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AUTO
TRAVEL AND ENTERTAINMENT
DISCLOSURE STATEMENT
2011 INCOME TAX RETURNS

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Taxpayer penalties, preparer penalties and disclosure requirements imposed by the Tax Reform Act of 1986 require you to acknowledge record keeping requirements and limitations on deductions. If you claimed anywhere on your return, deductions for travel, entertainment or auto expense, this form must be completed and signed.

AUTO

- | | <u>YES</u> | <u>NO</u> |
|---|------------|-----------|
| 1. Did you claim auto expense this year? | ___ | ___ |
| 2. Do you understand that as an employee, commuting directly to and from work is <u>not</u> considered business mileage? | ___ | ___ |
| 3. Did you maintain a written record of your mileage? | ___ | ___ |
| 4. Is a copy of that record included with your tax information? | ___ | ___ |
| 5. If a copy of your auto log is <u>not</u> included in your tax information, have you retained the records in your possession? | ___ | ___ |
| 6. Do you understand that this written record must be retained as part of your files until at least April 15, 2016? | ___ | ___ |
| 7. If you did not maintain a written record of your auto mileage, did you use estimations? | ___ | ___ |
| 8. If estimates were used, please explain below how the <u>total mileage</u> and/or <u>business mileage</u> were estimated. | | |
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TRAVEL, MEALS AND ENTERTAINMENT

(Continued)

	<u>YES</u>	<u>NO</u>
9. Did you claim travel and entertainment expense this year?	___	___
10. Did you maintain a written record of your travel and entertainment?	___	___
11. Is a copy of that record included with your tax information?	___	___
12. If a copy of your travel and entertainment log is <u>not</u> included in your tax information, have you retained the records in your possession?	___	___
13. Do the meals and/or entertainment claimed on your return represent 100% of the meals, and/or entertainment?	___	___
14. Do you understand that when we prepare your return, only 50% of the meals and entertainment are deductible?	___	___
15. Do you understand that estimates of travel and meals <u>are not</u> an allowable record keeping procedure?	___	___
16. Do you have receipts for all your business motel and hotel expenses?	___	___
17. Do you have receipts for all travel and entertainment expenditures over \$75?	___	___
18. For overnight travel have you maintained records to show:		
a) The times (dates left and returned).	___	___
b) Number of business days.	___	___
c) The city or destination.	___	___
d) The business purpose of the travel.	___	___
e) The amount of each separate expense.	___	___
19. For business meals have you made a note for <u>each</u> meal as to how the meal was “directly related” to your trade or business?	___	___

TRAVEL AND ENTERTAINMENT

(Continued)

	<u>YES</u>	<u>NO</u>
20. For entertainment have you made a note for <u>each</u> item of entertainment as to how the entertainment was “associated with your business”?	___	___
21. Was <u>each</u> item of entertainment directly preceded or followed by a “substantial and bona fide” business discussion?	___	___
22. Have you separated entertainment expenses from entertainment at sporting events? (If not applicable, check here ___.)	___	___
23. Do you understand that dues paid to social clubs (such as country clubs) are not deductible?	___	___

Signed: _____

Dated: _____

/T&E