

1. Use the Database Download instructions and query your tax software for the data and place into an Excel file.
2. Send Excel file to Source Advisors for review (note: you do not need to provide client names in the file, simply provide client numbers).
3. Source Advisors reviews the file and identifies clients most likely to benefit from LIFO.
4. Source Advisors presents the results of the analysis to the CPA firm contact who will then identify the CPA firm partner for each client with LIFO potential.
5. Source Advisors will coordinate a 30 minute call with each partner to discuss all of their clients identified as having LIFO potential – this call will entail high level discussions on the process of implementation.
6. For clients who will benefit from LIFO, begin the detailed estimate process.

Ask your IT or admin team to run a query from your software platform on last filed tax returns. The query should include the fields indicated in the chart. Export the data into Excel to allow us to easily review together. This routine will allow you to identify prospects for LIFO. Note that we do not want any client names, partner or preparer identification-please use system-generated IDs for those fields.

	S Corp 1120-S	C Corp 1120	Partnership 1065
Client No.	Internally Generated	Internally Generated	Internally Generated
Partner or Preparer No.	Internally Generated	Internally Generated	Internally Generated
Business Activity (Code)	Page 1 - B	Schedule K Line 2a	Page 1 - C
Business Activity Description	Schedule B Line 2a	Schedule K Line 2b	Page 1 - A
Ordinary Business Income/ Taxable Income	Line 22	Line 30	Line 23
Total Tax	N/A	Line 31	N/A
Inventory at End of Year	Form 1125-A Line 7	Form 1125-A Line 7	Form 1125-A Line 7
LIFO Inventory	Form 1125-A Line 9d	Form 1125-A Line 9d	Form 1125-A Line 9d