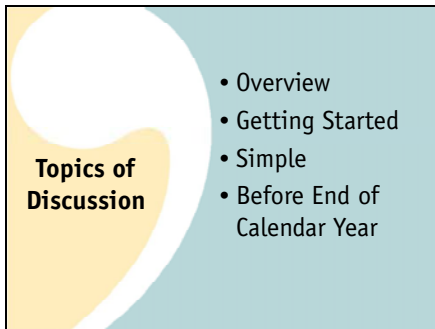




This presentation is designed to give you an overview of the tax preparation process so you'll have a good understanding of what is coming and what you might want to take care of before the end of this calendar year. It's just an overview. We'll cover the nitty gritty of doing audits and preparing your taxes in the early months of next year when the tax program is available.



We're going to discuss four types of information tonight:

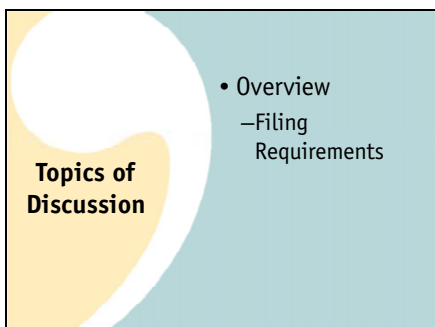
First, we're going to go through a brief overview of investment club taxes. What is required and a little bit about the preparation process. We'll show you the forms you need to file, the steps you'll be going through to prepare your taxes and important dates you'll need to know.

Then we're going to discuss what you can do right now to get started and get most of the work out of the way so that your tax preparation will go very quickly once you receive tax documents from your broker and the tax program from us.

We're going to reiterate some of the things you can do in your club to keep your club accounting simple and avoid any tax time issues.

Finally, we're going to touch on a list of things you may need to address prior to the end of this calendar year.

This presentation is only designed to give you an overview of what you will be handling during tax season and to give you a heads up about things that need to be addressed prior to the close of the calendar year. Early next year, we'll be having more in depth webinars which will get into the details of actually getting your tax forms filled out, don't worry that you have to get it all down today.



Let's start with our overview of the process.

What are your tax filing requirements?

Filing Requirements

Do we need to file?

One of the first questions investment clubs have, especially new clubs, is whether they have to file.

YES!

The answer to this question is Yes. If you have an EIN number you need to file club taxes. It does not matter how long your club has been in existence or how much income you have had. Your EIN number is your IRS business identification number. It's similar to a personal Social Security number. You will have needed it when you opened your club brokerage account. You get the EIN number from the IRS. They will be looking for a return to be filed for that matches that number.

Just so you know, the late filing penalty for a partnership return is \$195 for each month or part of a month (up to 12 months) the return is late (or does not contain the required information) multiplied by the total number of persons who were partners in the partnership during any part of the partnership's tax year. This isn't a joke. We have had clubs contact us because they have received notices that they owed amounts in the 10's of thousands of dollars for not filing a return. The fact that they had only had a minimal amount of income was not important.

It's easy to prepare your taxes using bivio. Make sure you do it.

Filing Requirements

Club Tax Forms

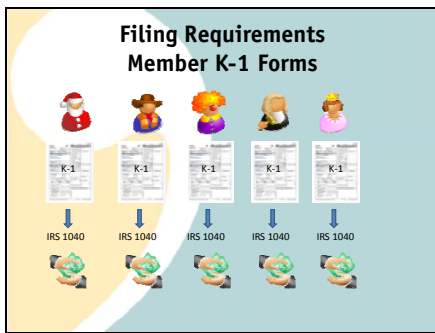
So what forms do you need to file?

Your investment club is a type of business called a partnership. Each year your club needs to file what is called an informational tax return. For a partnership, this is IRS form 1065. It reports the total income and expenses your club has had for the year. It also reports each member's share of the income and expenses. The 1065 is called an informational return because your club does not pay taxes directly. Each member pays taxes on their portion of the club income on their own personal tax forms.

Filing Requirements

Member K-1 Forms

Each member knows what to report because your 1065 includes a form called a K-1 for each partner. You send copies of all the K-1's in when you file your club taxes and you also give each member his or her personal copy.



Each member will transfer the information

From the K-1 to

their personal tax forms to

pay taxes on. Your club members will not be able to complete their personal taxes until you've provided them with their information from the club. As part of your bivio service, we provide you with the program that allows you to use your accounting information to prepare all your club forms.

Member Tax Allocation Report

Member	Dividend	Capital Gains	Interest	Other	Total
Member 1	10.47	108.11	(171.18)	12.14	159.54
Member 2	6.04	42.41	(283.48)	(118.95)	(353.98)
Member 3	1.13	8.12	(18.00)	(36.43)	(36.18)
Member 4	5.82	41.78	(176.41)	(113.87)	(242.68)
Member 5	14.21	114.44	(184.04)	(117.45)	(162.84)
Member 6	20.42	143.16	(202.04)	(117.45)	(155.91)
Member 7	10.24	110.04	(108.10)	(171.18)	(169.00)
Member 8	60.75	571.11	(1,010.11)	(1,000.00)	(978.25)

If you'd like to get an idea of what will be reported on each members K-1, there is a report in bivio called the member tax allocation report. It looks like this. A member of a stock investment club will have these types of income to report.

First, you may have dividend and interest income. Your club amounts will be added to any other dividend and interest income you report on your personal Schedule B.

You may have both short and long term Capital Gains and losses which will be combined with other capital gains and losses on your personal schedule D and

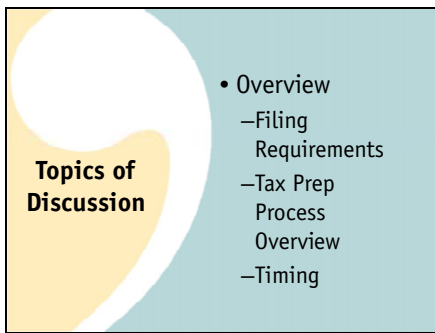
You may have deductible expenses which will be added into the category "Miscellaneous Deductions" on your Schedule A. Note that your club expenses are investment expenses. You will only receive a benefit from deducting them on your personal tax forms if the total amount you have in the Miscellaneous deductions category exceeds 2% of your adjusted gross income (AGI). You may want to show a preliminary copy of this report to your club members at the end of the year. If they have to pay estimated taxes, and your club has had significant income, they may want to include the club income in their income estimate. Just make sure that they understand that all information on the report is preliminary until you have completed the records verification required to finalize the preparation of your tax forms.

Topics of Discussion

- Overview
 - Filing Requirements
 - Tax Prep Process
 - Overview

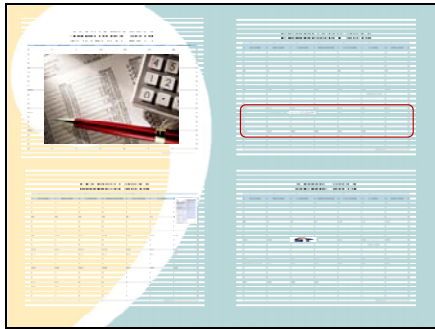
Now you know what you need to file,

lets discuss briefly the process you'll be using to prepare the forms.



What sort of

timing deadlines are you going to be working with as you move through tax season?



You actually have until

April 15 to get your club taxes filed.

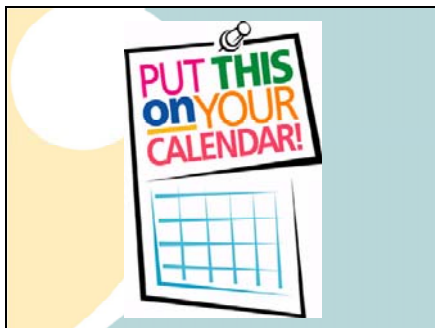
To get ready to do your club taxes, we suggest you do a comprehensive club records audit in January.

Your taxes will need to agree with the 1099 forms which are sent by the financial institutions to the IRS to report your income. Financial institutions are only supposed to have until February 18 to get these to you, but check with your broker. You cannot finalize your taxes until you have them.

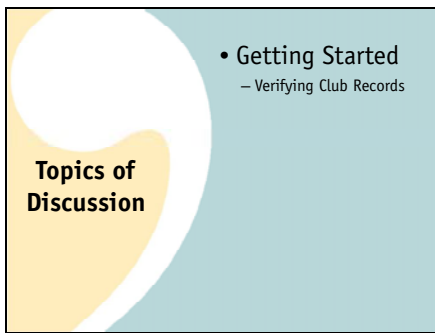
Bivio makes the tax interview available in mid February. There is nothing extra to purchase. The ability to prepare club Federal taxes is part of your bivio subscription.

Your members cannot complete their own personal taxes until you have given them their K-1's. Because you can't finalize anything until you have the 1099's,

a reasonable date to tell them they'll have their forms is March 1. While you do have until April 15 to file your club taxes, we don't suggest that you do that or you might have a lot of angry club members.



We suggest that before the end of the year that you let your club members know the date they can expect their K-1's. This lets them schedule any appointments they need to with personal tax preparers. If a member needs club tax information before you can get the K-1's done, they should be able to make an estimate of what will be coming using the Member Tax Allocations report. However don't give them that unless you have a reasonable expectation that your club records are accurate. Make sure they understand the information on it is subject to change.



Now you have an idea of what you're getting into,

Let's talk about what you can start on right away so you can breeze through the tax prep process when the tax program becomes available. The first step in the process is the most involved.

But, it is one you can start at any time.



Verifying your records is critical. If your records are not correct, your taxes will not be correct. There are three things your club should make a part of your regular operations to make sure the information which will be reported on your taxes is accurate.

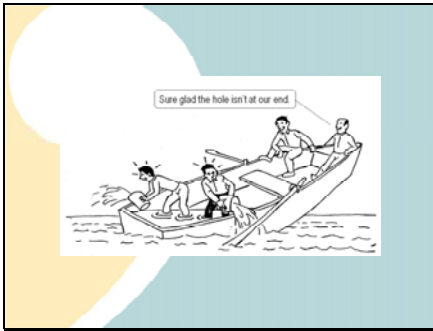
First, your club treasurer should be reconciling your bivio records with your financial institution statements monthly. If there are any disagreements, this means there are only a single months worth of transactions to go through to find the mistake and make the correction in bivio.

Second, your club should perform a comprehensive records audit each year. This will reconfirm that the information that will be used for preparing your tax returns is correct and that your club records are being kept correctly. All club members should care about this. You're all responsible for accurate taxes being filed and you should all want to make sure that your club ownership is being tracked correctly.

And third, when you receive the 1099 forms which report your income to the government, you'll need to do a final check to make sure they agree with the information recorded in bivio. There are sometimes a few last minute things such as distributions from mutual funds which may need to be adjusted based on the 1099 information. In addition, because the cost basis and capital gains reporting rules have gotten more stringent, you'll need to confirm that what shows on your tax forms agrees with what the broker is reporting to the IRS.



If you're not a club treasurer, please don't close your ears and say "Whew" "I'm glad I don't have to worry about that"



Making sure your club taxes are correct is everyone's responsibility. If there is a problem with your taxes, the IRS can come after any one of you. Even if you are no longer a member of the club when they discover the problem.



Make sure it's not something your club has to worry about. Follow our guidelines for keeping your accounting simple and stay on top of it each month and you'll sail through tax season with confidence!

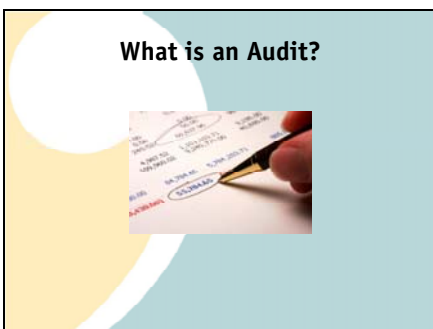


Now that you're ready to pitch in, let's talk briefly about doing

an audit. A good time to do one is in January while you are waiting for your 1099's. You won't have much else going on and your end of year brokerage statements will be available.

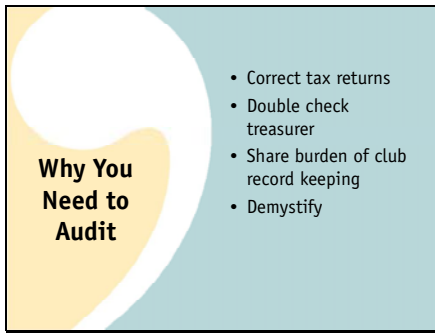


If you need to motivate your club members, there's nothing wrong with making it a party. At bivio, we're declaring the weekend of January 18 and 19, 2014 audit party weekend. We'll be giving a detailed webinar on the steps you need to go through to do your club audit and we'll be available all weekend to answer any questions you have as you work through the process. Put this date on your calendar and you can make sure you actually undertake this important club task.



So what is an audit? Because this is the first and probably most important and comprehensive step you will be going through to make sure your taxes are prepared correctly, we're going to be spending a little extra time tonight talking about what it involves. This will just be a brief overview. Our Audit party weekend webinars will cover this process in much more detail.

An audit is an independent comparison of your club records to your financial institution records. It is conducted by club members other than the treasurer. Any discrepancies are noted and then, at the end of the audit, discussed with the treasurer to make any necessary corrections.



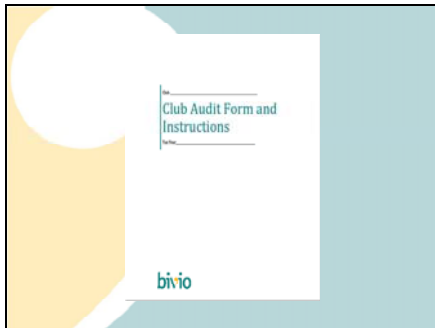
It is not difficult to do an audit but it is important for these reasons.

First, to make sure your taxes are being prepared correctly. This is something all club members should be concerned about.

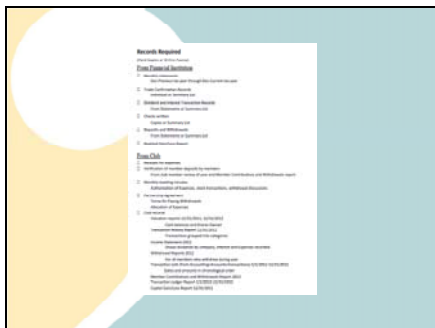
Second, you should all feel comfortable that your treasurer is doing what you think they're doing with your club finances

Third, it allows everyone in the club to share the burden of ensuring your club is doing correct record keeping. It should not be something only your treasurer has responsibility for.

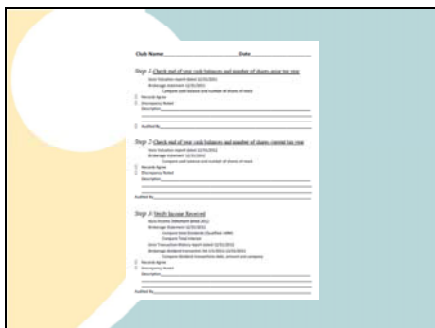
To demystify the whole process- Working through the steps of the audit will help everyone in the club become more familiar with club finances. They are not difficult but they are a little bit different than some might expect. If everyone has a basic understanding of what is important, the club treasurer does not have to waste time and energy explaining why they are required to do certain things a certain way.



bivio provides you with a checklist you can use to work through the steps of your audit. You'll find a link to it on our help page. It's very straightforward to work through.



In it, you'll find a complete list of the records you will need to make comparisons. You'll be comparing records from your broker with reports from bivio.



You'll also find instructions on each of the 7 comparisons you should make. During the audit webinars on Audit Party weekend, we'll demonstrate each of these so you can see exactly how to do them.

How do you do an audit?

- Pick a date
- Pick audit committee
- Gather records-treasurer
- Make comparisons-auditors
- Note discrepancies-auditors
- Discuss discrepancies-auditors/treasurer
- Make corrections-treasurer
- Report to club-treasurer/auditors

What is the audit process?

First, pick a date in January to do your audit-It will probably take you around 2 to 3 hours

Pick 2-4 people other than the club treasurer to conduct the audit

Prior to the audit day, the treasurer should gather records that will be needed for comparison from your financial institutions and from bivio.

On the audit day the auditors will work through the audit steps, making the records comparisons.

If they find any discrepancies, they will note them on the audit checklist. Auditors do not make corrections themselves.

When all the steps are completed, the Auditors and the treasurer will meet to discuss anything that was found

The treasurer will determine what action is needed, make corrections, and record the action taken

Then the treasurer and the auditors will give the final report to club. It all goes quickly. Once you get done, you'll have done most of the work needed to get your records ready to prepare your club taxes quickly. All you'll need to do is wait for your 1099's to arrive so your treasurer can do a final quick records check.

Topics of Discussion

- Getting Started
 - Verifying Club Records
 - Audit
 - Cost Basis Reporting

Along with an annual audit, it's important to keep your records correct during the year. Routine checks help you avoid having to address any time consuming issues during tax time. Tax reporting on Capital gains and losses has changed significantly over the past couple of years. It has gotten much more stringent.

Let's talk now about what that means for you and your club. There are records checks you can be doing each time you sell some of your shares that can keep you on top of this in your accounting in a timely manner.

Cost Basis Reporting

- Realized Gain/Loss Report
 - Broker
- Capital Gains and Losses
 - bivio

There's a new tax law in place and brokers are now required to report your cost basis and capital gains to the IRS. Your club tax return needs to agree with this information.

Fortunately, you don't have to wait until tax time to make sure you and your broker are in agreement. You can get a report anytime during the year from your broker called a "Realized Gain/Loss Report"

You can compare it to the Capital Gains and Losses Report bivio provides you

Within the last two years, there have been significant changes to the form 1099-B. Brokers now need to report certain capital gains amounts to the IRS. In the past, all that was reported was the total proceeds from your stock sales. The IRS had no way to know you were reporting the correct taxable gains or losses on those sales. With the extra information they can now double check what you report. It includes:

Adjusted cost basis

Any non deductible loss due to wash sales

Whether a gain or loss is short- or long-term. The form you get might look like this, or it might have all this information in a different format. But it will still be called a 1099-B

Here's an example of what your 1099 B might end up looking like. You'll see there is a lot of information. First, your broker will probably separate

Short term gains and losses from

Long term gains and losses

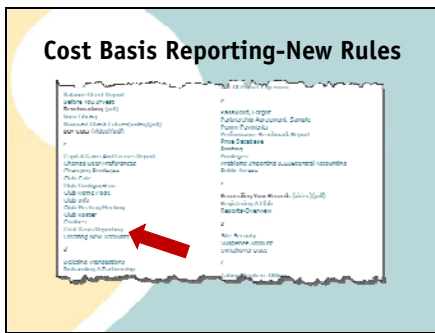
Then, within each category, they will be sending capital gain information to the IRS for what are called Covered securities. These are the sales which are covered by the new tax reporting requirements.

They might provide you with the same information about non-covered securities.

The information on this form needs to agree with the information on your tax forms or you need to have a valid reason why the brokers information is incorrect.

The information gets reported on your club tax return on a form which was new last year, form 8949. As part of your tax prep process, you'll be doing a schedule D review where you'll be comparing what bivio will report with what is shown on your 1099.

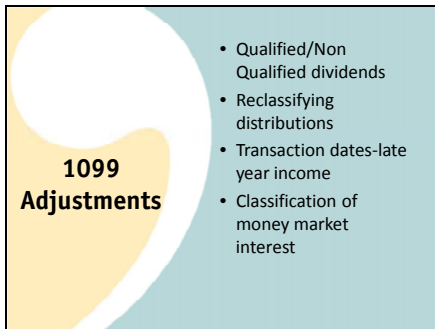
If you've been checking and correcting your sales during the year, you shouldn't have any surprises when you come to this step in your tax prep.



We did an entire presentation on the new cost basis reporting.

You can find a link to it on our help page.

I strongly recommend you review it, to determine what you need to know now to make sure you won't have any reporting issues at tax time.



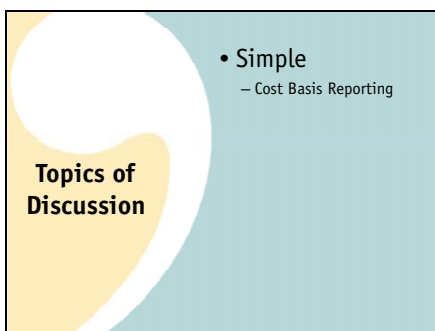
Along with cost basis, there may be other records changes you'll need to make that you won't know about until you get your 1099. If you've done a club audit, most of the numbers on your 1099 will quickly line up with what you show in your records. But you might still have these things to address.

There might be slight changes to make sure Qualified dividends are being correctly reported, especially if you own mutual funds. Some mutual fund dividends are qualified. Others are not.

If you have had distributions from mutual funds and REIT's and even from some stocks, some of the distribution amounts may need to be reclassified. If their distributions are not really dividends, but are a return of capital or a long term capital gain, you will have to go back and manually split up each dividend distribution you have received during the year. You may find this information on the company investor relations pages near the end of the year. If not, you won't know what changes to make until the information is reported to you on the 1099.

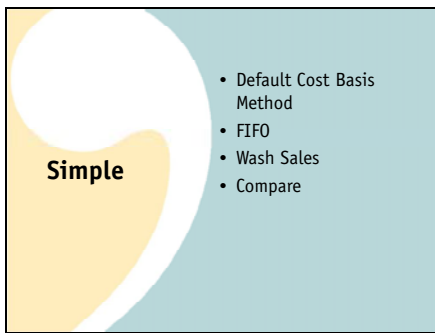
You may need to change the dates on interest or dividend income originally recorded as received early in the new year to a date late in the tax year. It will depend on the year your broker has reported the income received.

If you have been keeping your club cash in a money market fund at your broker, they may have classified your earnings as dividends rather than interest. This is OK, you just need to make sure that your bivio records record the income in the same manner. If you've recorded the earnings as interest, you will have to edit the transactions and call them dividends.



This all sounds like a lot, but there are many things you can do to keep your club record keeping as simple as possible.

When it comes to cost basis reporting, here are some suggestions.

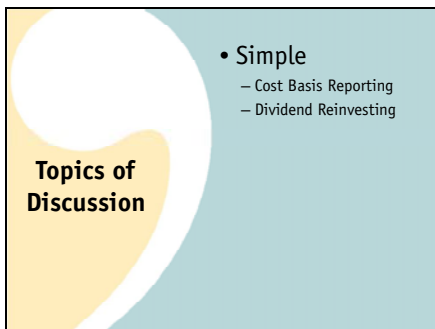


First. Make sure you know what Default Cost Basis Method Your broker will be applying. This is important if you own more than one lot of a particular stock or mutual fund. If you have a sale and you don't sell all of it at one time, you, (and your broker) will need to identify which lots were sold. You can tell them to select certain lots at the time of the sale, but if you don't they will apply a default method.

The IRS assumes and bivio uses, FIFO or first in, first out, as the default method. To keep things simple, make sure your broker is also using this both for stocks AND for mutual funds and ETF's. I'd recommend you check on this ASAP. It cannot be changed once a sale has happened and if they use something other than FIFO, you will have to make manual adjustments in your bivio records to bring them into agreement.

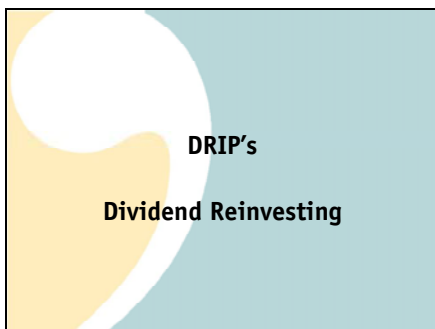
You'll also need to check whether your broker is showing you had any wash sales this year. If you have, you will need to make adjustments to your records when you prepare your taxes. We added a new Schedule D reconciliation form last year that gives you the tools you need to handle this. To avoid wash sales, make sure you do not make investment purchases within 30 days of a sale where you had a loss.

Please, spend some time now comparing the information your broker has for cost basis with your bivio records as soon as possible, so that if there are issues that need to be investigated, you'll have time to get them straightened out. They sometimes are not simple or quick to work through and, if you will need our help, we are probably going to be very busy during tax season helping clubs address questions. The earlier you can get the questions to us, the quicker we can help you get an answer. You can start this comparison at any time during the year.



While we're talking about cost basis reporting, making comparisons between bivio and your broker and keeping things simple,

let's talk a little about the impact of dividend reinvesting on keeping your club records.



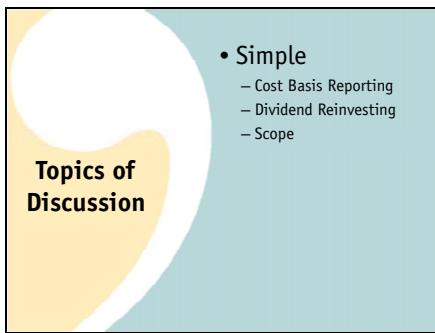
Automatic dividend reinvesting means you tell your broker to automatically purchase new shares of a stock when you receive a dividend. We'd highly recommend that you think twice about doing that.

Because each dividend that you reinvest is a new lot of stock with it's own cost basis. You could end up having to verify an awful lot of transactions.

(and the year isn't even over yet)

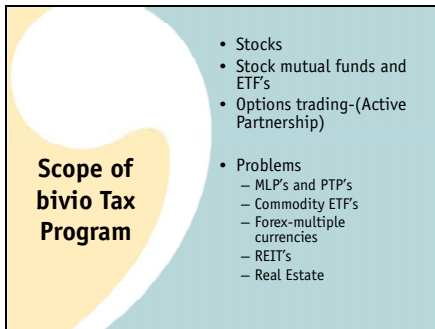
for only \$345.62 in gains for this club.

200001	200002	200003	200004	200005	200006	200007	200008	200009	200010	200011	200012	200013	200014	200015	200016	200017	200018	200019	200020	200021	200022	200023	200024	200025	200026	200027	200028	200029	200030	200031	200032	200033	200034	200035	200036	200037	200038	200039	200040	200041	200042	200043	200044	200045	200046	200047	200048	200049	200050	200051	200052	200053	200054	200055	200056	200057	200058	200059	200060	200061	200062	200063	200064	200065	200066	200067	200068	200069	200070	200071	200072	200073	200074	200075	200076	200077	200078	200079	200080	200081	200082	200083	200084	200085	200086	200087	200088	200089	200090	200091	200092	200093	200094	200095	200096	200097	200098	200099	200100	200101	200102	200103	200104	200105	200106	200107	200108	200109	200110	200111	200112	200113	200114	200115	200116	200117	200118	200119	200120	200121	200122	200123	200124	200125	200126	200127	200128	200129	200130	200131	200132	200133	200134	200135	200136	200137	200138	200139	200140	200141	200142	200143	200144	200145	200146	200147	200148	200149	200150	200151	200152	200153	200154	200155	200156	200157	200158	200159	200160	200161	200162	200163	200164	200165	200166	200167	200168	200169	200170	200171	200172	200173	200174	200175	200176	200177	200178	200179	200180	200181	200182	200183	200184	200185	200186	200187	200188	200189	200190	200191	200192	200193	200194	200195	200196	200197	200198	200199	200200	200201	200202	200203	200204	200205	200206	200207	200208	200209	200210	200211	200212	200213	200214	200215	200216	200217	200218	200219	200220	200221	200222	200223	200224	200225	200226	200227	200228	200229	200230	200231	200232	200233	200234	200235	200236	200237	200238	200239	200240	200241	200242	200243	200244	200245	200246	200247	200248	200249	200250	200251	200252	200253	200254	200255	200256	200257	200258	200259	200260	200261	200262	200263	200264	200265	200266	200267	200268	200269	200270	200271	200272	200273	200274	200275	200276	200277	200278	200279	200280	200281	200282	200283	200284	200285	200286	200287	200288	200289	200290	200291	200292	200293	200294	200295	200296	200297	200298	200299	200300	200301	200302	200303	200304	200305	200306	200307	200308	200309	200310	200311	200312	200313	200314	200315	200316	200317	200318	200319	200320	200321	200322	200323	200324	200325	200326	200327	200328	200329	200330	200331	200332	200333	200334	200335	200336	200337	200338	200339	200340	20
200001	200002	200003	200004	200005	200006	200007	200008	200009	200010	200011	200012	200013	200014	200015	200016	200017	200018	200019	200020	200021	200022	200023	200024	200025	200026	200027	200028	200029	200030	200031	200032	200033	200034	200035	200036	200037	200038	200039	200040	200041	200042	200043	200044	200045	200046	200047	200048	200049	200050	200051	200052	200053	200054	200055	200056	200057	200058	200059	200060	200061	200062	200063	200064	200065	200066	200067	200068	200069	200070	200071	200072	200073	200074	200075	200076	200077	200078	200079	200080	200081	200082	200083	200084	200085	200086	200087	200088	200089	200090	200091	200092	200093	200094	200095	200096	200097	200098	200099	200100	200101	200102	200103	200104	200105	200106	200107	200108	200109	200110	200111	200112	200113	200114	200115	200116	200117	200118	200119	200120	200121	200122	200123	200124	200125	200126	200127	200128	200129	200130	200131	200132	200133	200134	200135	200136	200137	200138	200139	200140	200141	200142	200143	200144	200145	200146	200147	200148	200149	200150	200151	200152	200153	200154	200155	200156	200157	200158	200159	200160	200161	200162	200163	200164	200165	200166	200167	200168	200169	200170	200171	200172	200173	200174	200175	200176	200177	200178	200179	200180	200181	200182	200183	200184	200185	200186	200187	200188	200189	200190	200191	200192	200193	200194	200195	200196	200197	200198	200199	200200	200201	200202	200203	200204	200205	200206	200207	200208	200209	200210	200211	200212	200213	200214	200215	200216	200217	200218	200219	200220	200221	200222	200223	200224	200225	200226	200227	200228	200229	200230	200231	200232	200233	200234	200235	200236	200237	200238	200239	200240	200241	200242	200243	200244	200245	200246	200247	200248	200249	200250	200251	200252	200253	200254	200255	200256	200257	200258	200259	200260	200261	200262	200263	200264	200265	200266	200267	200268	200269	200270	200271	200272	200273	200274	200275	200276	200277	200278	200279	200280	200281	200282	200283	200284	200285	200286	200287	200288	200289	200290	200291	200292	200293	200294	200295	200296	200297	200298	200299	200300	200301	200302	200303	200304	200305	200306	200307	200308	200309	200310	200311	200312	200313	200314	200315	200316	200317	200318	200319	200320	200321	200322	200323	200324	200325	200326	200327	200328	200329	200330	200331	200332	200333	200334	200335	200336	200337	200338	200339	200340	20



It's all about keeping things simple. We want you to be able to have a club and to spend your time and energy learning about investing, not partnership accounting. If you follow our guidelines you can do this. Here is another important thing to be aware of.

That is the kinds of investments you can account for using bivio.



It is important to understand that different types of investments have different types of tax reporting requirements. bivio is designed to let you have a simple way to have an investment club and easily comply with tax requirements. Because of this, the types of investments you can own in your club are limited. bivio is only designed to easily do the accounting and tax preparation for certain types of investments.

Basically, these are publicly traded stocks and

stock mutual funds and ETF's (Exchange traded funds)

In addition, if you have an Active Partnership subscription, you can account for options trading.

If your club holds any of the following types of investments, you will, at a minimum, have a lot of extra accounting and tax preparation work to do. In some cases, you will not even be able to use bivio to prepare your taxes because we don't handle the tax issues that come along with the investment.

Problem investments include:

MLP's and PTP's- Master Limited Partnerships and Publicly Traded Partnerships such as Kinder Morgan, KMP or Energy Transfer Partners, ETP

Commodity ETF's such as GLD and SLV

Forex trading-Foreign currency exchange trading

REIT's-Real estate investment trusts

Real estate itself



If you have any questions about something your club is about to invest in, please ask us first. We will be glad to research it for you and let you know if it will cause you any problems in your accounting or your taxes.

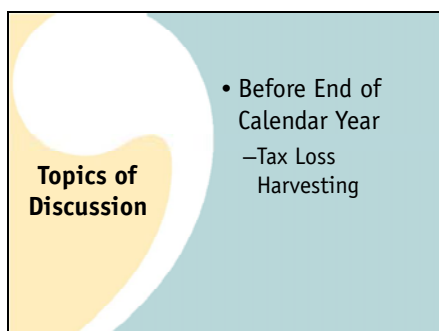
In addition, you can find a specific list of some of the investments we know cause trouble

at this link on our help page labeled “Before You Invest”

There are always clubs that find out the hard way that they have purchased an investment that will create problems. And, they often do not have enough of it to make dealing with the tax implications worth it.

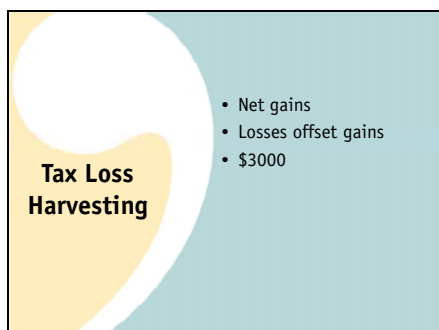
Unfortunately, it will probably mean you will need outside tax help to prepare your clubs taxes for this years taxes.

If you’d like to use bivio for your future taxes, you should sell the investment prior to the end of the calendar year



The final things I wanted to talk about tonight are a few things that you should make sure to address prior to the end of the calendar year if you want them to impact your taxes.

One of them some clubs consider is called Tax loss harvesting.



When you sell stocks you have a capital gain or loss. You will pay taxes on any net gains,

Net gains are the difference between any gains you have and any losses.

In addition, up to \$3000 in losses can be used to offset income you’ve earned in other ways, such as your regular salary income from your regular job.

Tax Loss Harvesting

- What does this mean?

Loss
AND
Recognized gains

- Sell losers to offset gains

So what does this mean for you?

If you have stocks which are showing a loss

AND

You have sold stocks and are showing a net gain on your sales,

you might want to sell some of the losers so you can lower the amount of gain you will be taxed on.

Tax Loss Harvesting

- Caveat
- Wash Sale



Just a caveat about doing this, however:

If you want to keep the stock that is currently showing the loss, you can purchase it back later. But make sure you do not repurchase it within 30 days of when you make your sale. If you do, you will trigger the wash sale rule and your loss will be disallowed. That means you won't be able to use it to offset your gains after all.

Topics of Discussion

- Before End of Calendar Year
 - Tax Loss Harvesting
 - Prevent problems in future

In addition to tax loss harvesting,

there are some other things you can do now to minimize or prevent an impact on future years taxes:

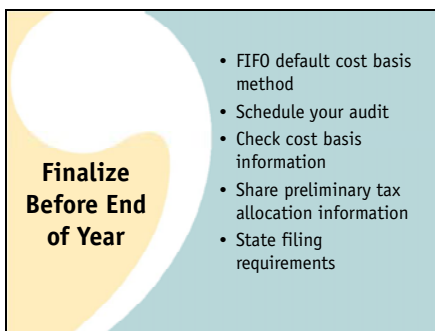


Sell any problem investments such as MLP's, REITS and commodity ETF's prior to year end to avoid tax headaches next year. You will probably find that the amount of income you have received from them this year does not justify the extra expense you will have to incur to get your club taxes prepared correctly by an outside source. If you own them now, you'll be stuck with the headaches for this tax season. But if you sell them before the end of the year you will be able to avoid having the same problems next year.

Consider selling DRIP's and/or discontinuing automatic dividend reinvestments. As you saw, it gives you a lot more work to do to keep your club records correctly. You'll also have more chances of triggering a wash sale (and the accounting complications that come along with it) if you sell any of your holdings. With brokerage commissions low or non existent, simplify your club accounting and improve your portfolio management by accumulating dividends. Invest regularly by consciously making a decision for each purchase rather than doing it automatically in extremely small amounts.

Pay out pending withdrawals- Otherwise the withdrawing members will have tax consequences on next years taxes as well as this years.

If you are going to disband you might want to try and complete your disbanding transactions before the end of the calendar year. If transactions occur into the new year, you will be dealing with taxes for both this year and next year. This may or may not be possible if you are already scheduled to receive dividends from any of your investments.



Make sure your broker is using FIFO as your default cost basis method for not only stocks, but also mutual funds and ETF's.

Put your audit on your schedule for January so your members can plan to be available.

Just to reiterate, check your cost basis information. The sooner you check it, the less chance any issues you find will delay your tax filing.

Share preliminary tax allocation information with members-This may be needed by those that have to file estimated taxes or fill in things like financial aid applications or Farm returns. Make sure to make it clear that amounts are preliminary and subject to final records verification.

Make sure you know what kind of state tax filing requirements you might have. Bivio provides some state tax forms and offers you a very cost effective approach for handling club taxes for states we don't provide.



You do not need to worry about purchasing a separate “tax printer”.

Procrastinate Peacefully.....

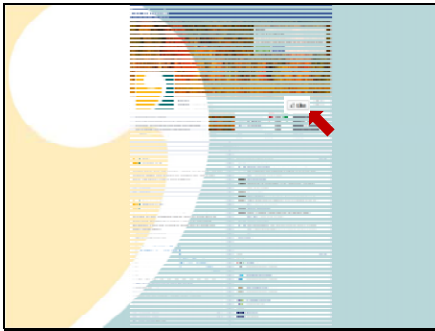
This allows you to Procrastinate Peacefully, knowing you are going to do a good job for your club when everything is available.



We encourage you to join our Club Café discussion list. We send out regular hints and tips about running your club, preparing your taxes and choosing your investments. If you'd like to discuss an issue your club has with other clubs, you can post your question here to get some feedback.

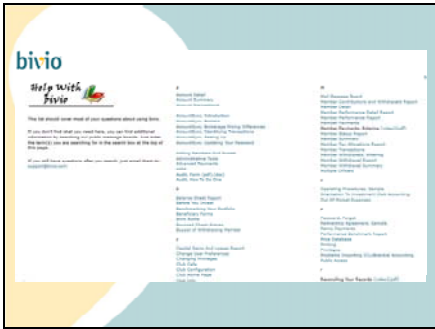
You can also follow our activities and receive timely tips and information on Facebook , on twitter and on Google+

www.facebook.com/bivio
www.twitter.com/bivio
Google+

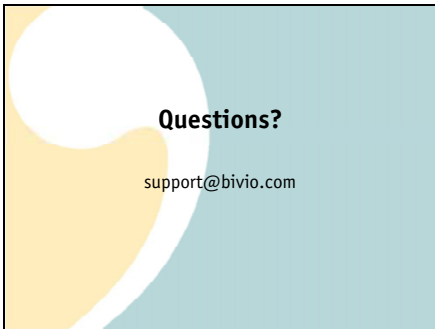


We love having you all as “friends” for our facebook page. So please go to our page and click on the little

“Like” button at the top if you haven’t already.



We’re here to support you during tax season. The quickest way to get answers to many questions is to go to our help page.

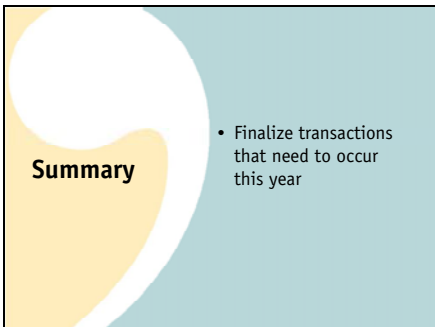


If you can’t find an answer there, email your question to:

support@bivio.com

Even if you feel you need a phone call. You’ll get a better response if you email us and let us know 2 or three times you will be available. That way we can try and call you back when we know you’ll be there.

Cost basis issues can take us a while to help you work through. The sooner you ask them, the quicker you’ll have an answer.



To summarize, you’re doing the right thing by spending a little time with us today to get oriented to what you will be doing during tax season.

If you take a little time now taking care of anything I mentioned that applies to you prior to the end of the calendar year,



You’ll be able to relax and spend your time enjoying the holiday season!