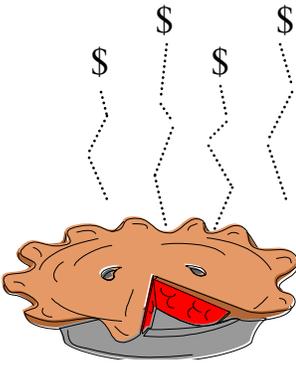


H & R Pye's Tax Service

2016 RENTAL PROPERTY CHECKOFF LIST

Bath, Maine Telephone 207-443-6183



Please note if you are planning to mail in or drop off your tax information and papers - instead of having an appointment with us - **YOU MUST ANSWER ALL of the questions on this Checkoff list** . Simply checking off or Xing the questions does not tell us what we need to know. Please put down the answer, not applicable or none. If you need more room please attach a separate piece of paper and number your answers according to the question.

- A **TOTAL INCOME FOR BUSINESS** - whether paid by check or cash. Report only what you received in 2016. If the rent was for 2016 but you were not paid until 2017, then that is 2017 income. If you are reporting your income on the accrual basis we also need to know your accounts receivable at 12/31/15 and 12/31/16. This needs to be detailed by building or unit depending on how your rental property has been set up.
- B **EXPENSES**
- 1 **If you want us to do your W-2s and/or 1099s we need the information by January 9, 2017. These statements must be mailed by you to the recipients by January 31, 2017. If you are mailing government reports, they MUST be postmarked by January 31, 2017 as well.**
 - 2 Advertising - newspapers, business cards, shirts - hats, team sponsors. Yellow page advertising should be on your telephone bill. Also see donation explanation
 - 3 Car & Truck Expenses - you can deduct the cost of using your vehicle for business. You will either use the IRS standard mileage rate of \$.54 or your actual expenses such as gas, oil, repairs, insurance etc. **Regardless** of which method you use, we need your business miles **and** the total of all miles for the year for each vehicle you use because both of these methods use only the business portion as a deduction. We will also need your business vehicle's excise tax and any interest paid.
 - 4 Equipment and Appliance Purchases - any major purchases you made (this would include any items you bought which will last for more than one year). Please list each item separately and provide date bought, cost, description and if you traded anything towards it we will also need to see the paperwork showing the trade in allowance.
 - 5 Equipment Sold - did you sell (or abandon) any business equipment in 2016 that you had bought in previous years? We will need to know what was sold, date sold, and how much you received.
 - 6 Do you pay any utilities? Like oil, propane, water, sewer, wood, electricity, pump septic? Please list each separately.
 - 7 Insurance - this may include rental property insurance, business liability, worker's compensation, home owners (if this a building you also live in). Please list separately.
 - 8 Interest Paid On Business Loans - such as rental property purchase or improvement loans, equipment loans, and credit cards used solely for your rental property. If you refinanced your rental property, please bring in the closing/settlement statement.
 - 9 Leased or Rented Equipment - if you have leased or rented any equipment to be used in your business we will need to see the paper work on the lease. The equipment might be a vehicle, construction equipment or office equipment.

MORE QUESTIONS ON OTHER SIDE

Help us save a tree, please bring this Checkoff with you

- 10 Legal & Professional fees - lawyers, permits, accountants, tax preparation.
- 11 Office Expenses - envelopes, paper, pens, office supplies, postage, business bank fees etc.
- 12 Outside Labor - the amount you paid people who were not on your payroll to help you in your business. If you have paid anyone \$600 or more for services than you must give them a 1099 misc. statement.
- 13 Did you have any cleaning/maintenance costs?
- 14 Do you have any management fees or common fees (such as condo fees)?

- 15 **First Time Rental Property**—if this is your first year with this rental, we will need to know how much you have invested into the property. If you purchased the property, we will need a copy of the HUD/Settlement Statement.

If you are changing something from a personal property into a rental property we will also need to see the original HUD/Settlement Statement as well as any refinancing HUD/Settlement Sheets. If you have done any capital improvements to the property while it was personal property we will need that information as well.

We will also need to see a copy of the property tax bill.

- 16 Did you do any capital improvements to the rental property? Capital improvements are ones that extend life or add value to the property such as remodeling the kitchen or bathroom, replacing the windows (to improve the type of window not because they were broken) etc. Please list separately the cost and date completed for each project. If you did a major remodeling you can lump building improvements together, but you should separate equipment and landscaping costs.

There is a new ruling on roofs (and similar projects) - if you change the footprint OR upgrade the materials (for example you had regular shingles and now you use architectural shingles) then it is considered a capital improvement. It is only considered a repair if you use the same type of materials and use the same design.

- 17 Repairs - to all of your business equipment whether it's office equipment or equipment to do your job.
- 18 Did you do any repairs to your building or land? Repairs do not add value or extend the useful life of the property. Examples of repairs: replacing broken windows and pipes, work done on current furnace.
- 19 Supplies - miscellaneous tools or materials - such as cleaning supplies, small inexpensive tools (saw blades, paint brushes, sand paper, screw drivers, glue, etc)
- 20 Taxes - please list by property.
- 21 Telephone, cellular phone, paging/beeper services - If you make any long distance calls. have a beeper or pager service, or use your cellular phone in connection with your rental property, you need to keep track of these calls because you can take a tax deduction for them.

Generally, anything you have spent for your business is probably a tax deduction for your business. Since every rental property is unique you may have some items that we have not mentioned above. Please write them down and tell us about them.