

Schedule F Profit or Loss from Farming - Due Diligence Worksheet

Keep for your records



Section I.

Name _____ SSN/EIN _____

1. Provide a description of your occupation.
 - A. Principal crop or activity _____
 - B. Ag Activity Code _____

2. How many years has your farm been in business?

3. In the last 5 years has your farm shown a loss? Y/N
 - A. If YES, how many years?
 - B. Do you plan on the farm making a profit in future years? Y/N
 - B1. If YES, please provide a business plan stating how you plan to make a profit in future years.

4. Did you receive Form(s) 1099NEC or 1099K for the income reported? Y/N
 - A. If you did NOT receive Form(s) 1099NEC/1099K, can you provide proof of income, if requested Y/N
 - B. If question 2 is NO, please explain business income received.

Customer Description	Charge/Rate	Visits/Days	Total Charge
	\$		
	\$		
	\$		
	\$		

5. Is a license a requirement of your occupation? Y/N
 - A. Do you have a business license? Y/N

6. What type of records do you maintain to verify business income and expenses?

Check all that apply

- | | |
|--|---|
| <input type="checkbox"/> Accounting Records | <input type="checkbox"/> Computer Records |
| <input type="checkbox"/> Paid Invoices/Receipts | <input type="checkbox"/> Business Stationery |
| <input type="checkbox"/> Advertising | <input type="checkbox"/> Business Bank Accounts |
| <input type="checkbox"/> Books | <input type="checkbox"/> Insurance |
| <input type="checkbox"/> Others (please specify) _____ | |

7. Do you have any expenses? Y/N
 - A. If NO, please explain. _____


8. Do you have business mileage? Y/N
 - A. If YES, do you have a mileage log? Y/N
 - B. If 8A, is NO, please complete a mileage log.

9. Have you ever depreciated a business asset? Y/N
 - A. If YES, provide prior year tax return (*contact CTTS for assistance*)
 - B. If NO, did you purchase any depreciable assets for this year Y/N (if YES, list below)

B1. Cost Basis _____
 Date placed in service _____
 Description of asset _____

B2. Cost Basis _____
 Date placed in service _____
 Description of asset _____

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10. Check only one option from below.

- A. Taxpayer did NOT provide documentation to support his/her deduction (must complete Section II).
 B. Taxpayer DID provide documentation to support his/her deduction (keep a copy in your file).
Skip Section II, and complete Section III.

Section II.

If Line 10, option A is checked, then this section MUST be completed during the interview with the taxpayer.

11.

Income		
1.	Sales of livestock and other resale items	\$
2.	Sales of livestock, produce, grains, and other products you raised	\$
3.	Cooperative distributions (Form(s) 1099-PATR)	\$
4a.	Agricultural program payments	\$
5.	Commodity credit cooperation loans	\$
6.	Crop insurance proceeds and disaster payments	\$
7.	Custom hire income	\$
8.	Other income	\$
9.	Total Gross Income (add lines 1 through 8)	\$
Expenses		
10.	Car and truck expenses	\$
11.	Chemicals	\$
12.	Conservation expenses	\$
13.	Custom hire	\$
14.	Depreciation/section 179	\$
15.	Employee benefit programs	\$
16.	Feed purchased	\$
17.	Fertilizer, lime	\$
18.	Freight/trucking	\$
19.	Gasoline, fuel, oil	\$
20.	Insurance	\$
21.	Interest	\$
22.	Labor hired	\$
23.	Pension plan	\$
24a.	Rent/lease: machine & equipment	\$
24b.	Rent/lease: other	\$
25.	Repairs, maintenance	\$
26.	Seeds, plants	\$
27.	Storage, warehousing	\$
28.	Supplies	\$
29.	Taxes	\$
30.	Utilities	\$
31.	Vet, medical fees	\$
32.	Other expenses	\$
33.	Total Expenses (add lines 10 through 31)	\$
34.	NET Profit/Loss (subtract line 33 from line 9)*	\$

**Amount must be equal to Line 34 of the Schedule F*

In order to comply with the IRS guidelines in Circular 230, tax preparers may reasonably reconstruct a taxpayer's income & expenses for the tax year. By signing below, I agree that the information provided is neither inconsistent, incorrect, or incomplete.

Taxpayer's Signature

Date

Preparer's Signature

Date