO \_\_\_\_\_ Did You Change or Renew Your Drivers License  
If yes, a copy of the front is required for our file
- YES/NO \_\_\_\_\_ Did You Receive Any IRS or Oregon Letters or Notices
- YES/NO \_\_\_\_\_ If Claiming a Dependent Are **ALL TRUE**, They Lived With You Over 6 Months  
No One Else Can Claim Them, You Have Never Had Credit Disallowed
- YES/NO \_\_\_\_\_ If claiming a Dependent, do they have an IEP or an ISP

## Income, Answer YES or NO On Each Line

- \_\_\_\_\_ Wages *Need W-2*
- \_\_\_\_\_ Unemployment Compensation *Need 1099-G*
- \_\_\_\_\_ Interest Income *Need 1099-INT*
- \_\_\_\_\_ Dividend Income *Need 1099-DIV*
- \_\_\_\_\_ Social Security Income *Need 1099-SSA*
- \_\_\_\_\_ Retirement or Pension Income *Need 1099-R*
- \_\_\_\_\_ Rollover or Conversion of IRA or 401k *Need 1099-R*
- \_\_\_\_\_ Gambling, Lottery or Other Winnings *Need W2-G*
- \_\_\_\_\_ Stock Sales *Need Basis and Reporting Forms*
- \_\_\_\_\_ Hobby Income *Need Cost of Goods Sold & Income Amounts*
- \_\_\_\_\_ Debt Cancellation *Need 1099-C or 1099-A*
- \_\_\_\_\_ Business Income & Expenses
- \_\_\_\_\_ Business Mileage - Log Required
- \_\_\_\_\_ Rental Income & Expenses
- \_\_\_\_\_ Are You Required to File 1099s For Your Business or Rental  
If Yes, Were They Flied
- \_\_\_\_\_ Any S-Corp, Partnership or Trust/Estate Income *Need K-1*
- \_\_\_\_\_ Own or Control **ANY** LLC, Partnership, Corporation or Trust - BOI

Yes/No **DID YOU HAVE ANY OTHER INCOME OR INFORMATION NOT LISTED**

If Yes, Describe \_\_\_\_\_

## Direct Deposit Information

- \_\_\_\_\_ Y/N Would You Like Direct Deposit of Refund
- If Same Account as Last Year Please Note "Same" (Info Not Required Unless New Client)
- Bank Name \_\_\_\_\_
- Routing Number \_\_\_\_\_
- Account Number \_\_\_\_\_
- Account Type \_\_\_\_\_ Checking \_\_\_\_\_ Savings

## Other Information, Answer YES or NO On Each Line

- \_\_\_\_\_ Contributed To Oregon Saves Plan Via Payroll *Need Amount*
- \_\_\_\_\_ Contributed To Retirement Plan, Traditional/Roth IRA or Other  
*Only Contributions NOT Made Through Employer*
- \_\_\_\_\_ Paid Qualified College Expenses *Need 1098-T*
- \_\_\_\_\_ Paid Child Care Expenses *Need Provider Info and Amounts*
- \_\_\_\_\_ Made Estimated Tax Payments *Need Dates and Amounts*
- \_\_\_\_\_ Paid Medical Expenses, **If 66+ Need All Amounts Sorted By Taxpayer**
- \_\_\_\_\_ Any HSA Contributions or Distributions *Need 5498-SA or 1099-SA*
- \_\_\_\_\_ Contributed to 529 College Savings Plan *Need Amount*
- \_\_\_\_\_ Paid Portland Arts Tax *Need Amount*
- \_\_\_\_\_ Paid Real Estate/Property Tax *Need Amount or 1098*
- \_\_\_\_\_ Paid Mortgage Interest *Need 1098*
- \_\_\_\_\_ Paid on A HELOC or Home Equity Loan *Need Documents*
- \_\_\_\_\_ Bought, Sold or Refinanced a Home or Property *Need Documents*
- \_\_\_\_\_ Made Student Loan Payments *Need 1098-E*
- \_\_\_\_\_ Contributed Money to Charities/Political/Cultural Trusts *Need Amounts*
- \_\_\_\_\_ Made Charitable Contributions Other Than Money  
(Goodwill, St Vincent De Paul, Etc) *Need Itemized List With Values & Receipts*
- \_\_\_\_\_ Paid Out of Pocket For Health Insurance *Need Amount*
- \_\_\_\_\_ Paid for Health Insurance Through The Marketplace *Need 1095-A*
- \_\_\_\_\_ Does Anyone On Return Have An IP Pin Number *Need Document*
- \_\_\_\_\_ Did You Make Any Energy Improvements To Your Home *Need Receipts*
- \_\_\_\_\_ Do You Expect Major Changes For 2024 *Note Below*
- \_\_\_\_\_ Do You Have Any Questions For Me *Note Below*

\_\_\_\_\_  
Taxpayer Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Spouse Signature

\_\_\_\_\_  
Date

**ENGAGEMENT LETTER**

**Please Read, Sign and Return**

**Contracted Year(s)** \_\_\_\_\_

Thank you for choosing Gaylen Evans, LLC to assist you with your income tax returns. This letter is to confirm and specify the terms of our engagement with you and to clarify the nature and extent of the services we will provide. In order to ensure an understanding of our mutual responsibilities, we ask all clients for whom returns are prepared to confirm the following arrangements.

We will prepare your individual Federal and State income tax returns for the listed year(s). Your returns will be prepared without verification, solely from information provided by you, and will be prepared in accordance with the appropriate Federal and State income tax laws and regulations. Should we encounter instances of unclear tax law, or of potential conflicts in the interpretation of the law, we will outline the reasonable courses of action and the risks and consequences of each. We will ultimately adopt, on your behalf, the alternative you select.

In order to prepare an accurate return, ample time is required after receiving the requested information/forms. Our work does not include any procedures designed to discover false entries or other irregularities, should any exist. The law provides various penalties that may be imposed when taxpayers underestimate their tax liability.

In signing this letter, you state that you have proof of all information given to Gaylen Evans, LLC, including mileage logs and receipts where required. You acknowledge that you have reported all income you received including barter, consumer-to-consumer activity, cash-based income, foreign income and assets and all other income whether received in-person, in-kind or electronically for the listed year(s). You also confirm that you have or will timely file any applicable required Forms 1099 and W-2 with the applicable government agency for business employees or home-workers. ***Cryptocurrency: Congress and the IRS are very aggressively pursuing cryptocurrency activity, reporting and tax situations. Failure to report crypto-currency activity of any type, including sales, staking, mining, lending, NFT activity, trades and other activities must be reported on your return, so you also acknowledge that you have reported all cryptocurrency and block chain activity to us.*** We want to remind you that **you have the ultimate responsibility for your income tax returns and therefore, you should review them carefully before signing and filing the returns.**

Our engagement will be complete upon the delivery of the completed tax return to you. You will be responsible for filing the return(s) with the taxing authorities unless we are electronically filing the returns for you. If we are electronically filing your return(s) **it is YOUR responsibility to timely return the signed authorization Form 8879 to us.** We cannot file the return without it. If you take it home to be signed you are responsible for returning it to us before the due date of the return. In the event information is requested by either of the parties on a joint return, that information will be furnished without obtaining the additional consent of the other party.

Our fees for tax preparation services will be based upon the forms and schedules needed to complete your particular return(s). All tax preparation fees are due and payable at the time you pick up the completed return(s). If you choose to have us mail your return to you it will be mailed priority mail and the cost will be added to your tax preparation fees. In signing you agree that we can turn your account to collections if necessary.

After preparation, you will receive a copy of your completed tax return(s) and your original documents (except Fed & State copies of W2 and 1099). You should securely store these records, along with all supporting documents, cancelled checks, etc., for 4 years (asset purchases required up to 4 years after disposal of asset). These items may later be needed to prove accuracy and completeness of a return. We will retain copies of your records and our work papers for your engagement for 4 years, after which these documents will be destroyed. If you wish additional copies or faxing of returns or data, **the fee will be a minimum of \$25** for a simple return and will increase for additional forms or data.

**In signing you agree that if you receive any correspondence from the IRS or any State, you will contact us immediately.**

Our tax preparation fees do not include additional time for bookkeeping and/or audit preparation, assistance, or representation.

**We CAN NOT automatically file an extension for you.** You can request an extension via email, mail or phone. We must receive the request by noon on the due date or you can file your own extension by going to IRS.gov. **Returns filed with a balance due will be subject to interest and penalty by all taxing authorities after the due date if no payment is made.**

**EXTENSIONS ARE FOR TIME TO FILE, NOT TO PAY.**

To affirm that this letter correctly summarizes your understanding of the engagement, please sign in the space indicated.

Accepted by: \_\_\_\_\_  
Taxpayer Print

\_\_\_\_\_  
Taxpayer Sign

\_\_\_\_\_  
Date

Accepted by: \_\_\_\_\_  
Spouse Print

\_\_\_\_\_  
Spouse Sign

\_\_\_\_\_  
Date

# CONSENT TO DISCLOSURE OF TAX RETURN INFORMATION

**Gaylen Evans, LLC**

Contracted Year(s) \_\_\_\_\_

Federal law requires this consent form be provided to you (“you” refers to each taxpayer, if more than one). Unless authorized by law, we cannot use, without your consent, your tax return information for purposes other than the preparation and filing of your tax return. You are not required to complete this form. If we obtain your signature on this form by conditioning our services on your consent, your consent will not be valid. Your consent is valid for the amount of time that you specify. If you do not specify the duration of your consent, your consent is valid for one year.

If you do not consent, we will not be able to prepare your returns because we share software with the other firms.

To process and electronically file your tax return, we must disclose your tax return information (or a prior year if applicable) to **A-1 Income Tax & Bookkeeping Inc., A-1 Tax & Accounting LLC, and The Tax Team LLC**, with whom we partner to provide e-filing services.

By signing below, you authorize us to disclose the information you provided to us during the preparation of your contracted tax return(s) to **A-1 Income Tax & Bookkeeping Inc., A-1 Tax & Accounting LLC and The Tax Team LLC**. If you are not willing to authorize us to share your tax information with these other firms, we will not be able to prepare your returns.

Be Sure to Complete Year(s) Above

Printed name of TAXPAYER: \_\_\_\_\_

Taxpayer signature: \_\_\_\_\_ Date: \_\_\_\_\_

Printed name of SPOUSE: \_\_\_\_\_

Spouse signature: \_\_\_\_\_ Date: \_\_\_\_\_

If you believe your tax return information has been disclosed or used improperly in a manner unauthorized by law or without your permission, you may contact the Treasury Inspector General for Tax Administration (TIGTA) by telephone at 1-800-366-4484, or by e-mail at [complaints@tigta.treas.gov](mailto:complaints@tigta.treas.gov).