

# MICHAEL DAVID DANIELS, A LAW CORPORATION

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## Re: 2019 TAX RETURNS

November 5, 2019

Dear Client:

We will not be mailing out paper tax organizers unless requested. Instead of paper organizers, you can request:

1. An online tax organizer: [http://michaeldaniels.com/tax\\_notebook.html](http://michaeldaniels.com/tax_notebook.html),
2. An organizer emailed to you,
3. An organizer uploaded to your designated portal

Recent tax law changes will impact your 2019 tax returns. Business taxpayers should analyze their tax position before the end of the year in order to take action to minimize their tax. Form 1099s are due to the government and to the payees before January 31, 2020. Not timely filing these forms will result in penalties and other negative consequences.

The State of California passed sweeping worker classification legislation in 2019 called AB 5. This law will impact most California businesses with contractors and/or employees. Businesses must assess their potential exposure as a result of the passage of AB 5.

While the Federal government repealed the health insurance mandate effective in 2019, California imposed a version of their own health insurance mandate effective in 2019.

**Please be advised about strict foreign bank account and foreign asset reporting requirements.** If you have or believe that you may have an ownership interest or signatory authority over a foreign bank account or have assets in a foreign country, please contact us directly so we can determine whether you have a reportable foreign asset or account reporting requirement.

We will also need to access your business and personal tax records online at either [irs.gov](http://irs.gov) or [ftb.ca.gov](http://ftb.ca.gov). You may be asked to sign and return powers of attorney Forms 2848 and 3520 if the current powers have not been updated.

**Clients must submit all tax information to our office before March 27, 2020 to assure filing taxes before April 15, 2020. For clients who file a timely extension, all tax information must be received before September 25, 2020 to assure filing before October 15, 2020 (the extended due date).** For clients who extend their tax returns, a best estimate of their 2019 income will be required for their extensions because extensions only extend the time to file their return, not the time to pay their tax. For certain clients our office may only accept the engagement to file and prepare their returns if they agree to extend their income tax returns.

Please contact our office at any time if you have any questions or concerns. Please also sign and return this letter in the envelope to engage our services for the 2019 tax year.

Very truly yours,

**MICHAEL D. DANIELS**

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Client's signature

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Client's printed name