

CLIENT NAME: \_\_\_\_\_

**MUST BE FILLED OUT COMPLETELY BY THE CLIENT (EACH PAGE THAT APPLIES)!!**

SCHEIBE ACCTG LLP CANNOT FILL THIS OUT FOR YOU

**2020 DUE DILIGENCE CHECKLIST**

	YES	NO	COMMENTS
Did your dependent children live with you more than half of 2020? Temporary absences for school, vacation or medical care count as time lived with you. You may not claim the earned income credit if your children did not live more than half the year with you.	<input type="checkbox"/>	<input type="checkbox"/>	
- <b>If YES</b> , have you released the dependency claim for 2020 for any of your children to another person (such as the other parent)? Please list which of your children you have released the dependency for 2020?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>
- <b>If NO</b> , do you have an active Form 8332 Release/Revocation of Claim to Exemption for Child by Custodial Parent signed by the custodial parent (the parent the child lived with more than half of 2020)?	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Please provide</b> one item from below to prove residency for each qualifying child: <b>*** The documents must include child's name, parents name &amp; the household address.</b> School Records, Daycare Provider Records, Social Services Records, Employer Statements, Bank Statements or a letter on OFFICIAL LETTERHEAD from: School, medical provider, social services agency or place of worship			
Was the Taxpayer, or Spouse if filing jointly, a nonresident alien for any part of the year?	<input type="checkbox"/>	<input type="checkbox"/>	
Could the Taxpayer, or Spouse if filing jointly, be a qualifying child of another person for the year?	<input type="checkbox"/>	<input type="checkbox"/>	
Was the Taxpayer's, and Spouse's if filing jointly, main home in the USA for more than half of the year?	<input type="checkbox"/>	<input type="checkbox"/>	
Is the Taxpayer, or Spouse if filing jointly, eligible to be claimed as a dependent on anyone else's federal income tax return for the year?	<input type="checkbox"/>	<input type="checkbox"/>	

**ONLY FILL OUT IF CLAIMING: HEAD OF HOUSEHOLD STATUS**

	YES	NO	COMMENTS
Marital Status-CHECK ONLY ONE			
Never Married	<input type="checkbox"/>	<input type="checkbox"/>	
Spouse Deceased	<input type="checkbox"/>	<input type="checkbox"/>	
Divorced or Separated	<input type="checkbox"/>	<input type="checkbox"/>	
Married, but lived apart from spouse during the last 6 months of the year	<input type="checkbox"/>	<input type="checkbox"/>	
Separation Agreement	<input type="checkbox"/>	<input type="checkbox"/>	

The IRS could require additional information/documentation if you are divorced, legally separated or married and did not reside with your spouse the last 6 months of the year to determine if you qualify for Head of Household status

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If you are divorced or legally separated, can you provide the IRS with any of the following documents?

Divorce Decree	<input type="checkbox"/>	<input type="checkbox"/>	
Separate maintenance agreement or separation agreement	<input type="checkbox"/>	<input type="checkbox"/>	

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If you are married, but did not reside with your spouse for the last 6 months of the year, could you provide the IRS with any of the supporting documents verifying that your spouse did not live with you, ***if requested by the IRS***?

Not Applicable	<input type="checkbox"/>	<input type="checkbox"/>	
Lease Agreement	<input type="checkbox"/>	<input type="checkbox"/>	
Utility Bills	<input type="checkbox"/>	<input type="checkbox"/>	
Letter from a clergy member	<input type="checkbox"/>	<input type="checkbox"/>	
Letter from Social Services	<input type="checkbox"/>	<input type="checkbox"/>	
Other supporting documentation	<input type="checkbox"/>	<input type="checkbox"/>	
If YES, what kind of documentation?			<input type="text"/>

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Could you provide the IRS with receipts and bills substantiating the cost of maintenance more than half of the cost of the home, ***if requested by IRS***? Documentation that the IRS requires to substantiate the cost of maintaining the home includes:

Utility bills	<input type="checkbox"/>	<input type="checkbox"/>	
Property tax bills	<input type="checkbox"/>	<input type="checkbox"/>	
Grocery receipts	<input type="checkbox"/>	<input type="checkbox"/>	
Rent receipts or mortgage interest statement	<input type="checkbox"/>	<input type="checkbox"/>	
Maintenance and repair bills	<input type="checkbox"/>	<input type="checkbox"/>	
Other household bills			<input type="text"/>

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Did you receive any non-taxable support/income?

Family support	<input type="checkbox"/>	<input type="checkbox"/>	
Food stamps	<input type="checkbox"/>	<input type="checkbox"/>	
Housing assistance	<input type="checkbox"/>	<input type="checkbox"/>	
Childcare assistance	<input type="checkbox"/>	<input type="checkbox"/>	
Other-If so, list the types	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>

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**FOR SELF-EMPLOYED PERSONS ONLY!!**

	YES	NO	COMMENTS
Is the income sufficient to support the taxpayer and qualifying children?	<input type="checkbox"/>	<input type="checkbox"/>	
How long have you owned your business? (# of years)			<input type="text"/>
Can you provide any of the following documentation to substantiate your business?			
Business Card	<input type="checkbox"/>	<input type="checkbox"/>	
Business Stationary	<input type="checkbox"/>	<input type="checkbox"/>	
Receipts or receipt book (with company header/logo)	<input type="checkbox"/>	<input type="checkbox"/>	
Business/Occupational License	<input type="checkbox"/>	<input type="checkbox"/>	
Other Tax Returns (sales/excise tax, employment, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	
Advertisements (newspaper, flyer, yellow pages, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	
List any other documentation you can provide to substantiate your business			<input type="text"/>
Who maintains the business records?			<input type="text"/>
Do you maintain separate banking accounts for personal and business transactions?	<input type="checkbox"/>	<input type="checkbox"/>	
If <b>YES</b> , in what form were the records provided?			<input type="text"/>
If <b>NO</b> , how do you differentiate between personal and business transactions and monetary assets?			<input type="text"/>
Were satisfactory records of income and expense provided?	<input type="checkbox"/>	<input type="checkbox"/>	
If <b>YES</b> , in what form were these records provided?			
Accounting Records	<input type="checkbox"/>	<input type="checkbox"/>	
Paid Invoices/Receipts	<input type="checkbox"/>	<input type="checkbox"/>	
Log Books	<input type="checkbox"/>	<input type="checkbox"/>	
Computer Records	<input type="checkbox"/>	<input type="checkbox"/>	
Car/Truck Expenses	<input type="checkbox"/>	<input type="checkbox"/>	
Ledgers	<input type="checkbox"/>	<input type="checkbox"/>	
Business Bank Accounts	<input type="checkbox"/>	<input type="checkbox"/>	
List other forms of documentation you can provide to support your business.			<input type="text"/>
If <b>NO</b> , how do you determine :			<input type="text"/>
The amount of income?			<input type="text"/>
The amount of expense?			<input type="text"/>
FORM 1099-MISC			
Do you have any Forms 1099-MISC to support the income?	<input type="checkbox"/>	<input type="checkbox"/>	
If not, is it reasonable that the business type would not receive any Form 1099-MISC?	<input type="checkbox"/>	<input type="checkbox"/>	
Are the expenses consistent with the type of business?	<input type="checkbox"/>	<input type="checkbox"/>	
Are the amounts of expense reasonable?	<input type="checkbox"/>	<input type="checkbox"/>	
Are any expenses are typical for this type of business missing?	<input type="checkbox"/>	<input type="checkbox"/>	
List any other documentation you an provide related to your business.			<input type="text"/>

**EDUCATION CREDIT/DEDUCTION**

EDUCATION CREDIT/DEDUCTION	YES	NO	COMMENTS
Did you receive an IRS letter disallowing or reducing any of the following credits?			
EIC = Earned Income Credit	<input type="checkbox"/>	<input type="checkbox"/>	
CTC = Child Tax Credit	<input type="checkbox"/>	<input type="checkbox"/>	
ACTC = Additional Child Tax Credit	<input type="checkbox"/>	<input type="checkbox"/>	
AOTC = American Opportunity Tax Credit	<input type="checkbox"/>	<input type="checkbox"/>	
For any dependents between the ages of 18 and 24 in 2020, were they a full-time student (more than 1/2 time) for a part of at least 5 months during the year and pursuing a degree?	<input type="checkbox"/>	<input type="checkbox"/>	
If so, please list the school name and provide the Form 1098-T			<input type="text"/>
Has the student been convicted of a Federal or State felony class drug offense for possession or distribution?	<input type="checkbox"/>	<input type="checkbox"/>	
Did the student receive scholarships or grants?	<input type="checkbox"/>	<input type="checkbox"/>	
Has the Hope Scholarship Credit or American Opportunity Credit been claimed for this student for a total of 4 times?	<input type="checkbox"/>	<input type="checkbox"/>	
Number of years American Opportunity Credit has been taken			<input type="text"/>
Did the student complete the first 4 years of post secondary education before 2020?	<input type="checkbox"/>	<input type="checkbox"/>	
Did the student receive any distributions from a qualified tuition program (529 plan, Coverdell, etc.)? If so, provide the Form 1099-Q	<input type="checkbox"/>	<input type="checkbox"/>	
Amounts PAID in 2020 (paid means cash, check, credit card or funds borrowed that will need to be repaid; it does not mean scholarships).			
-Tuition & Fees PAID			<input type="text"/>
-Required Course Materials (Book & Supplies) PAID			<input type="text"/>