Manning & Associates
Certified Public Accountants, LLC
John M. Manning, CPA • Sandra L. Comer, CPA • John C. Bensman, CPA • John M Keller, CPA

January 11, 2017

Dear Valued Client:

It is time again to start gathering your tax information for 2016. We would like to send your 2016 tax organizer via email. The tax organizers contain your 2015 tax information and can assist you in compiling your 2016 tax information. We do not require that you use the organizers to compile your 2016 data, but they are available to you if you find them to be of assistance.

We encourage you to visit our website at www.manningcpallc.com for current updates on tax law changes as they occur, including "Protecting Americans from Tax Hikes Act of 2016 – PATH ACT", and a copy of this letter.

For security reasons, no Social Security numbers will be listed within the organizer, and all email attachments will be password protected.

If you wish to receive an organizer, please respond by performing one of the following by January 31, 2017:

- ***To receive your 2016 tax organizer via email,*** please email us as soon as possible at **taxadmin@manningcpallc.com,** and include your full name in subject line of email.
- ***If you would like to receive a paper copy of your tax organizer,*** please contact our office as soon as possible at 937-898-3167 or by email, **taxadmin@manningcpallc.com,** to have your tax organizer mailed to you.
- **If you do not choose to use an organizer**, no action is necessary.

In an effort to help eliminate the increasing risk of identity theft, we **do not recommend** mailing your tax returns to you. We recommend that you pick up your completed returns or that we email them to you (password protected). Special mail services will be used for our out-of-state clients.

As tax preparers, it is mandatory that we file federal and state returns electronically. If we have your email address on file, you will receive a confirmation when your tax return has been electronically filed and accepted, along with details of when to expect your refund. Most cities will be required to be mailed.

PLEASE COMPLETE AND RETURN PAGE 2 OF THIS LETTER ALONG WITH YOUR 2016 TAX INFORMATION.

We look forward to seeing you within the next couple of months. Please make every effort to get your information to us as soon as you have it organized to avoid the last minute rush.

As always, we appreciate your business.

Very truly yours,

Manning & Associates CPAs, LLC, Partners and Tax Professionals:

John M. Manning CPA	Sandra L. Comer, CPA	Patrick Berbach
John C. Bensman, CPA	John M. Keller, CPA	Craig Darragh
Craig L. Steinke, CPA	Patrick Ioas, CPA	Ellen Pyzoha
Kenneth R. Wiseman, CPA	Guy Benge, CPA	Lynne Dunham

Dayton | 6105 N. Dixie Drive | P.O. Box 13449 | Dayton, Ohio 45414
(937) 898-3167 | Fax (937) 898-9202 | Email: dayton@manningcpallc.com

Sidney | 500 Folkerth Avenue | Sidney, Ohio 45365
(937) 492-0386 | Fax (937) 492-3262 | Email: sidney@manningcpallc.com

America Counts
On CPAs®
www.manningcpallc.com

VERY IMPORTANT 2016 TAX TOPICS

<u>1099 Requirement – *Applicable if You Qwn Your Own Business, Farm or Rental Property*</u>
If you are a business owner, have a farm, or own a rental property, the Internal Revenue Service requires you to issue Form 1099 to <u>any</u> individual, "<u>unincorporated</u>" business, or any law firm that you paid in excess of $600 per calendar year for services rendered. We are required to indicate on your tax return whether or not payments were made that require filing Form(s) 1099, and if so, whether or not they were filed. Please complete the 1099 Requirement Section on Page 3 of this letter.

If you need assistance or have questions related to the preparation of Form(s) 1099, please contact our office for assistance. You may refer to our website for additional information on this topic. **<u>Forms 1099 must be issued to the recipients by January 31, 2017.</u>**

THIS IS THE FIRST YEAR THAT THE INTERNAL REVENUE SERVICE IS ALSO REQUIRING THAT FORMS 1099 BE FILED WITH THEM BY JANUARY 31, 2017!

<u>Charitable Contributions</u>
We are still required to obtain a client statement with signature for charitable contributions. Please complete and sign the charitable contribution section on the enclosed Signature Page of this letter and submit with your 2016 tax information.

<u>Affordable Care Act in 2010</u>
As a result of the passage of the Affordable Care Act in 2010, we will be asking for information about your medical insurance coverage for 2016. You will need the amount of the premium paid for medical insurance in 2016, either by you, your employer, or the combination of both. If you work for a company that employs over 250 employees, this information should already be on your W-2.

In addition, you will be required to prove that you had adequate medical insurance for all dependents claimed on the tax return for all twelve months of the year. Your medical insurance company may mail to you Form 1095-B –Health Coverage. (If you obtained insurance in the Market Place, you need to download Form 1095-A). Please include this form with your year-end tax information as it will provide the information we need to complete your tax returns.

<u>Minimum Wage Increase</u>
The State minimum wage for 2017 is $8.15 per hour. The Ohio minimum wage for tipped employees is $4.08 per hour (plus tips). The State minimum wage still exceeds the federal minimum wage.

<u>Dependents</u>
Taxpayers must provide documentation for all dependents claimed on their tax returns. If there is any doubt as to claiming a dependent, we will ask you to complete Form 8867 (Paid Preparer's Due Diligence Checklist) or, if necessary, Form 8332 (Release/Revocation of Release of Claim to Exemption for Child by Custodial Parent), which must be signed by the custodial parent releasing/revoking the claim to exemption.

<u>Business Expense Documentation</u>
All business expenses claimed as a deduction on your tax returns must have the proper documentation. This includes keeping a mileage log for all business miles.

PLEASE RETURN THIS SIGNATURE PAGE TO MANNING & ASSOCIATES CPAs WITH YOUR 2016 TAX INFORMATION

Client Name (please print): ____

Client Preference for Tax Return Copy

Please provide my copy of the 2016 Individual Tax return in the form of:

____ Email Email Address: ____

____ Paper Copy

____ CD

Federal law prohibits tax return preparers from mailing, faxing or e-mailing copies of your personal returns to any third party without your consent. If we email a copy of the completed return to you in a PDF format you will have the ability to print that return and to furnish a copy of that return to third parties.

OHIO Driver's License Information

This year, the State of Ohio is recommending, as a precaution in preventing stolen-identity tax fraud, that we obtain Ohio Driver's License Information of the taxpayer and spouse (if applicable) and include it when electronic filing tax return. This is **NOT** mandatory, but providing the information may help process the return more quickly. Please provide the following information from your driver's license if you wish to do so:

Taxpayer: Identification # ___________________ / Issue Date _______/Expiration Date: ________/Location Issued: ___

Spouse: Identification # ___________________ / Issue Date _______/Expiration Date: ________/Location Issued: ___

Charitable Contributions – Client Statement

My gifts by cash or check for the year ended December 31, 2016 total $ __________________.

I have determined that the fair market value of my noncash charitable contributions for the year ended December 31, 2016 is $ __________________________.

All records pertaining to my cash and noncash charitable contributions are in my possession

____ ____________________________

Taxpayer Signature Date

Health Insurance Requirement

I certify that I provided adequate medical insurance for myself, and my spouse and all dependents (if applicable), for all twelve months of the 2016 tax year. (Enclose Form 1095-B –Health Coverage if you received one from a medical insurance supplier.)

____ ____________________________

Taxpayer Signature Date

1099 Requirement – Client Statement

(Business owners and Owners of Farms or Rental Properties only)

Payments were made that require filing Form(s) 1099: ____Yes _____No

If yes, all required Forms 1099 were or will be filed: ____Yes _____No

____ ____________________________

Taxpayer Signature Date