

January 1, 2020

Dear Client:

**PLEASE READ THIS LETTER COMPLETELY. THERE ARE MANY IMPORTANT DATES AND OTHER INFORMATION YOU NEED TO KNOW!**

Happy New Year! We encourage and expect that you read everything in this letter. *Please* also read our electronic newsletters sent via Constant Contact as they include information that is extremely important for you to know. If you haven't been receiving our newsletter, please send us an email so we can add you to our list!

I. Important Dates for 2020 Tax Season

- A. We must receive your tax information to guarantee completion of your 2019 tax return by Monday, March 23, 2020.
- B. The last day to electronically file your return is Monday, April 13, 2020
- C. Our office will be closed at noon on Wednesday, April 15, 2020 and will not re-open until Monday, April 20, 2020.

II. IRS Regulations That May Affect Your Tax Return

- A. **If you have sales of stock or securities:** The recording of the sales and the cost basis of those sales must be recorded individually on your tax return. This process may increase the time it takes to prepare your return. If you have a significant number of transactions that need to be entered on your tax return, our preparation fee will be higher.
- B. **If you have signatory authority on a foreign bank account:** You must inform us if you hold any type of foreign assets, including bank or securities accounts. There are severe penalties for failure to report these accounts on your tax return. Please note: The FinCEN Form 114 (previously called the FBAR) is now due on April 15<sup>th</sup>, the same deadline as your individual tax return. The previous deadline was June 30<sup>th</sup>.

III. Security

- A. We take security seriously. Please upload documents to your Smart Vault portal or password-protect any documents you send us. If you mail in documents, please send via a traceable carrier such as UPS or FedEx, not via regular USPS. Also, WE WILL NOT RETURN YOUR ORIGINAL DOCUMENTS. If you give us your originals, we will scan them into SmartVault and shred them. You will have access to them whenever you need them.

IV. IRS Red Flag: Cryptocurrency

- A. Please inform us if you are involved in cryptocurrency (e.g. Bitcoin). The IRS is targeting these transactions.

V. Organizer Information

- A. **The organizer is not mandatory!** Please use it only if it helps you organize your information; you do not have to complete it. Once the organizer is returned to us, we require copies/scans of your back-up information in order to work on your returns.
- B. This year you will receive both an electronic organizer (interactive) and a PDF version, which will be in your Smart Vault portal. Please use whichever version is easier for you.
- C. The electronic organizer (emailed to you) **requires** a Windows operating system. The PDF version (in your Smart Vault TY19 folder) must be printed and manually completed. Please use whichever version is easier. The electronic organizer is automatically returned to us when you click "Return to Preparer". The PDF version can be uploaded to your Smart Vault portal and we will be notified at that time that it is there.
- D. **Please make sure you verify your date of birth on the organizer!**

VI. Timely Submission of Documents

- A. We must receive your documents *at least one week* prior to a scheduled call. Likewise, if you would like us to start the preparation of your return prior to your appointment, we will also need your documents in-hand at least a week in advance. Please upload or send in your documents so we have time to prepare a draft of your return. We understand that a few items may be missing; we will finalize the returns after those documents come in.

VII. Missing Documents

- A. If you have a few missing items, we encourage you to send them in or bring in what you have so we can begin preparing your return. Understandably, some items/documentation may be missing initially, however you may send those in as soon as you receive them.
- B. Please provide us with the following supporting documentation, as it pertains to your tax situation:
  - 1. A copy of your 2018 tax return, if not prepared by our office
  - 2. Form(s) W-2 (wages, etc.)
  - 3. Form (s) 1099 (interest, dividends etc.)
  - 4. Schedule(s) K-1 (income/loss from partnerships, S-corporations etc.)
  - 5. Form(s) 1098 (mortgage interest) and property tax statements
  - 6. Brokerage statements from stocks, bonds or other investment transactions
  - 7. Closing statements pertaining to real estate transactions
  - 8. All other supporting documents, if necessary (schedules, checkbooks etc.)
  - 9. Any notices received from the IRS or other taxing authorities
  - 10. Schedule of all estimated payments that you made during the year

VIII. Uploading your documents to SmartVault

- A. We simply are not comfortable sharing confidential information through email. Please never send information that includes Social Security numbers, bank account numbers, or birthdates by email. If you must send something by email that includes sensitive information, please password protect it.

- B. The US mail is NOT a secure way of sending information. Mailboxes are commonly broken into during tax time.
- C. Your tax documents are secure in our system and only you have access to them. SmartVault is organized by tax year e.g. TY19 and your folder will include a client copy of your tax return(s), a completed copy of your organizer (if you return it to us), a blank PDF version of your current year's organizer and any documents you uploaded to the vault.
  - 1. By using SmartVault, you will always have access to your information and will no longer have to wonder what you did with your tax returns, W-2s, 1099s, etc.
  - 2. If you have been unsuccessful using the portal in the past, please call our office and we will help walk you through the process.
  - 3. You can easily access your portal via the homepage on our website, [www.msvcpa.com](http://www.msvcpa.com). A link to SmartVault is also included in all of our staff email signatures.
- D. Your supporting documents can be uploaded to your SmartVault portal very easily if you follow these instructions:
  - 1. Scan your documents and save them to your desktop.
  - 2. Log in to SmartVault ([www.smartvault.com](http://www.smartvault.com)),
  - 3. Click on the text of your name or the vault into which you would like to upload documentation.
  - 4. Click on TYXX (the tax year in question) and then click on 'Client Files'. It is important to click on the TEXT, not any icons.
  - 5. Once inside the Client Files folder, select "Upload to Folder".
  - 6. Select the files from your CPU and submit.
- E. Alternatively, you can bring your documentation with you to your tax appointment. PLEASE NOTE: If you give us your original documents, THEY WILL NOT BE RETURNED. However, all original documents will be scanned into your SmartVault Client Files folder for the tax year in question.
- F. If you must email any documents, please password protect them for security reasons.
- G. Please do not fax your documents as our fax system just gets too overloaded. It's okay to fax single-page documents, but we cannot accept all your backup documentation via fax. You can email password-protected documents to Tracy@msvcpa.com.

## IX. Appointments

- A. Appointments are not required. As you know through our Newsletter, we are now booking tax appointments online. As always, we will try to accommodate your appointment needs.
- B. Online scheduling link : <https://marksvarshawskyassociates.schedulista.com>
- C. Saturday appointments are always at a premium, so please schedule early to avoid disappointment.
- D. Please remember if you are waiting for K-1s, you can still make your appointment or send in your information early. Your return can be prepared while we wait for pending information. This allows us to send your return to you in the shortest amount of time.
- E. Please make sure we have your current email address and cell phone number in our records when you make your appointment. Our scheduling program will confirm all appointments through email and text when the appointment is made. You will receive a second email 48

hours before your appointment. You will also receive a text message the day of the appointment.

- F. We ask that you please try to retain your scheduled appointment time as it may be difficult to reschedule your appointment at a time that is convenient for you.

X. DocuSign

- A. This service allows you to electronically sign your e-file authorization forms. You will not need to email or fax back the forms when using this method.
- B. All tax returns will be attached to the DocuSign e-mails this year. PLEASE READ THE INSTRUCTIONS IN THE DOCUSIGN EMAIL.
  - 1. PLEASE NOTE: You are responsible for any payments due to the government tax agencies.
  - 2. If you owe money, we strongly suggest you make your payments online and not put them into the post as this is very unsecure and your Social Security information is included on the voucher. Visit our website for online payment instructions. If you still want to mail in your vouchers, please print the appropriate vouchers from the copy of your return located in SmartVault, or from the copy attached to your DocuSign e-signature request. All instructions for payments are in the client letter located at the front of your tax return.
- C. The Spouse receives the DocuSign signature request first and must complete it before a second email is sent to the Taxpayer.
- D. You can electronically pay your preparation fees via when completing your e-file forms using the e-signature function. In fact, if you are using DocuSign, please pay your fees through this feature and not through our website. Your preparation fees must be remitted before we can file your returns.
- E. If you are unable to complete the e-signature request successfully, we have alternate ways to receive your signed forms.

XI. Electronic Filing

- A. Please note that we are **required** by the government to electronically file your tax returns.
- B. Before your returns can be e-filed, we must:
  - 1. Receive your signed e-file forms.
  - 2. Receive a signed engagement letter, which is included in the tax organizer and is also on our website ([www.msvcpa.com](http://www.msvcpa.com)).
  - 3. Receive payment for our tax preparation services. The DocuSign request you will receive includes a request for payment. If you do not use DocuSign to sign your e-file forms, you can pay with a credit card via our website or by sending a check.
- C. If you choose to paper file your returns when you are not required to do so, we must have a signed waiver stating that you refused our e-filing services. This service will also incur a \$50 charge since it requires printing and mailing your returns to you. Furthermore, this is a very unsecure way to file your return(s).
- D. Please read the "Benefits of E-filing" letter on our website.

XII. Filing Deadline

- A. Our electronic filing deadline is **Monday, April 13, 2020**.
- B. We must receive your tax information by **Monday, March 23, 2020** in order to guarantee completion of your return by April 13, 2020. If we receive your information after this date, your return may be put on extension.
- C. **Returns will not be e-filed after Monday, April 13, 2020**. There is not sufficient time after this date to guarantee acceptance of your returns by the government agencies prior to the tax deadline.
- D. **Our office will be closed. from noon on April 15, 2020 until Monday, April 20, 2020.**

We sincerely thank you for your business and we look forward to hearing from you soon. Wishing you and yours, health, happiness, and peace in 2020.

Sincerely,

Mark S. Varshawsky, CPA  
Mark S. Varshawsky & Associates

We invite you to "like us" on Facebook. Please visit our Facebook page for tax season tips of the day:  
[www.facebook.com/varshawskycpa](http://www.facebook.com/varshawskycpa)  
Our website address: [www.msvcpa.com](http://www.msvcpa.com)