

December 1, 2009

## Fixed Asset Update

To facilitate the year-end accounting and tax preparation processes, we have enclosed your *Projected Fixed Asset Schedule* (not applicable to new clients) that will be used to prepare your personal property, business, and individual tax returns. Please review this schedule for additions and disposals. If you are a new client, please provide us with your prior-year personal property tax return and a fixed asset schedule, if available.

Please note that you may be able to reduce your personal property tax liability by identifying assets that are no longer owned by the business (whether scrapped, sold, traded, or abandoned). You also may be able to reduce your liability by identifying assets that are still owned by the company but are no longer in use (idle assets).

Please provide us with the following information regarding asset additions and disposals:

- If your company has acquired assets in 2009, please provide the following:
  - Date of acquisition
  - Description of asset
  - Total cost of asset (invoice or purchase agreement)
  - Property location (if multiple locations)
  
- If you have disposed of any assets in 2009, please provide the following:
  - Date of disposal
  - How asset was disposed (sold, scrapped, traded, or abandoned)
  - Amount received on disposal
  - Asset number and cost on fixed asset schedule

For your convenience, we have enclosed a *Fixed Asset Update* form to assist you in providing us with this information. If you work with Pietrasiuk, Kelley & Kelley, P.C. on a monthly or quarterly basis, the asset addition portion may not apply. If you are unsure if the asset addition portion applies to your business, please contact your designated accountant.

Please attach any related documentation such as purchase invoices or trade-in contracts. Note that under certain types of leasing contracts, you may be required to include a leased asset on your fixed asset schedule. Also, you are required to report leased assets on your personal property tax return and identify the leasing company; however, you may not be taxed on such leases if the leasing company reports the asset on its return under the contract terms.

There are specific reporting requirements for the personal property tax return if you lease equipment to another party or sublet property to another tenant. Please take a moment to review the enclosed *Rental Property* and *Other Property* forms and complete Part A (required), Part B (if applicable), and Part C (if equipment-leasing transactions are applicable to your company).

Unless you notify us otherwise, we will assume that we are preparing your personal property tax return for the current year if we prepared your return last year. Likewise, if our office did not prepare your return last year or if you are a new client, we will assume you are preparing your own return unless you notify us by providing all appropriate information by **December 31, 2009**. When replying, please provide a copy of your prior-year personal property tax return, the current year preprinted form (if available), the *Fixed Asset Schedule* (if applicable), as well as the completed *Fixed Asset Update* form.

Depending on the taxing municipality in which your company resides, you should receive your preprinted personal property tax return beginning in December 2009 through the first week of January 2010. **Please forward this preprinted form to our office upon receipt.**

Many municipalities require the personal property tax returns to be filed by January 31. **If we are preparing your personal property tax return, please return the information to our office in the enclosed self-addressed envelope no later than December 31, 2009, so we may have adequate time to properly prepare and review the return.** However, if we are only preparing your business or individual tax return, we still ask that you return this information along with your year end documents to our office no later than January 31, 2010, to allow us adequate time to prepare and review your return in a timely manner.

We appreciate and thank you for giving us the opportunity to service your tax and accounting needs. If you have any questions or need assistance, please call our office during normal business hours at (734) 971-8500.

Sincerely,

*Pietrasiuk, Kelley & Kelley, P.C.*

Enclosures: Fixed Asset Update form  
Rental Property form  
Other Property form  
Leasing Information form

# Fixed Asset Update Form

(Note: You may duplicate this schedule as needed to identify all asset additions and disposals)

## Additions

- 1) Date of Acquisition \_\_\_\_\_  
Description of Asset \_\_\_\_\_  
Total Cost of Asset \_\_\_\_\_  
Property Location, if applicable \_\_\_\_\_
  
- 2) Date of Acquisition \_\_\_\_\_  
Description of Asset \_\_\_\_\_  
Total Cost of Asset \_\_\_\_\_  
Property Location, if applicable \_\_\_\_\_
  
- 3) Date of Acquisition \_\_\_\_\_  
Description of Asset \_\_\_\_\_  
Total Cost of Asset \_\_\_\_\_  
Property Location, if applicable \_\_\_\_\_

## Disposals

- 1) Date of Disposal \_\_\_\_\_  
Disposal Method - sold, scrapped, traded, or abandoned \_\_\_\_\_  
Amount Received \_\_\_\_\_  
Asset Number & Cost on Fixed Asset Schedule \_\_\_\_\_
  
- 2) Date of Disposal \_\_\_\_\_  
Disposal Method - sold, scrapped, traded, or abandoned \_\_\_\_\_  
Amount Received \_\_\_\_\_  
Asset Number & Cost on Fixed Asset Schedule \_\_\_\_\_
  
- 3) Date of Disposal \_\_\_\_\_  
Disposal Method - sold, scrapped, traded, or abandoned \_\_\_\_\_  
Amount Received \_\_\_\_\_  
Asset Number & Cost on Fixed Asset Schedule \_\_\_\_\_

# Rental and Other Property Sheets

(Please make Additional copies for multiple rentals)

## **Rental Property (Required)**

Address of property rented:

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Date lease signed:

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Leased for how many years? (Write "NA" if month to month)

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What is the monthly rent?

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Are there options to renew the lease?

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What expenses (taxes, electric, gas, etc.) does tenant pay?

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Square footage of area rented:

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## **If you are the Tenant (Required)**

Name and address of landlord:

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Is landlord the owner of the property?

YES  NO

If no, are you subletting property?

YES  NO

If subletting, name and address of property owner:

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## **If you are the Landlord (Required)**

Name and address of tenant:

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Are you the owner of the property?

YES  NO

## Other Property

### Property in your possession but not owned

Please provide additional information on **ALL OTHER PROPERTY** not owned by your company but in your possession on December 31, 2009, under arrangements other than a leasing agreement.

Name & Address of Owner	Description of Equipment	Age of Equipment	Selling Price

### Improvements to place of business

Please provide as much detail as possible on any leasehold improvements you have made during the current year at your place of business. Provide as much as possible so that the assessor can determine whether an assessment should be made. You may attach additional documentation or explanations if necessary.

Description (Describe in Detail)	Description of Equipment	Year Installed	Total Cost Incurred

