FOR TAX YEAR 2020

SRINIVASA RAO BALLE & PADMA NEELAKANTAM

SHOONYA TAX SOLUTIONS INC

16192 COASTAL HIGHWAY

Lewes, DE 19958

(844)746-6692

SHOONYA TAX SOLUTIONS INC

16192 COASTAL HIGHWAY
Lewes, DE 19958
info@shoonyatax.com
Phone: (844)746-6692 Fax:

May 25, 2021

Srinivasa Rao Balle & Padma Brinda Neelakantam
24669 Byrne Meadow Square
Aldie, VA 20105

Subject: Preparation of Your 2020 Tax Returns

Srinivasa Rao Balle & Padma Brinda Neelakantam:

Thank you for choosing SHOONYA TAX SOLUTIONS INC to assist you with your 2020 taxes. This letter confirms the terms of our engagement with you and outlines the nature and extent of the services we will provide.

We will prepare your 2020 federal and state income tax returns. We will depend on you to provide the information we need to prepare complete and accurate returns. We may ask you to clarify some items but will not audit or otherwise verify the data you submit. An Organizer is enclosed to help you collect the data required for your return. The Organizer will help you avoid overlooking important information. By using it, you will contribute to the efficient preparation of your returns and help minimize the cost of our services.

We will perform accounting services only as needed to prepare your tax returns. Our work will not include procedures to find defalcations or other irregularities. Accordingly, our engagement should not be relied upon to disclose errors, fraud, or other illegal acts, though it may be necessary for you to clarify some of the information you submit. We will inform you of any material errors, fraud, or other illegal acts we discover.

The law imposes penalties when taxpayers underestimate their tax liability. Call us if you have concerns about such penalties.

Should we encounter instances of unclear tax law, or of potential conflicts in the interpretation of the law, we will outline the reasonable courses of action and the risks and consequences of each. We will ultimately adopt, on your behalf, the alternative you select.

Our fee is based on the time required at standard billing rates plus out-of-pocket expenses. Invoices are due and payable upon presentation. All accounts not paid within thirty (30) days are subject to interest charges to the extent permitted by state law.

We will return your original records to you at the end of this engagement. Store these records, along with all supporting documents, in a secure location. We retain copies of your records and our work papers from your engagement for up to seven years, after which these documents will be destroyed.

If you have not selected to e-file your returns with our office, you will be solely responsible to file the returns with the appropriate taxing authorities. Review all tax-return documents carefully before signing them. Our engagement to prepare your 2020 tax returns will conclude with the delivery of the completed returns to you, or with e-filed returns, with your signature and our subsequent submittal of your tax return.

To affirm that this letter correctly summarizes your understanding of the arrangements for this work, sign the enclosed copy of this letter in the space indicated and return it to us in the envelope provided.

Thank you for the opportunity to be of service. If you have any questions, contact our office at (844)746-6692.

Sincerely,

Manoj Kumar Nagula
SHOONYA TAX SOLUTIONS INC

(Both spouses must sign for preparation of joint returns.)

Accepted By:

____
Taxpayer

____
Spouse

____
Date

SHOONYA TAX SOLUTIONS INC

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Srinivasa Rao Balle & Padma Brinda Neelakantam:

Return Type	**Refund/Balance Due**	**Transaction Method**
Federal Income Tax	$1,304 Refund	Direct Deposit to **2879
Virginia Income Tax	$179 Refund	Direct Deposit to **2879

The following return(s) were e-filed and accepted:

Federal Income Tax
Virginia Income Tax

Federal Income Tax

Quarter	**Estimate Due**	**Due Date**	**Transaction Method**
1st	$550	April 15, 2021	Mail a check
2nd	$550	June 15, 2021	Mail a check
3rd	$550	September 15, 2021	Mail a check
4th	$550	January 18, 2022	Mail a check

Sincerely,

Manoj Kumar Nagula
SHOONYA TAX SOLUTIONS INC

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Lewes, DE 19958
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Aldie, VA 20105

Your privacy is important to us. Read the following privacy policy.

We collect nonpublic personal information about you from various sources, including:

* Interviews regarding your tax situation

* Applications, organizers, or other documents that supply such information as your name, address, telephone number, Social Security Number, number of dependents, income, and other tax-related data

* Tax-related documents you provide that are required for processing tax returns, such as Forms W-2, 1099R, 1099-INT and 1099-DIV, and stock transactions

We do not disclose any nonpublic personal information about our clients or former clients to anyone, except as requested by our clients or as required by law.

We restrict access to personal information concerning you, except to our employees who need such information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your personal information.

If you have any questions about our privacy policy, contact our office at (844)746-6692.

Sincerely,

Manoj Kumar Nagula
SHOONYA TAX SOLUTIONS INC

Form **1040** Department of the Treasury-Internal Revenue Service (99)
U.S. Individual Income Tax Return **2020** OMB No. 1545-0074 IRS Use Only-Do not write or staple in this space.

Filing Status Check only one box. ☐ Single ☒ Married filing jointly ☐ Married filing separately (MFS) ☐ Head of household (HOH) ☐ Qualifying widow(er) (QW)

If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent ►

Your first name and middle initial	Last name	Your social security number
SRINIVASA RAO	BALLE	388-73-6338
If joint return, spouse's first name and middle initial	Last name	Spouse's social security number
PADMA BRINDA	NEELAKANTAM	236-57-5943

Home address (number and street). If you have a P.O. box, see instructions.	Apt. no.	
24669 BYRNE MEADOW SQUARE		

City, town, or post office. If you have a foreign address, also complete spaces below.	State	ZIP code
ALDIE	VA	20105

Foreign country name	Foreign province/state/county	Foreign postal code

Presidential Election Campaign Check here if you, or your spouse if filing jointly, want $3 to go to this fund. Checking a box below will not change your tax or refund. ☐ You ☐ Spouse

At any time during 2020, did you receive, sell, send, exchange, or otherwise acquire any financial interest in any virtual currency? ☐ Yes ☒ No

Standard Deduction **Someone can claim:** ☐ You as a dependent ☐ Your spouse as a dependent
☐ Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness **You:** ☐ Were born before January 2, 1956 ☐ Are blind **Spouse:** ☐ Was born before January 2, 1956 ☐ Is blind

Dependents (see instructions):
If more than four dependents, see instructions and check here ► ☐

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) Child tax credit	Credit for other dependents
KUSHVITHA SAI	BALLE	787-52-6890	DAUGHTER	☒	☐
				☐	☐
				☐	☐
				☐	☐

Attach Sch. B if required.

1	Wages, salaries, tips, etc. Attach Form(s) W-2			1	131,847
2a	Tax-exempt interest	2a		2b b Taxable interest	239
3a	Qualified dividends	3a	98	3b b Ordinary dividends	98
4a	IRA distributions	4a		4b b Taxable amount	
5a	Pensions and annuities	5a		5b b Taxable amount	
6a	Social security benefits	6a		6b b Taxable amount	
7	Capital gain or (loss). Attach Schedule D if required. If not required, check here ► ☐			7	6,564
8	Other income from Schedule 1, line 9			8	
9	Add lines 1, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your **total income** ►			9	138,748
10	Adjustments to income:				
a	From Schedule 1, line 22	10a	6,044		
b	Charitable contributions if you take the standard deduction. See instructions	10b			
c	Add lines 10a and 10b. These are your **total adjustments to income** ►			10c	6,044
11	Subtract line 10c from line 9. This is your **adjusted gross income** ►			11	132,704
12	**Standard deduction or itemized deductions** (from Schedule A)			12	24,800
13	Qualified business income deduction. Attach Form 8995 or Form 8995-A			13	
14	Add lines 12 and 13			14	24,800
15	**Taxable income.** Subtract line 14 from line 11. If zero or less, enter -0-			15	107,904

Standard Deduction for-
- Single or Married filing separately, $12,400
- Married filing jointly or Qualifying widow(er), $24,800
- Head of household, $18,650
- If you checked any box under *Standard Deduction,* see instructions.

16	**Tax** (see instructions). Check if any from Form(s): 1 ☐ 8814 2 ☐ 4972 3 ☐			16	15,312
17	Amount from Schedule 2, line 3			17	
18	Add lines 16 and 17			18	15,312
19	Child tax credit or credit for other dependents			19	2,000
20	Amount from Schedule 3, line 7			20	
21	Add lines 19 and 20			21	2,000
22	Subtract line 21 from line 18. If zero or less, enter -0-			22	13,312
23	Other taxes, including self-employment tax, from Schedule 2, line 10			23	
24	Add lines 22 and 23. This is your **total tax** ►			24	13,312
25	Federal income tax withheld from:				
a	Form(s) W-2	25a	11,116		
b	Form(s) 1099	25b			
c	Other forms (see instructions)	25c			
d	Add lines 25a through 25c			25d	11,116
26	2020 estimated tax payments and amount applied from 2019 return			26	
27	Earned income credit (EIC)	27			
28	Additional child tax credit. Attach Schedule 8812	28			
29	American opportunity credit from Form 8863, line 8	29			
30	Recovery rebate credit. See instructions	30	3,500		
31	Amount from Schedule 3, line 13	31			
32	Add lines 27 through 31. These are your **total other payments and refundable credits** ►			32	3,500
33	Add lines 25d, 26, and 32. These are your **total payments** ►			33	14,616

• If you have a qualifying child, attach Sch. EIC.
• If you have nontaxable combat pay, see instructions.

Refund

34	If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you **overpaid**			34	1,304
35a	Amount of line 34 you want **refunded to you.** If Form 8888 is attached, check here ► ☐			35a	1,304
►b	Routing number 061000052 ►c Type: ☒ Checking ☐ Savings				
►d	Account number 334049152879				
36	Amount of line 34 you want **applied to your 2021 estimated tax** ►	36			

Direct deposit? See instructions.

Amount You Owe

For details on how to pay, see instructions.

37	Subtract line 33 from line 24. This is the **amount you owe now** ►			37	0
	Note: Schedule H and Schedule SE filers, line 37 may not represent all of the taxes you owe for 2020. See Schedule 3, line 12e, and its instructions for details.				
38	Estimated tax penalty (see instructions) ►	38			

Third Party Designee

Do you want to allow another person to discuss this return with the IRS? See instructions ► ☐ **Yes.** Complete below. ☒ **No**

Designee's name ► Phone no. ► Personal identification number (PIN) ►

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Joint return? See instructions. Keep a copy for your records.

Your signature	Date	Your occupation	If the IRS sent you an Identity Protection PIN, enter it here (see inst.) ►
65733	02-26-2021	SOFTWARE ENGINEER	
Spouse's signature. If a joint return, **both** must sign.	Date	Spouse's occupation	If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.) ►
02682	02-26-2021	SOFTWARE ENGINEER	

Phone no. Email address SRINIVASARAOBALLE@GMAIL.COM

Paid Preparer Use Only

Preparer's signature	Date	PTIN	Check if:
MANOJ KUMAR NAGULA	05-25-2021	P02060896	☐ Self-employed

Preparer's name MANOJ KUMAR NAGULA Phone no. 844-746-6692

Firm's name ► SHOONYA TAX SOLUTIONS INC

Firm's address ► 16192 COASTAL HIGHWAY Lewes, DE 19958 Firm's EIN ► 84-4291993

SCHEDULE 1 (Form 1040)

Department of the Treasury
Internal Revenue Service

Additional Income and Adjustments to Income

► Attach to Form 1040, 1040-SR, or 1040-NR.
► Go to *www.irs.gov/Form1040* for instructions and the latest information.

OMB No. 1545-0074
2020
Attachment Sequence No. **01**

Name(s) shown on Form 1040,1040-SR, or 1040-NR: SRINIVASA RAO BALLE & PADMA NEELAKANTAM

Your social security number: 388-73-6338

Part I Additional Income

1	Taxable refunds, credits, or offsets of state and local income taxes	1	
2a	Alimony received	2a	
b	Date of original divorce or separation agreement (see instructions) ►		
3	Business income or (loss). Attach Schedule C	3	
4	Other gains or (losses). Attach Form 4797	4	
5	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	5	
6	Farm income or (loss). Attach Schedule F	6	
7	Unemployment compensation	7	
8	Other income. List type and amount ►	8	
9	Combine lines 1 through 8. Enter here and on Form 1040,1040-SR, or 1040-NR line 8	9	0

Part II Adjustments to Income

10	Educator expenses	10	
11	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106	11	
12	Health savings account deduction. Attach Form 8889	12	
13	Moving expenses for members of the Armed Forces. Attach Form 3903	13	
14	Deductible part of self-employment tax. Attach Schedule SE	14	
15	Self-employed SEP, SIMPLE, and qualified plans	15	
16	Self-employed health insurance deduction	16	
17	Penalty on early withdrawal of savings	17	44
18a	Alimony paid	18a	
b	Recipient's SSN ►		
c	Date of original divorce or separation agreement (see instructions) ►		
19	IRA deduction	19	6,000
20	Student loan interest deduction	20	
21	Tuition and fees deduction. Attach Form 8917	21	
22	Add lines 10 through 21. These are your **adjustments to income.** Enter here and on Form 1040, 1040-SR, or 1040-NR, line 10a	22	6,044

SCHEDULE D
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Capital Gains and Losses

► Attach to Form 1040, 1040-SR, or 1040-NR.
► Go to *www.irs.gov/ScheduleD* for instructions and the latest information.
► Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.

OMB No. 1545-0074
2020
Attachment Sequence No. **12**

Name(s) shown on return: SRINIVASA RAO BALLE & PADMA NEELAKANTAM

Your social security number: 388-73-6338

Did you dispose of any investment(s) in a qualified opportunity fund during the tax year? ☐ **Yes** ☒ **No**

If "Yes," attach Form 8949 and see its instructions for additional requirements for reporting your gain or loss.

Part I Short-Term Capital Gains and Losses - Generally Assets Held One Year or Less (see instructions)

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b . . .				
1b Totals for all transactions reported on Form(s) 8949 with **Box A** checked . . .	31,878	25,314		6,564
2 Totals for all transactions reported on Form(s) 8949 with **Box B** checked . . .				
3 Totals for all transactions reported on Form(s) 8949 with **Box C** checked . . .				

4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824 . . .	4	
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1 . . .	5	
6 Short-term capital loss carryover. Enter the amount, if any, from line 8 of your **Capital Loss Carryover Worksheet** in the instructions . . .	6	( )
7 **Net short-term capital gain or (loss).** Combine lines 1a through 6 in column (h). If you have any long-term capital gains or losses, go to Part II below. Otherwise, go to Part III on page 2 . . .	7	6,564

Part II Long-Term Capital Gains and Losses - Generally Assets Held More Than One Year (see instructions)

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b . .				
8b Totals for all transactions reported on Form(s) 8949 with **Box D** checked . . .				
9 Totals for all transactions reported on Form(s) 8949 with **Box E** checked . . .				
10 Totals for all transactions reported on Form(s) 8949 with **Box F** checked . . .				

11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824 . . .	11	
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1	12	
13 Capital gain distributions. See the instructions . . .	13	
14 Long-term capital loss carryover. Enter the amount, if any, from line 13 of your **Capital Loss Carryover Worksheet** in the instructions . . .	14	( )
15 **Net long-term capital gain or (loss).** Combine lines 8a through 14 in column (h). Then go to Part III on page 2 . . .	15	

Part III **Summary**

16 Combine lines 7 and 15 and enter the result **16** 6,564

- If line 16 is a **gain,** enter the amount from line 16 on Form 1040,1040-SR, or 1040-NR, line 7. Then, go to line 17 below.
- If line 16 is a **loss,** skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22.
- If line 16 is **zero,** skip lines 17 through 21 below and enter -0- on Form 1040,1040-SR, or 1040-NR, line 7. Then, go to line 22.

17 Are lines 15 and 16 **both** gains?

☐ **Yes.** Go to line 18.

☒ **No.** Skip lines 18 through 21, and go to line 22.

18 If you are required to complete the **28% Rate Gain Worksheet** (see instructions), enter the amount, if any, from line 7 of that worksheet . . . . ▶ **18**

19 If you are required to complete the **Unrecaptured Section 1250 Gain Worksheet** (see instructions), enter the amount, if any, from line 18 of that worksheet . . . . ▶ **19**

20 Are lines 18 and 19 both zero or blank and are you not filing Form 4952?

☐ **Yes.** Complete the **Qualified Dividends and Capital Gain Tax Worksheet** in the instructions for Forms 1040 and 1040-SR, line 16. **Don't** complete lines 21 and 22 below.

☐ **No.** Complete the **Schedule D Tax Worksheet** in the instructions. **Don't** complete lines 21 and 22 below.

21 If line 16 is a loss, enter here and on Form 1040, 1040-SR, or 1040-NR, line7, the **smaller** of:

- The loss on line 16; or
- ($3,000), or if married filing separately, ($1,500)

▶ . . . . **21** ( )

Note: When figuring which amount is smaller, treat both amounts as positive numbers.

22 Do you have qualified dividends on Form 1040, 1040-SR, 1040-NR, line 3a?

☒ **Yes.** Complete the **Qualified Dividends and Capital Gain Tax Worksheet** in the instructions for Forms 1040 and 1040-SR, line 16.

☐ **No.** Complete the rest of Form 1040, 1040-SR, or 1040-NR.

Form **8949**

Department of the Treasury
Internal Revenue Service

Sales and Other Dispositions of Capital Assets

► Go to *www.irs.gov/Form8949* for instructions and the latest information.

► File with your Schedule D to list your transactions for lines 1b, 2, 3, 8b, 9, and 10 of Schedule D.

OMB No. 1545-0074

2020

Attachment Sequence No. **12A**

Name(s) shown on return	Social security number or taxpayer identification number
SRINIVASA RAO BALLE & PADMA NEELAKANTAM	388-73-6338

Before you check Box A, B, or C below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either will show whether your basis (usually your cost) was reported to the IRS by your broker and may even tell you which box to check.

Part I **Short-Term.** Transactions involving capital assets you held 1 year or less are generally short-term (see instructions). For long-term transactions, see page 2.

Note: You may aggregate all short-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 1a; you aren't required to report these transactions on Form 8949 (see instructions).

You *must* check Box A, B, *or* C below. Check only one box. If more than one box applies for your short-term transactions, complete a separate Form 8949, page 1, for each applicable box. If you have more short-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

- [X] **(A)** Short-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)
- [ ] **(B)** Short-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS
- [ ] **(C)** Short-term transactions not reported to you on Form 1099-B

1 (a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis. See the **Note** below and see *Column (e)* in the separate instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). **See the separate instructions.** (f) Code(s) from instructions	(g) Amount of adjustment	(h) **Gain or (loss).** Subtract column (e) from column (d) and combine the result with column (g)
E TRADE ESPP	VARIOUS	12-31-2020	31,878	25,314			6,564
2 Totals. Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, **line 1b** (if **Box A** above is checked), **line 2** (if **Box B** above is checked), or **line 3** (if **Box C** above is checked) ►			31,878	25,314			6,564

Note: If you checked Box A above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See *Column (g)* in the separate instructions for how to figure the amount of the adjustment.

Form **8606**

Department of the Treasury
Internal Revenue Service (99)

Nondeductible IRAs

► Go to *www.irs.gov/Form8606* for instructions and the latest information.
► For coronavirus-related distributions, see the instructions.
► Attach to 2020 Form 1040, 1040-SR, or 1040-NR.

OMB No. 1545-0074
2020
Attachment Sequence No. **48**

Name. If married, file a separate form for each spouse required to file 2020 Form 8606. See instructions.	Your social security number
SRINIVASA RAO BALLE	388-73-6338

Fill in Your Address Only if You Are Filing This Form by Itself and Not With Your Tax Return ►

Home address (number and street, or P.O. box if mail is not delivered to your home)		Apt. no.
City, town or post office, state, and ZIP code. If you have a foreign address, also complete the spaces below (see instructions).		
Foreign country name	Foreign province/state/county	Foreign postal code

Part I Nondeductible Contributions to Traditional IRAs and Distributions From Traditional, SEP, and SIMPLE IRAs

Complete this part only if one or more of the following apply.

- You made nondeductible contributions to a traditional IRA for 2020.
- You took distributions from a traditional, SEP, or SIMPLE IRA in 2020 **and** you made nondeductible contributions to a traditional IRA in 2020 or an earlier year. For this purpose, a distribution does not include a rollover (other than a repayment of a qualified disaster distribution (see 2020 Forms 8915-C, 8915-D, and 8915-E)), qualified charitable distribution, one-time distribution to fund an HSA, conversion, recharacterization, or return of certain contributions.
- You converted part, but not all, of your traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2020 **and** you made nondeductible contributions to a traditional IRA in 2020 or an earlier year.

1	Enter your nondeductible contributions to traditional IRAs for 2020, including those made for 2020 from January 1, 2021, through April 15, 2021. See instructions			1	6,000
2	Enter your total basis in traditional IRAs. See instructions			2	
3	Add lines 1 and 2			3	6,000
	In 2020, did you take a distribution from traditional, SEP, or SIMPLE IRAs, or make a Roth IRA conversion? No → Enter the amount from line 3 on line 14. Do not complete the rest of Part I. Yes → Go to line 4.				
4	Enter those contributions included on line 1 that were made from January 1, 2021, through April 15, 2021			4	
5	Subtract line 4 from line 3			5	
6	Enter the value of **all** your traditional, SEP, and SIMPLE IRAs as of December 31, 2020, plus any outstanding rollovers. Subtract any repayments of qualified disaster distributions (see 2020 Forms 8915-C, 8915-D, and 8915-E)	6			
7	Enter your distributions from traditional, SEP, and SIMPLE IRAs in 2020. **Do not** include rollovers (other than repayments of qualified disaster distributions (see 2020 Forms 8915-C, 8915-D, and 8915-E)), qualified charitable distributions, a one-time distribution to fund an HSA, conversions to a Roth IRA, certain returned contributions, or recharacterizations of traditional IRA contributions (see instructions)	7			
8	Enter the net amount you converted from traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2020. Also enter this amount on line 16	8			
9	Add lines 6, 7, and 8 — 9				
10	Divide line 5 by line 9. Enter the result as a decimal rounded to at least 3 places. If the result is 1.000 or more, enter "1.000"	10	x		
11	Multiply line 8 by line 10. This is the nontaxable portion of the amount you converted to Roth IRAs. Also enter this amount on line 17	11			
12	Multiply line 7 by line 10. This is the nontaxable portion of your distributions that you did not convert to a Roth IRA	12			
13	Add lines 11 and 12. This is the nontaxable portion of all your distributions			13	
14	Subtract line 13 from line 3. This is **your total basis in traditional IRAs for 2020 and earlier years**			14	6,000
15a	Subtract line 12 from line 7			15a	
b	Enter the amount on line 15a attributable to qualified disaster distributions from 2020 Forms 8915-C, 8915-D, and 8915-E (see instructions). Also, enter this amount on 2020 Form 8915-C, line 23; 2020 Form 8915-D, line 22; **or** 2020 Form 8915-E, line 13, as applicable			15b	
c	**Taxable amount.** Subtract line 15b from line 15a. If more than zero, also include this amount on 2020 Form 1040, 1040-SR, **or** 1040-NR, line 4b			15c	

Note: You may be subject to an additional 10% tax on the amount on line 15c if you were under age 59 1/2 at the time of the distribution. See instructions.

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Form **8867**

Department of the Treasury
Internal Revenue Service

Paid Preparer's Due Diligence Checklist

Earned Income Credit (EIC), American Opportunity Tax Credit (AOTC), Child Tax Credit (CTC) (including the Additional Child Tax Credit (ACTC) and Credit for Other Dependents (ODC)), and Head of Household (HOH) Filing Status

► **To be completed by preparer and filed with Form 1040, 1040-SR, 1040-NR, 1040-PR, or 1040-SS.**

► **Go to *www.irs.gov/Form8867* for instructions and the latest information.**

OMB No. 1545-0074

2020

Attachment Sequence No. **70**

Taxpayer name(s) shown on return	**Taxpayer identification number**
SRINIVASA RAO BALLE & PADMA NEELAKANTAM	388-73-6338

Enter preparer's name and PTIN

MANOJ KUMAR NAGULA P02060896

Part I Due Diligence Requirements

Please check the appropriate box for the credit(s) and/or HOH filing status claimed on the return and complete the related Parts I–V for the benefit(s) claimed (check all that apply).

☐ EIC ☒ CTC/ ACTC/ODC ☐ AOTC ☐ HOH

		Yes	No	N/A
1	Did you complete the return based on information for tax year 2020 provided by the taxpayer or reasonably obtained by you?	X		
2	If credits are claimed on the return, did you complete the applicable EIC and/or CTC/ACTC/ODC worksheets found in the Form 1040, 1040-SR, 1040-NR, 1040-PR, or 1040-SS instructions, and/or the AOTC worksheet found in the Form 8863 instructions, or your own worksheet(s) that provides the same information, and all related forms and schedules for each credit claimed?	X		
3	Did you satisfy the knowledge requirement? To meet the knowledge requirement, you must do both of the following. • Interview the taxpayer, ask questions, and contemporaneously document the taxpayer's responses to determine that the taxpayer is eligible to claim the credit(s) and/or HOH filing status. • Review information to determine that the taxpayer is eligible to claim the credit(s) and/or HOH filing status and to figure the amount(s) of any credit(s)	X		
4	Did any information provided by the taxpayer or a third party for use in preparing the return, or information reasonably known to you, appear to be incorrect, incomplete, or inconsistent? (If **"Yes,"** answer questions 4a and 4b. If **"No,"** go to question 5.)		X	
a	Did you make reasonable inquiries to determine the correct, complete, and consistent information?			
b	Did you contemporaneously document your inquiries? (Documentation should include the questions you asked, whom you asked, when you asked, the information that was provided, and the impact the information had on your preparation of the return.)			
5	Did you satisfy the record retention requirement? To meet the record retention requirement, you must keep a copy of your documentation referenced in 4b, a copy of this Form 8867, a copy of any applicable worksheet(s), a record of how, when, and from whom the information used to prepare Form 8867 and any applicable worksheet(s) was obtained, and a copy of any document(s) provided by the taxpayer that you relied on to determine eligibility for the credit(s) and/or HOH filing status or to figure the amount(s) of the credit(s)	X		
	List those documents provided by the taxpayer, if any, that you relied on: TP FILLED OUT OUR DEPENDENT FORM			
6	Did you ask the taxpayer whether he/she could provide documentation to substantiate eligibility for the credit(s) and/or HOH filing status and the amount(s) of any credit(s) claimed on the return if his/her return is selected for audit?	X		
7	Did you ask the taxpayer if any of these credits were disallowed or reduced in a previous year? **(If credits were disallowed or reduced, go to question 7a; if not, go to question 8.)**	X		
a	Did you complete the required recertification Form 8862?			
8	If the taxpayer is reporting self-employment income, did you ask questions to prepare a complete and correct Schedule C (Form 1040)?			

Part II Due Diligence Questions for Returns Claiming EIC (If the return does not claim EIC, go to Part III.)

		Yes	No	N/A
9a	Have you determined that the taxpayer is eligible to claim the EIC for the number of qualifying children claimed, or is eligible to claim the EIC without a qualifying child? **(If the taxpayer is claiming the EIC and does not have a qualifying child, go to question 10.)**	☐	☐	
b	Did you ask the taxpayer if the child lived with the taxpayer for over half of the year, even if the taxpayer has supported the child the entire year?	☐	☐	
c	Did you explain to the taxpayer the rules about claiming the EIC when a child is the qualifying child of more than one person (tiebreaker rules)?	☐	☐	☐

Part III Due Diligence Questions for Returns Claiming CTC/ACTC/ODC (If the return does not claim CTC, ACTC, or ODC, go to Part IV.)

		Yes	No	N/A
10	Have you determined that each qualifying person for the CTC/ACTC/ODC is the taxpayer's dependent who is a citizen, national, or resident of the United States?	X	☐	
11	Did you explain to the taxpayer that he/she may not claim the CTC/ACTC if the taxpayer has not lived with the child for over half of the year, even if the taxpayer has supported the child, unless the child's custodial parent has released a claim to exemption for the child?	X	☐	☐
12	DId you explain to the taxpayer the rules about claiming the CTC/ACTC/ODC for a child of divorced or separated parents (or parents who live apart), including any requirement to attach a Form 8332 or similar statement to the return?	X	☐	☐

Part IV Due Diligence Questions for Returns Claiming AOTC (If the return does not claim AOTC, go to Part V.)

		Yes	No
13	Did the taxpayer provide substantiation for the credit, such as a Form 1098-T and/or receipts for the qualified tuition and related expenses for the claimed AOTC?	☐	☐

Part V Due Diligence Questions for Claiming HOH (If the return does not claim HOH filing status, go to Part VI.)

		Yes	No
14	Have you determined that the taxpayer was unmarried or considered unmarried on the last day of the tax year and provided more than half of the cost of keeping up a home for the year for a qualifying person?	☐	☐

Part VI Eligibility Certification

► **You will have complied with all due diligence requirements for claiming the applicable credit(s) and/or HOH filing status on the return of the taxpayer identified above if you:**

A. Interview the taxpayer, ask adequate questions, contemporaneously document the taxpayer's responses on the return or in your notes, review adequate information to determine if the taxpayer is eligible to claim the credit(s) and/or HOH filing status and to figure the amount(s) of the credit(s);

B. Complete this Form 8867 truthfully and accurately and complete the actions described in this checklist for any applicable credit(s) claimed and HOH filing status, if claimed;

C. Submit Form 8867 in the manner required; **and**

D. Keep all five of the following records for 3 years from the latest of the dates specified in the Form 8867 instructions under *Document Retention*.

1. A copy of this Form 8867.
2. The applicable worksheet(s) or your own worksheet(s) for any credit(s) claimed.
3. Copies of any documents provided by the taxpayer on which you relied to determine the taxpayer's eligibility for the credit(s) and/or HOH filing status and to figure the amount(s) of the credit(s).
4. A record of how, when, and from whom the information used to prepare this form and the applicable worksheet(s) was obtained.
5. A record of any additional information you relied upon, including questions you asked and the taxpayer's reponses, to determine the taxpayer's eligibility for the credit(s) and/or HOH filing status and to figure the amount(s) of the credit(s).

► **If you have not complied with all due diligence requirements, you may have to pay a $540 penalty for each failure to comply related to a claim of an applicable credit or HOH filing status.**

		Yes	No
15	Do you certify that all of the answers on this Form 8867 are, to the best of your knowledge, true, correct, and complete?	X	☐

	TAX RETURN COMPARISON 2018 / 2019 / 2020	2020

Name(s) as shown on return: SRINIVASA RAO BALLE & PADMA NEELAKANTAM

Identifying number: 388-73-6338

	2018	2019	2020	Difference 2019-2020
Filing Status			Married Joint	
Number of Dependents			1	1
Income				
Wages, salaries, tips, etc.			131,847	131,847
Taxable interest and dividends			337	337
Taxable state and local refunds				
Alimony				
Business income (loss)				
Gains (losses)			6,564	6,564
Pensions and IRA distributions				
Rent and royalty income (loss)				
Part, S-corps, trusts income (loss)				
Farm income (loss)				
Unemployment compensation				
Total SS benefits received				
Taxable SS benefits				
Other income (loss)				
Total Income			138,748	138,748
Adjusted Gross Income				
Half of self-employment tax				
IRA deduction			6,000	6,000
Other adjustments			44	44
Total Adjusted Gross Income			132,704	132,704
Deductions				
Medical deductions				
State and local taxes				
Interest				
Contributions				
Employee business expenses				
Standard or other deductions			24,800	24,800
Total Itemized or Standard Ded			24,800	24,800
Qualified Business Income Deduction				
Tax and Credits				
Taxable Income			107,904	107,904
Tax			15,312	15,312
Credits			2,000	2,000
Self-employment tax				
Other taxes				
Total Tax			13,312	13,312
Payments				
Withholdings			11,116	11,116
Estimated tax payments				
Earned income credit				
Other payments and credits			3,500	3,500
Estimated tax penalty				
Overpayment			1,304	1,304
Overpayment Applied				
Refund			1,304	1,304
Balance Due				
Marginal tax rate			22.00	22.00
Effective tax rate			14.19	14.19

2020 VA760 Filing Instructions
SRINIVASA RAO BALLE & PADMA NEELAKANTAM

2020 VA760CG Page 1 [ ]

Individual Income Tax Return

SRINIVASA RA BALLE
PADMA BRINDA NEELAKANTAM
24669 BYRNE MEADOW SQUARE

ALDIE VA 20105

SSN - You	BALL	388736338	Vendor ID	1024	XXXXX
SSN - Spouse	NEEL	236575943			

Fed Adj Gross Income (FAGI)	1.	132704.	Withholding (VA) - You	19A.	6777.
Additions	2.		Withholding (VA) - Spouse	19B.	97.
Subtotal	3.	132704.	Estimated Payments	20.	
Age Deduction - You	4A.		2019 Overpayment	21.	
Age Deduction - Spouse	4B.		Extension Payments	22.	
Soc Sec & Tier 1 Railroad	5.		Credit - Low-Income or EIC	23.	
State Income Tax Overpayment	6.		Credit - Schedule OSC	24.	
Subtractions	7.		Credits - Schedule CR	25.	
Subtotal Subtractions	8.		Total Payments / Credits	26.	6874.
Total VA Adj Gross Income (VAGI)	9.	132704.	Tax You Owe	27.	
Itemized Deductions - VA Sch A	10.		Tax Overpayment	28.	179.
Standard Deduction	11.	9000.	Overpayment Credited to Next Year	29.	
Exemptions	12.	2790.	VAC - Virginia 529 / ABLEnow	30.	
Deductions	13.		VAC - Other Contributions	31.	
Subtotal (Deductions & Exemptions)	14.	11790.	Addition to Tax, Penalty & Interest	32.	
VA Taxable Income	15.	120914.	Sales and Use Tax	33.	
Amount of Tax	16.	6695.	**Amount You Owe**		
Spouse Tax Adjustment (STA)	17.		Will Pay by Credit/Debit Card **Your Refund**		179.
VAGI - Spouse	17A.		Bank Routing #	C	061000052
Net Amount of Tax	18.	6695.	Bank Account #	334049152879	

______________ ___LAR ___DLAR ___DTD ___LTD $______________

388736338

Filing Status, Age & License Information

Filing Status	2
Federal Head of Household	
DOB - You	06281982
VA Driver's License ID - You	C62494951
VA Driver's License - Iss. Date - You	10182019
Spouse Name (Filing Status 3 Only)	
DOB - Spouse	08061982
VA Driver's License ID - Spouse	
VA Driver's License - Iss. Date - Spouse	

Exemptions (A)

You	1
Spouse	1
Dependents	1
Total (A)	3

Exemptions (B)

65 & Over - You	
65 & Over - Spouse	
Blind - You	
Blind - Spouse	
Total (B)	

Additional Filing Information

Locality	107
Name or Filing Status Change	
Address Change	
VA Return Not Filed Last Year	
Dependent on Another's Return	
Farmer / Fisherman / Merchant Seaman	
Amended	
Reason Code	
Overseas on Due Date	
Federal EIC & Amount	
Deceased Indicator	
No Sales & Use Tax Due Indicator	X
Obtain Electronic 1099G	
ID Theft PIN	

Contact Information

I (We), the undersigned, declare under penalty of law that I (we) have examined this return & to the best of my (our) knowledge, it is a true, correct & complete return. If you are requesting direct deposit of your refund by providing bank information on your return, you are certifying that the information provided is for a domestic account within the territorial jurisdiction of the United States.

Signature - You ______________	Date 052521	Phone - You	4049035248
Signature - Spouse ______________	Date 052521	Phone - Spouse	
Signature - Preparer ______________	Date 052521	Phone - Preparer	8447466692

The Tax Department may discuss my/our return with my/our preparer.

Preparer Information 2 P02060896

MANOJ KUMAR NAGULA
SHOONYA TAX SOLUTIONS INC
16192 COASTAL HIGHWAY
Lewes, DE 19958

File by May 1, 2021
Include Page 1, Page 2 and all supporting 760CG documents.

2020 Schedule INC/CG

Report all W-2s, 1099s, & VK-1s with VA Withholding

SRINIVASA RA BALLE

PADMA BRINDA NEELAKANTAM

388736338

Your/ Spouse SSN	Withholding Type	VA Withholding	Employer FEIN	VA Account Number	VA Wages, tips, other comp.
388736338	W	6777.	541780389	30541780389F001	128146.
236575943	W	97.	161309424	30161309424F001	3701.

Total VA Withholding	SSN	VA Withholding
You	388736338	6777.
Spouse	236575943	97.

Total # of W-2s, 1099s & VK-1s 2

1024

To avoid delays - be sure to enter all information, including the Employer's FEIN.

VA-COMP	Three-year State Tax Return Comparison	2020

Name(s) as shown on return: SRINIVASA RAO BALLE & PADMA NEELAKANTAM

Taxpayer ID Number: 388-73-6338

[State] Income Tax Return	2018	2019	2020	Difference 2019-2020
Filing Status			MFJ	
Gross Income			132,704	132,704
Standard Deduction			9,000	9,000
Itemized Deduction				
Deductions				
Taxable Income			120,914	120,914
Actual State Income			120,914	120,914
State Income Tax			6,695	6,695
Local Taxes				
Use Tax				
Contributions				
Income Tax Withheld			6,874	6,874
Estimates and Extension payments				
Underpayment Penalty				
Overpayment Applied to Next Year				
Refund			179	179
Balance Due				
Marginal tax rate			5.750000	5.750000
Effective tax rate			5.540000	5.540000