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January 2, 2018

TO: Corporate Clients
FROM: Robert C. Alario, CPA
RE: Corporate Tax Return for 2017

The due date to file a Sub-Chapter S Corporate Tax Return with a December 31st year-end is March 15, 2018. **We would like you to provide us with your tax information as soon after year-end as possible to enable us to complete your tax return by the due date.**

Enclosed is an engagement letter with the understanding of the tax services we are to provide to your company. Please read and sign the enclosed engagement letter and return to us with your information to prepare your tax returns. If you have any questions please call our office.

Also enclosed is a 2017 DeMinimis Accounting Policy. Please review, sign and return to us.

If you use QuickBooks® as your accounting system, we would like the accountants' review copy. This will enable us to obtain the necessary information for the tax return, and to make year-end adjusting entries for you. Please provide your Quickbooks® file on either a CD, thumb drive or upload your file through Quickbooks® to kspinelli@robentalario.com. **Please provide us with your company name, the QuickBooks® version you are using, as well as any user name and password needed to access the file.**

In addition to the QuickBooks® file, we will need:

1. Details of any changes in stock ownership or changes in allocations of profit or loss.
2. Changes in any address, email and telephone numbers of the business and of the shareholders.
3. Who is the best person to contact with accounting related questions?
4. All bank account statements for December 31, 2017.
5. Value (at cost) of ending inventory as of December 31, 2017.
6. List of all new assets purchased during the year, including date of purchase and how they were paid, cash, loan, leased, etc. (include leased vehicles).
7. List of all assets sold or traded during the year, including date of sale, selling price and/or trade-in value.
8. Balances as of December 31, 2017 for all loans outstanding including date of loan, original amount borrowed, interest rate, number of payments, amount of monthly payment, and bank or organization borrowed from.
9. Quarterly Payroll tax returns - Form 941, State unemployment, Federal unemployment, State withholding for the period January 1, 2017 through December 31, 2017.
10. If you use a vehicle or equipment for off-highway business use, we will need the number of gallons of gas or diesel fuel used in the year. There is a tax credit for federal taxes paid on fuel used in off-highway business use (if you paid the federal tax at the pump).

11. Sales and Meals Tax reports filed for the periods of January through December 31, 2017.
12. If your business performs services in multiple states we will need sales and wages broken down by each state.
13. Do you provide health insurance coverage to your employees? If yes, and you purchase it through the Federal Marketplace Exchange, then there may be a credit for health insurance premiums paid for your employees.
14. List of items any shareholder paid for the business, which was not reimbursed and not recorded in the books.
15. If you would like us to prepare the 2017 1099's for your company we will need the following information: recipients' name, address, social security number or FID number and the amount paid.
16. If you have a 401K plan please confirm that an annual 5500 report is filed every year, if required. Please contact us if you need assistance.

If you are not using QuickBooks®, or not using all of the features of QuickBooks®, please be sure you provide us with the following, in addition to the above:

1. Trial balance, balance sheet and profit / loss statement for the year ended December 31, 2017.
2. Total sales for the year January 1, 2017 through December 31, 2017.
3. Total cash received for the year from all sources (i.e. sales, loans from banks, loans from shareholders, sales of equipment, etc). This should tie back to deposits made to the bank.
4. Total of all expenses paid for the year broken down by category (i.e. materials, supplies, taxes, wages, shareholder fringe benefits, shareholder distributions etc). We will also need a detailed breakdown of the taxes paid between sales tax, excise tax, property tax, payroll tax, federal corporate tax, state corporate tax and any other taxes paid. Meal expenses for the year should be separately stated.
5. Bank reconciliations and bank statements from January through December 31, 2017 for all business bank accounts.
6. List of all Accounts Receivable as of December 31, 2017 (i.e. money owed to you from sales that were not collected by December 31, 2017).
7. List of all Accounts Payable as of December 31, 2017 broken down by categories (i.e. bills for goods and services relating to the year ending December 31, 2017 that were not paid by December 31, 2017).

If you could provide the above information to our office as soon as possible, it would be greatly appreciated. If your business is a Sub-Chapter S Corporation, we must complete the corporate return before your personal return.

If we have not received all your information or if we are unable to complete your business return by March 1, 2018, we will apply for an extension of time to file your return. If you are a Sub-Chapter S Corporation, your personal tax return will also require an extension. With the application for extensions, checks must be enclosed to cover any tax liability. We are able to extend the time to file your return but not the time to pay the tax due. If we find it necessary to extend your tax returns, you will either receive the extension forms in the mail to sign and mail out, or you will be contacted to pick them up from our office. If you have any questions, please call me.

Thank you for the opportunity to assist you in meeting your tax compliance obligations.