

STATE OF CALIFORNIA
FRANCHISE TAX BOARD
2665 N First Street Suite 210
San Jose CA 95134

FIRST LAST
555 AVENUE ST
BERNALILLO NM 85555

Date: 01.12.2021
Case: XXXXXXXXXXXXXXXXXXXX
Case Unit: XXXXXXXXXXXXXXXXXXXX
In reply refer to: XXX:XX:X-XX

Regarding: Franchise Tax Board Examination
Account Number: XXXXXXXXXXXX
Taxpayer's Name: FIRST LAST
Taxable Year: 2017

Please review the enclosed Information Document Requests (IDRs) and respond by 02.12.2021.

Thank you for your cooperation. If you have any questions, please feel free to contact me at the telephone number listed below.

Sincerely,

First Last
Telephone: 555.555.5555
Fax: 555.555.5555

Enc. IDRs 001-002



01.12.2021

Case: XXXXXXXXXX

Case Unit: XXXXXXXXXXXXXXXXXX

Page 2 of 3

IDR Number: 001

Subject: Sale of Residence

Taxpayers reported the following on Form 8949 in 2017:

| Descriptions | Date of Purchase | Date Sold | Proceeds | Cost Basis | Adj | Gain/Loss |
|----------------|------------------|-----------|-------------|------------|-----------|-----------|
| 555 Avenue St. | 01/21/77 | 05/01/17 | \$1,149,000 | \$90,500 | \$590,833 | \$467,667 |

Please provide the following documents:

1. A schedule detailing the gain calculations for each property including the identification of all basis adjustments, including all improvements, expenses, additions, etc.
2. Supporting documents to substantiate the cost of the properties sold, such as buyer's final [escrow] settlement statement and/or purchase agreement.
3. Supporting documents to substantiate the selling price of the properties, such as seller's final [escrow] settlement statement and/or sales agreement/contract.
4. A schedule of all improvements made to the properties along with supporting documentation for those improvements. (e.g., invoices, receipts, canceled checks, etc.)
5. A list of all addresses used as a principal residence (from your first home to your current home). Please list these addresses by the approximate months and years that they were used as a principal residence, acquired, and sold.
6. The period(s) from which you have used properties as your principal residence. Please include supporting documents that the property was used as your principal residence.
7. The period(s) from which you have used properties for business purposes (i.e. home office).
8. Written explanation of whether properties were acquired through a like-kind



01.12.2021

Case: XXXXXXXXXX

Case Unit: XXXXXXXXXXXXXXXXXX

Page 3 of 3

IDR Number: 002

Subject: Schedule A Other Expenses

Taxpayers reported \$525,530 Other Expenses on Schedule A in 2017 tax year.

Please provide the following:

1. Complete itemized listings of the various transactions that comprise the expense reported for 2017 with supporting documents such as banks statements and canceled checks.
2. A written explanation, detailing such expense.

