

## Practice Return 7

This return has **self-employment income** only. For self-employed individuals, they must have Self-Employment Worksheet completed (refer to the training version below). Although we are not accountants, only tax preparers, if the information your client presents to you appears incomplete, inconsistent or incorrect, you must make reasonable inquiries. Document all questions you asked and customer responses on the Tax Preparer Questionnaire. Before sending such returns to the IRS, be sure the customer has signed and dated the worksheet and that you have properly completed the additional inquiry.

Describe the basic type of business, such as construction, beautician, janitor, etc. Searching for the correct business code will give you fits.

### SELF-EMPLOYMENT WORKSHEET

Description of Business	BEAUTICIAN	Employer ID number
Business Name	SPLIT ENDS	Year Business Started 2005
Business Address	ONE BEAUTY STREET, MY HOMETOWN & STATE	

Total yearly income for the business	\$ 16,000
Describe the record keeping practices CHECKING ACCOUNT AND APPT BOOK	

EXPENSES			
Advertising	300	Rent/Leases	2500
Commission/Fees		Repairs/Maintenance	
Contract Labor		Supplies	850
Insurance		Taxes	
Legal/Professional Fees		Utilities	
Office Expenses		Wages	
Other (describe)			

Vehicle Expenses					
Type Vehicle			Actual Vehicle Expenses		
Date vehicle placed in service			Gas/Oil	\$	
Total miles driven			Repairs/Maintenance	\$	
Total business miles			Insurance	\$	
Total commuting miles			If depreciating vehicle, use additional form		Yes No
Was your vehicle available for personal use during off hours	Yes	No	Do you have evidence to support your deductions?		Yes No
Do you have another vehicle for personal use	Yes	No	If "Yes" is this evidence written?		Yes No

**TAX PREPARER  
SCHEDULE C /SELF EMPLOYMENT  
QUESTIONNAIRE**

Describe the type of documentation your client has for the following. Note whether or not you visualized the documentation.

**Income** (1099-Misc, bank records, receipts, etc.)

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**Expenses** (receipts, bank records, credit card statements, etc.). If no expenses, what is the taxpayer's explanation?

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**Vehicle Mileage** (log book, repair tickets, proof of gasoline purchases, oil change records, or any other documents to prove the cost of miles driven)

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**Basis of Depreciable Assets** (ex/contracts, receipts)

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Additional documentation not mentioned above

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The information supplied by the taxpayer and their answers to additional inquiries appears to be correct, consistent, complete and reasonable.

Tax Preparer's signature \_\_\_\_\_ Date \_\_\_\_\_

# INTERVIEW SHEET

## TAXPAYER INFORMATION

Rev. 10/2010

<b>SOCIAL SECURITY #</b> 586- -4589	<b>1.Filing Status</b> Single   MFJ   MFS <input checked="" type="checkbox"/> HOH   Widow (er)	<b>Date Of Birth (DOB)</b> 10/18/1980
<b>Number of Exemptions</b> 3 <small>(Taxpayer=1, Spouse=1, each Dependent=1)</small>	Can you be claimed as a dependent on another person's tax return?      Yes <input checked="" type="checkbox"/> NO	
<b>FIRST NAME</b> Natalie	<b>LAST NAME</b> Barnes	<b>OCCUPATION</b> Beautician
<b>Mailing Address</b> Rent <input type="checkbox"/> Own <input checked="" type="checkbox"/> 456 Success Avenue		<b>HOME PHONE #</b> 209-925-5456
<b>CITY/STATE/ZIP</b> Your Town, State, Your ZIP		<b>DAY PHONE #</b> 209-925-6345
		<b>CELL PHONE #</b> 209-925-4567
<b>Refund Option</b> IRAL <input checked="" type="checkbox"/> RAL    ERD    DIRECT DEPOSIT    MAIL-IN		<b>Are you or a member of your household in the military?</b> Yes <input checked="" type="checkbox"/> NO

**SPOUSE INFORMATION** If filing a MFJ or MFS, or Qualifying Widower, you must complete the following:

<b>SPOUSE'S NAME</b>	<b>SOCIAL SECURITY NUMBER</b>	<b>OCCUPATION</b>
<b>SPOUSE'S ADDRESS</b>	<b>DATE OF BIRTH</b>	<b>DATE OF DEATH</b>

**DEPENDENT INFORMATION** You are not limited to three dependents. Use back of page and tell your preparer.

FIRST NAME	LAST NAME	SOCIAL SECURITY NUMBER	BIRTHDATE	RELATIONSHIP	# OF MONTHS LIVED IN HOME	AGE OF CHILD	FULLTIME STUDENT	DISABLED	PAID CHILD CARE FOR
Drew	Barnes	425-89-0010	2/17/2003	Son	12	6			
Piper	Barnes	587-45-7865	8/8/2007	Daughter	12	2			

CHECK THE BOXES BELOW
Yes <input checked="" type="checkbox"/> NO You paid child care for dependent
Yes <input checked="" type="checkbox"/> NO You paid college expenses for you or a dependent
Yes <input checked="" type="checkbox"/> NO You purchased a home in 2009
Yes <input checked="" type="checkbox"/> NO You have deductions to itemize
<input checked="" type="checkbox"/> Yes    NO You have other sources of income 1099's, etc)
0      # Of W-2 forms from different employers

COULD YOU PROVIDE THE FOLLOWING ?
IF the dependent is <b>not</b> your natural child, Yes    NO Birth Certificates, marriage certificates, OR foster child papers?
If the dependent is a student over age 19, Yes    NO school records proving the child was a full-time student?
Yes    NO If your dependent is disabled, do you have written verification from a medical authority?
<input checked="" type="checkbox"/> Yes    NO School, doctor records, etc., proving the child lived with you?

I have read the "Consent to Use of Tax Return Information" form prior to signing.

With my signature below I am verifying the tax information given to prepare my taxes is true. I release the owners and employees of my tax preparation office from having any knowledge of fraudulent tax claims.

SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

**Taxpayer Name:** Natalie Barnes

**SSN:** 586-11-4589

Tax Return Summary



**Taxpayer Name:** Natalie Barnes

**SSN:** 586-11-4589

2009 Federal 1040Bus Tax Return:	Actual	Estimated
Gross Income:	\$12,350.00	\$12,350.00
Adjustments to Income:	\$873.00	\$873.00
Adjusted Gross Income:	\$11,477.00	\$11,477.00
Deductions:	\$8,350.00	\$8,350.00
Exemptions:	\$10,950.00	\$10,950.00
Taxable Income:	\$0.00	\$-7,823.00
Tax:	\$0.00	\$0.00
Credits:	\$0.00	\$0.00
Other Taxes:	\$0.00	\$1,745.00
Total Tax:	\$1,745.00	\$1,745.00
Tax Payments:	\$0.00	\$0.00
Making Work Pay Credit:	\$400.00	\$400.00
Earned Income Credit:	\$4,590.00	\$4,590.00
Additional Child Tax Credit:	\$1,272.00	\$1,272.00
Refundable Education Credit:	\$0.00	\$0.00
First Time Home Buyer Credit:	\$0.00	\$0.00
Refund Amount:	\$4,517.00	\$4,517.00
<b>Resident Tax Return:</b>		
Taxable Income:	\$0.00	
Total Tax:	\$0.00	
Refund Amount:	\$0.00	
<b>Non-Resident Tax Return:</b>		
Taxable Income:	\$0.00	
Total Tax:	\$0.00	
Refund Amount:	\$0.00	