

## Retail Development Infrastructure Grant Application

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Name	Sam Lawrence
Company Name	Kelly's Art Shack
Federal Tax I.D.	080-72-2604
Incorporation Date	04-02-2022
Mailing Address	312 E. Cloyd Street, McKinney, TX, 75069
Phone Number	(214) 935-8891
Email	<a href="mailto:art@kellysartshack.com">art@kellysartshack.com</a>
Website	<a href="https://www.kellysartshack.com/">https://www.kellysartshack.com/</a>
Facebook	<a href="https://www.facebook.com/kellysartshack/">https://www.facebook.com/kellysartshack/</a>
Instagram	<a href="https://www.instagram.com/kellysartshack/">https://www.instagram.com/kellysartshack/</a>
Twitter / X	<a href="https://twitter.com/kellysartshack">https://twitter.com/kellysartshack</a>
LinkedIn	<a href="https://www.linkedin.com/company/kellysartshack/">https://www.linkedin.com/company/kellysartshack/</a>
Please provide a detailed narrative about your organization including years established, mission, goals, scope of services, successes, contribution to community, etc.	<p>Kelly's Art Shack: Unveiling Creativity, Connecting Communities</p> <p>Years Established: Founded in the fall of 2018 by the artistic luminary Kelly Gottuso, Kelly's Art Shack has become a vibrant hub of creativity and community engagement. The shack expanded its vision in 2023 with the inclusion of partner OVERSITEpro, Inc., marking a new chapter in its journey.</p> <p>Mission: At the core of Kelly's Art Shack is a mission to foster a space where artistic expression flourishes, events come to life, and the community is woven into the very fabric of its existence. We believe in the transformative power of art and its ability to inspire, connect, and bring joy to individuals and communities.</p>

## Goals:

**Artistic Exploration:** Provide a sanctuary for artistic exploration, offering a diverse range of services from commissioned pieces to art lessons.

**Community Engagement:** Act as a catalyst for community engagement, fostering connections and collaborations among artists and art enthusiasts.

**Event Excellence:** Create an exceptional event space, both indoors and outdoors, for various occasions, from intimate gatherings to grand celebrations.

**Cultural Contribution:** Contribute to the cultural tapestry of the community by hosting events, exhibitions, and programs that celebrate diversity and creativity.

## Scope of Services:

**Commissioned Pieces:** From concept to creation, we bring unique artistic ideas to life through meticulously crafted commissioned pieces.

**Art Lessons:** Professional artist-led lessons that unlock the world of visual art for students, providing hands-on learning experiences.

**Event Space:** Offering a dynamic event space of 1,800 square feet indoors and an additional 2,000 square feet outdoors, providing flexibility for various events.

**Art Prints and Wall Murals:** Transform spaces with elegant art prints and custom-designed wall murals that tell unique stories.

**Rent Art for Your Business:** Enable businesses to elevate their spaces by offering a rotating selection of artworks on a monthly rental basis.

## Successes:

Kelly's Art Shack has successfully hosted numerous art events, paint parties, and exhibitions, creating memorable experiences for attendees. The shack's commitment to quality art and engaging events has garnered positive feedback and loyal patrons.

## Contribution to Community:

Beyond the confines of the shack, our commitment extends to community initiatives. We actively participate in local events, collaborate with neighboring businesses, and support art-related projects that enrich the cultural landscape of the community.

## Future Vision:

Looking forward, Kelly's Art Shack envisions continued growth, diversification of services, technological integration, and expanded contributions to educational and cultural initiatives. We aspire to be a dynamic force in the art community, promoting creativity, inclusivity, and artistic excellence.

Kelly's Art Shack is not just a space; it's a vibrant canvas where every stroke of the brush tells a story, every event becomes a masterpiece, and every individual is invited to share in the magic of artistic expression. Join us on this exciting journey as we continue to paint new horizons and inspire the communities we serve.

Organization Type	LLC
Name	Sam Lawrence
Title	Owner
Mailing Address	5709 Bedrock Dr, McKinney, TX, 75070
Phone Number	(214) 326-6265
Email Address	<a href="mailto:creative@kellysartshack.com">creative@kellysartshack.com</a>
Name	Sam Lawrence
Title	Owner
Mailing Address	5709 Bedrock Dr, McKinney, TX, 75070
Phone Number	(214) 326-6265
Email Address	<a href="mailto:creative@kellysartshack.com">creative@kellysartshack.com</a>
Are you the property owner?	No
Name	Barbara Trumbull
Company	Babs and Pops LLC
Mailing Address	910 Willow Ridge Dr, Prosper, TX, 75078
Phone Number	(214) 762-5430
Email Address	<a href="mailto:barbaratrumbull@gmail.com">barbaratrumbull@gmail.com</a>

Letter of Support for Project from Property Owner	<a href="#">Building Owner - Letter of Approval.pdf</a>
Company / Organization Board of Directors	No board of directors is currently in place.
Leadership Staff	Kelly Gottuso - Business Owner - 90% - Day to day operations OVERSITEpro, Inc. - Business Owner - 10% - Support for growth and operational leadership (Partnership Began 2023 September)
Project / Business Name	Kelly's Art Shack
Location of Project	312 East Cloyd
Physical Address	312 East Cloyd, McKinney, TX, 75069
Property Size (in acres)	.055
Collin CAD Property ID	1105235
Property Use (retail, restaurant)	Retail
Estimated Date of Project Start Date	06-15-2024
Estimated Date of Project Completion Date	09-30-2024
Project Details and Proposed Use	Kelly's Art shack will use the funding from MCDC to create a properly drainable and flood free outdoor space that is secure and accommodating to private and public events. Currently our use is only allowed to have indoor events and it stifles the overall use of the space. The addition of a concrete outdoor patio area will expand our overall footprint and allow Kelly's Art Shack to gain momentum with larger and more inclusive events both private and public. The addition of gutters and downspouts, proper site drainage (concrete patio), security gates and new masonry fencing will not only assist in storm drainage during rainy periods to keep our building from flooding as it currently does leaving us to cancel events and other profitable items. A new fence and security gate will also bring the properties visual appearance up to a standard that

brings back life and beauty to an area of McKinney that currently is of low standard.

Days / Hours of Business Operation 11am to 7pm Tuesday - Saturday  
Closed Sunday and Monday

Has a request for grant funding been submitted to MCDC in the past five years? No

What is the total cost for this Project? 69,635

What percentage of Project funding will be provided by the applicant? 5

Are matching funds available? No

Other Funding Sources Building owner, Barbara Trumbull, will be assisting our company with improvements as our contractual lease agreement states that she is required to do so but is also willing to do so because of a longstanding good business relationship with our company.

Estimated Annual Taxable Sales 75,000

Current Appraised Value of Property 124,215

Estimated Appraised Value (post-improvement) 250,000

Estimated Construction Cost for Total Project 69,635

Total Estimated Cost for Exterior Infrastructure Improvements 69,635

Total Grant Amount Requested 50,000

Attach Competitive Bids for the Project	<a href="#">Kelly's Art Shack- Estimate - Eagle Construction.pdf</a>
Has a feasibility study or market analysis been completed for this proposed project?	No
Attach Executive Summary	<a href="#">Executive Summary_ Kelly's Art Shack.pdf</a>
Current financial report including current and previous year's profit & loss statement and balance sheet.	<a href="#">2024 Current Financials_ Kelly's Art Shack.pdf</a> <a href="#">Balance Sheet_ Kelly's Art Shack.pdf</a> <a href="#">P&amp;L 2022_ Kelly's Art Shack .pdf</a> <a href="#">P&amp;L 2023_ Kelly's Art Shack.pdf</a>
Audited financials for current and previous two years (if not available, please indicate why).	<a href="#">Explanation for Absence of Audited Financials - Kelly's Art Shack.pdf</a>
Reason for Unavailable Audited Financials	<a href="#">152_ Explanation for Absence of Audited Financials - Kelly's Art Shack_ 9472.pdf</a>
Budget	<a href="#">153_ 2024 Current Financials_ Kelly's Art Shack_ 4935.pdf</a>
Financial Statements	<a href="#">2021 Revenue_ Kelly's Art Shack.pdf</a> <a href="#">2022 Revenue_ Kelly's Art Shack.pdf</a> <a href="#">2023 Revenue_ Kelly's Art Shack.pdf</a> <a href="#">154_ 2024 Current Financials_ Kelly's Art Shack_ 109.pdf</a>
W9	<a href="#">Form W-9 (Rev. October 2018).pdf</a>
Business plan including mission and goals of company / organization, target customers, staff, growth goals, products / services, location(s), etc.	<a href="#">Revised Business Plan for Kelly's Art Shack and Events.pdf</a>
Plat / map of property extending 200 feet beyond property in all directions (if applicable).	<a href="#">Kellys Art Shack - Plat Map.pdf</a>

Describe planned support activities, their use, and admission fees (if applicable).

[Planned Support Activities at Kelly's Art Shack.pdf](#)

Timeline and schedule from design to completion.

[Project Timeline.pdf](#)

Plans for future expansion / growth.

[Kelly's Art Shack - Future Expansion & Growth.pdf](#)

We certify that all figures, facts and representations made in this application, including attachments, are true and correct to the best of our knowledge.

Selecting this option indicates your agreement with the above statement.

Representative  
Completing Application



Date

01-31-2024

Property Owner



Date

01-31-2024

Handwritten signature in blue ink, appearing to read "S. J. [unclear]".



Benjamin Franklin

## Executive Summary: Kelly's Art Shack

Kelly's Art Shack, founded in the fall of 2018 by the visionary Kelly Gottuso and later joined by partner OVERSITEpro, Inc, in 2023, stands as a vibrant testament to the fusion of passion, creativity, and community engagement. As a certified event planner and seasoned artist with over two decades of experience, Kelly infuses the shack with a rich blend of expertise, commitment, and love for the arts.

### Mission and Commitment:

At Kelly's Art Shack, our mission is to provide a space where artistic expression flourishes, events come to life, and the community is woven into the very fabric of our existence. Our commitment extends beyond the creation of art; it encompasses every stroke of the brush, every event planned, and every artistic endeavor undertaken.

### Scope of Services:

From commissioned pieces that bring unique ideas to life to custom paintings that adorn spaces with unmatched individuality, our shack is a sanctuary of artistic exploration. Dive into paint parties where creativity harmonizes with fun, join art lessons led by professional instructors, and explore a diverse range of art prints and wall murals.

### Event Space:

With 1,800 square feet of artistic charm indoors and an additional 2,000 square feet of outdoor allure, our event space is a canvas waiting for your story. Whether you prefer the intimate ambiance of our indoor setting or the refreshing open-air experience of our outdoor haven, the choice is yours. Our event space offers endless possibilities for crafting the perfect event, from weddings to corporate gatherings.

### Advantages and Benefits:

The advantages of our space lie in its flexibility and diversity. Host garden celebrations, alfresco art exhibitions, or stylish cocktail receptions beneath the stars. The benefits are twofold—intimate indoor affairs in the cozy ambiance of our shack and larger gatherings or seamless indoor-outdoor experiences in the expansive outdoor area.

### Contribution to Community:

Kelly's Art Shack is more than a physical space; it's a beacon of community engagement. We offer a hub for connection, collaboration, and the celebration of creativity. Our commitment extends to the surrounding community, making us not just a shack but a cherished asset for all who seek the magic of artistic expression.

### Future Vision:

Looking ahead, we envision a dynamic future marked by strategic expansion, diversification of services, technological integration, sustainability initiatives, educational outreach, membership programs, international art collaborations, and continued contributions to the cultural tapestry of our community.

Kelly's Art Shack is not merely a venue—it's a canvas where every brushstroke tells a story, every celebration becomes a masterpiece, and every event is a memorable journey into the world of art and creativity. Join us as we continue to paint a brighter future for Kelly's Art Shack and the vibrant community it inspires.

Kelly's Art Shack envisions a dynamic future marked by strategic expansion and innovative growth models. Our plans are grounded in a commitment to fostering artistic expression, community engagement, and sustainable business practices. Key elements of our future endeavors include:

**Physical Expansion:**

- Explore opportunities for physical expansion, considering additional square footage for the gallery, event space, and outdoor areas.
- Evaluate potential locations for satellite art hubs in neighboring communities, broadening our reach and impact.

**Diversification of Services:**

- Introduce new art-related services and experiences to attract a broader audience, such as art workshops, artist residencies, and themed events.
- Collaborate with local artisans and creatives to diversify our offerings, creating a multifaceted cultural hub.

**Technological Integration:**

- Implement cutting-edge technologies to enhance the online art-buying experience, reaching a global audience and supporting artists beyond our physical location.
- Develop a comprehensive digital platform for virtual art exhibitions, expanding our reach in the digital realm.

**Community Partnerships:**

- Forge strategic partnerships with local businesses, educational institutions, and cultural organizations to create mutually beneficial collaborations.
- Explore joint ventures with like-minded entities to host city-wide art events, fostering a sense of community and shared creativity.

**Sustainability Initiatives:**

- Integrate eco-friendly practices in our operations, incorporating sustainable materials in art supplies and implementing energy-efficient solutions.
- Establish partnerships with environmentally conscious organizations to promote art as a catalyst for positive social and environmental change.

**Educational Outreach:**

- Develop comprehensive art education programs, targeting schools and community centers, to nurture the next generation of artists and art enthusiasts.
- Create partnerships with educational institutions to offer accredited courses, positioning Kelly's Art Shack as a recognized center for artistic learning.

**Membership Programs:**

- Introduce membership programs for art enthusiasts, providing exclusive benefits, discounts, and early access to events.
- Foster a sense of belonging and loyalty within the community, encouraging sustained engagement with Kelly's Art Shack.

**International Art Collaborations:**

- Explore collaborations with international artists and art institutions, bringing diverse perspectives and global influences to our local community.

- Host international art exhibitions and cultural exchanges, positioning Kelly's Art Shack as a global destination for artistic expression.

These expansion and growth models align with our core values and mission, ensuring that Kelly's Art Shack continues to evolve as a dynamic, inclusive, and influential force in the world of art and culture.

## Planned Support Activities at Kelly's Art Shack: Unlocking Creativity and Connection

### Artistic Workshops:

Engage in hands-on artistic workshops led by seasoned artists. These workshops cover a range of mediums, techniques, and styles, providing participants with valuable skills and a deeper appreciation for the arts.

#### Use:

- Enhance artistic skills
- Explore new mediums
- Foster creativity and self-expression

#### Admission Fees:

Varied based on the complexity and duration of the workshop. Typically priced competitively to make art education accessible.

### Community Art Projects:

Collaborate on community art projects that bring people together to contribute to a larger creative endeavor. These projects may include murals, installations, or interactive displays.

#### Use:

- Promote community engagement
- Encourage teamwork and collaboration
- Beautify public spaces with community-created art

#### Admission Fees:

Participation fees may apply to cover materials and coordination costs. Community projects often involve a mix of volunteers and paid participants.

### Art Therapy Sessions:

Facilitate art therapy sessions designed to promote mental health and well-being. These sessions offer a therapeutic outlet for individuals to express emotions, reduce stress, and enhance their overall mental wellness.

#### Use:

- Address mental health challenges
- Provide a supportive and non-verbal outlet
- Foster a sense of community and understanding

#### Admission Fees:

Structured as affordable sessions to ensure accessibility. Potential sliding scale or sponsorship options for those facing financial constraints.

### Art Exhibitions and Open Mic Nights:

Host regular art exhibitions showcasing local talent and open mic nights for poets, musicians, and performers. These events create a platform for artists to share their work and for the community to appreciate diverse forms of expression.

#### Use:

- Showcase local talent
- Promote cultural diversity

- Offer a platform for emerging artists

**Admission Fees:**

Typically nominal fees to cover event logistics. Free admission may be offered for certain community-focused events.

**Artisan Markets:**

Organize artisan markets featuring local artists, craftsmen, and makers. These markets provide a space for artists to sell their creations and for the community to discover unique, handmade items.

**Use:**

- Support local artists and makers
- Encourage entrepreneurship in the arts
- Create a vibrant marketplace

**Admission Fees:**

Free admission for attendees. Booth fees or a percentage of sales may be charged to participating artists.

**Art History Lectures and Educational Programs:**

Conduct art history lectures and educational programs to deepen the community's understanding of different art movements, styles, and cultural contexts.

**Use:**

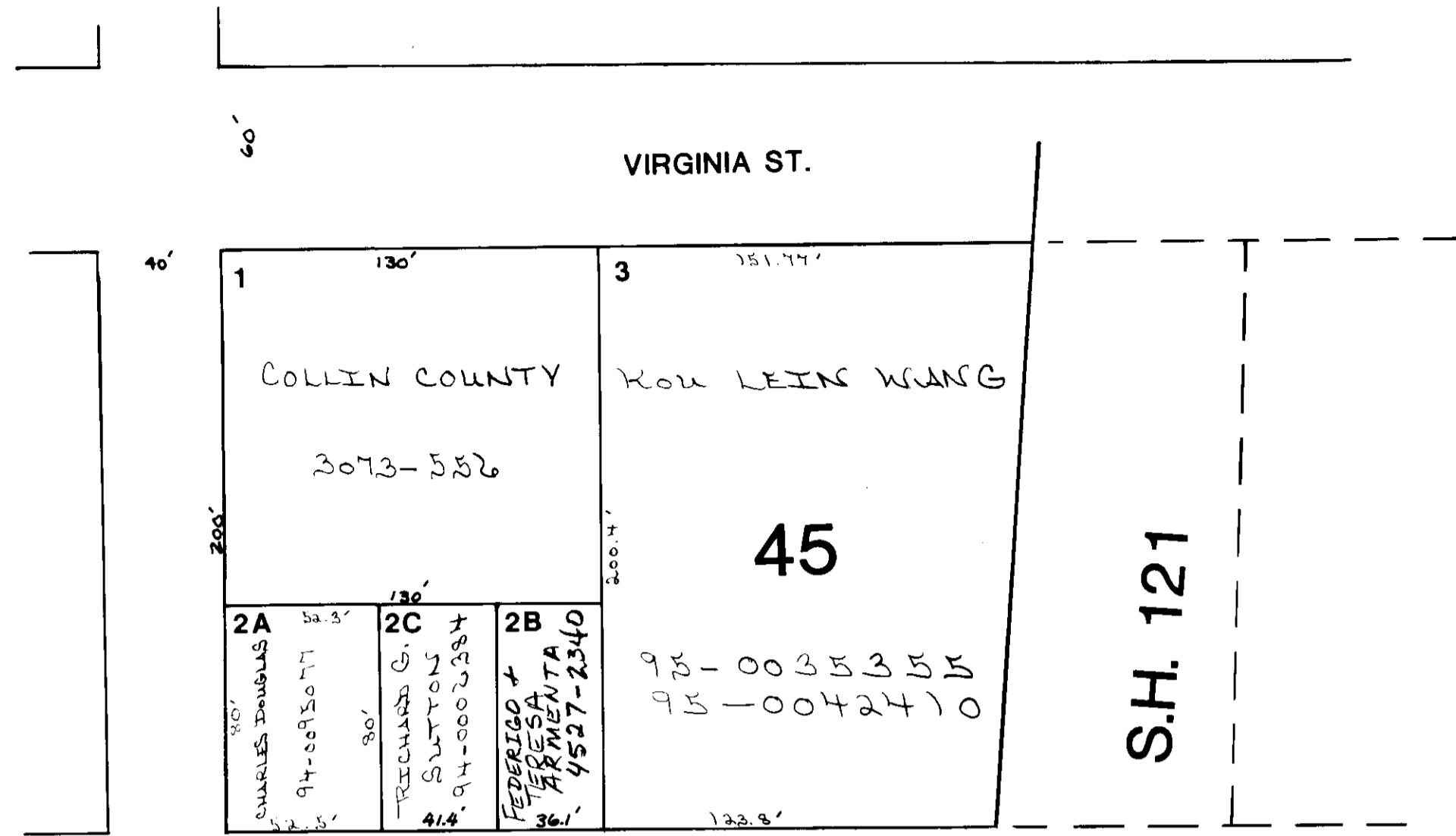
- Expand art appreciation and knowledge
- Offer opportunities for lifelong learning
- Connect art to historical and cultural contexts

**Admission Fees:**

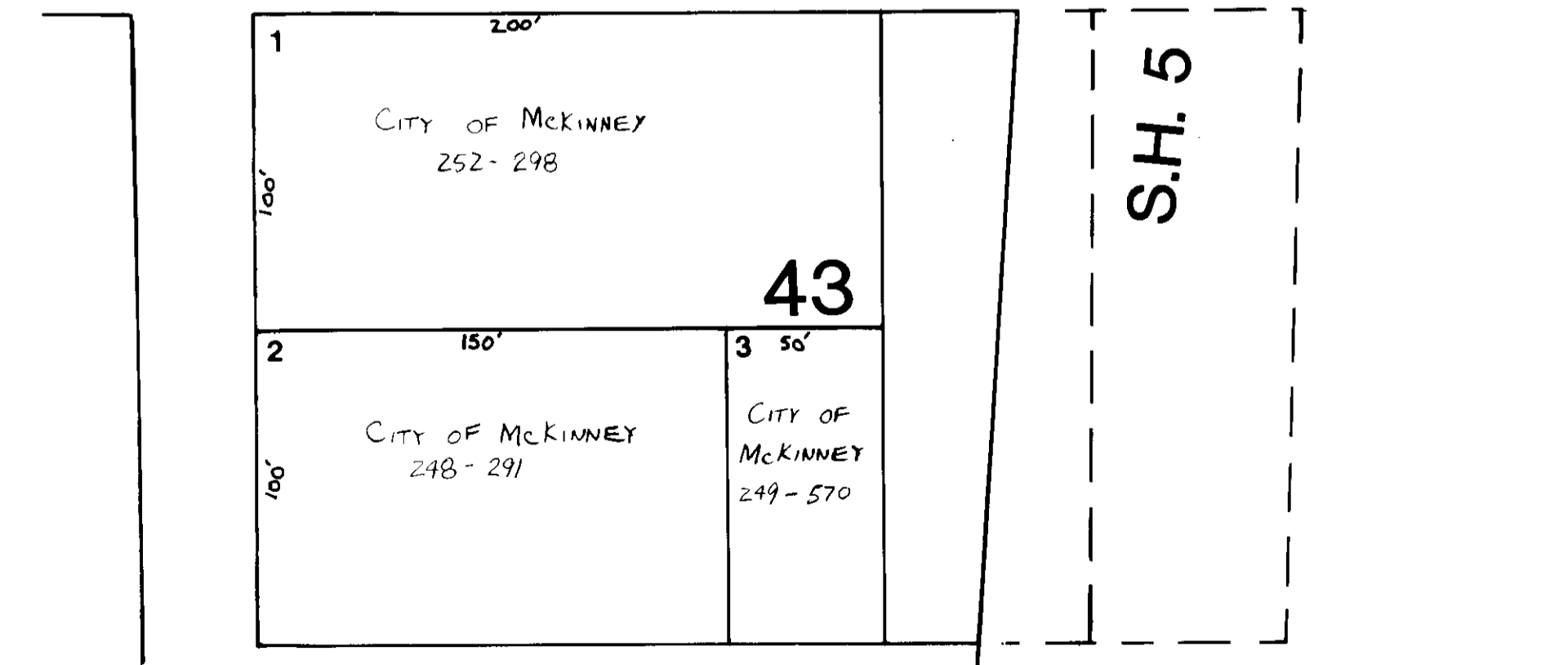
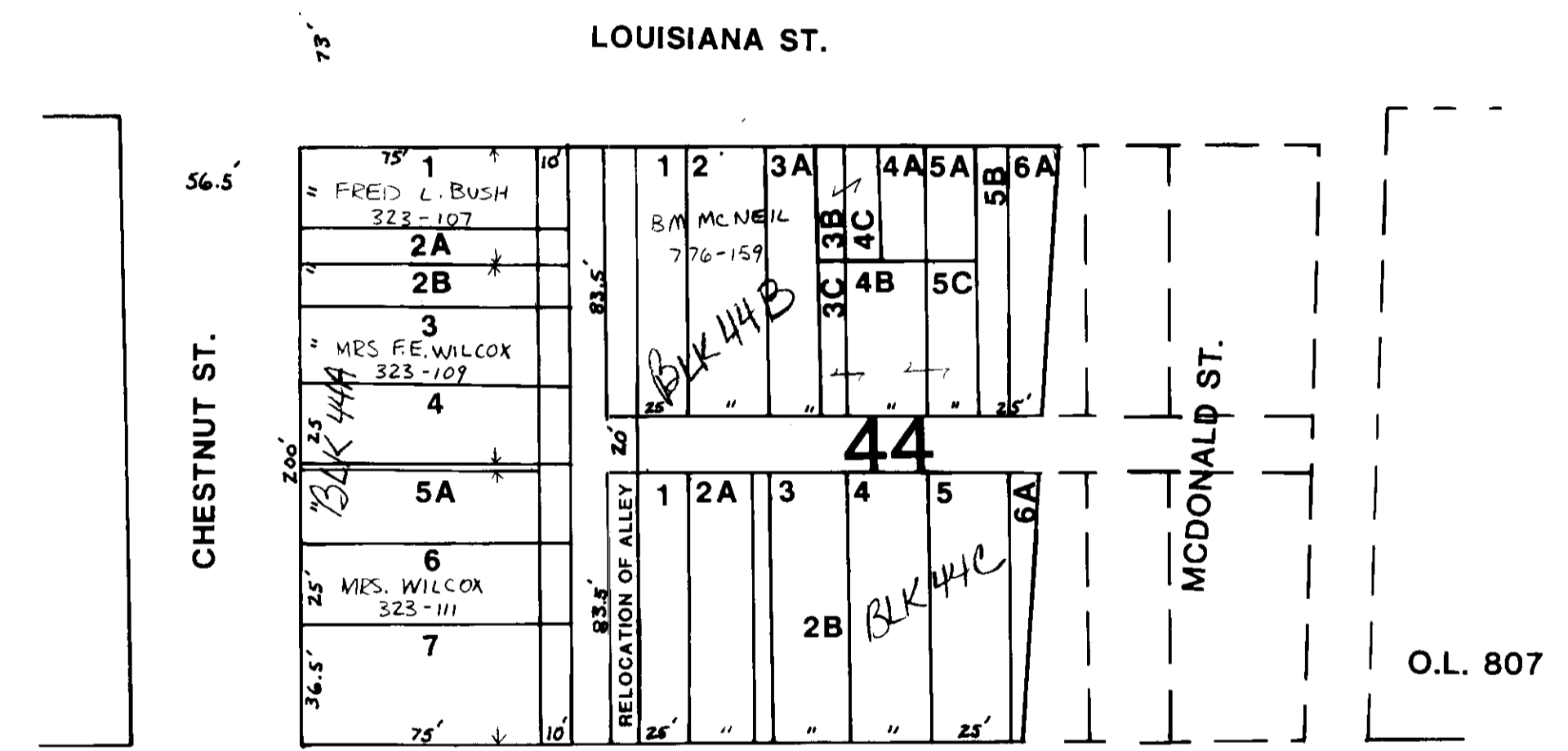
Nominal fees to cover educational materials and speaker expenses. Scholarships may be available for students and community members.

Kelly's Art Shack is committed to providing a diverse range of support activities that cater to various interests, skill levels, and needs within the community. Our goal is to create an inclusive and dynamic space where everyone can find a meaningful way to connect with the world of art. Admission fees are structured to ensure accessibility and affordability for all community members.

1012



MCKINNEY  
OLD DONATION  
BLK. 43 44 45









DATE: 10/16/2023

Benito Esparza  
10309 Joaquín Dr.  
Dallas, Texas 75228  
Phone 214-909-2211  
Benitoesparza74@gmail.com

ESTIMATE FOR  
Kelly's Art Shack  
312 E. Cloyd St.  
McKinney, Texas 75069

ESTIMATE #1

Unit	Description	Labor	Material	Line Total
1	Demolition of existing patio metal roof	\$1,200		\$1,200
1	Demolition on existing metal patio	\$850		\$850
1	Demolition of gutters; Replacement of gutters	\$500		\$500
1	Demolition on all existing siding as needed	\$650		\$650
1	Demolition on existing fence	\$2000		\$2000
1	Haul Away all Debris	\$300		\$300
1	Install New Masonry Fence with Security Gate per Drawings (Includes Material)	\$3,000	\$4,500	\$7,500
1	New Concrete Patio per Drawings (Includes Materials)	\$4,500	\$7,250	\$11,750
1	Installation of Gutter and Downspouts	\$2,000	\$1,200	\$3,200
1	Custom Metal Security Gate		\$6,000	\$6,000
1	Engineered Patio Design and Submittal to AHJ	\$15,500		\$15,500
1	Engineered Fence Design and Submittal to AHJ	\$10,000		\$10,000
1	Profit and Overhead			\$10,185
<i>Thank you for your business!</i>			TOTAL	\$69,635

Subject: Letter of Support for Kelly's Art Shack Grant Application

Dear McKinney Community Development Corporation,

I am writing to express my wholehearted support for the grant application submitted by Kelly's Art Shack, a property owned and managed by Ms. Kelly Gottuso and Mr. Sam Lawrence. As the property owner of the premises where Kelly's Art Shack resides, I am intimately acquainted with their commitment to fostering artistic expression, community engagement, and the overall enhancement of our local cultural landscape.

Kelly's Art Shack has been a vibrant addition to our community since its establishment in the fall of 2018. Under the dedicated leadership of Ms. Kelly Gottuso and Mr. Sam Lawrence, the establishment has not only become a hub for artistic creativity but also a catalyst for community collaboration and events.

The proposed outdoor space improvement project aligns seamlessly with the vision and values of Kelly's Art Shack. The addition of a concrete slab for drainage needs, new gutters and downspouts, and decorative fencing with security gates will not only contribute to the aesthetic appeal of the property but also enhance its functionality and safety.

As the property owner, I am confident that these proposed improvements will further elevate the overall experience for patrons, visitors, and the community at large. The commitment to maintaining a safe, welcoming, and aesthetically pleasing environment reflects positively on our community, fostering a space where creativity thrives and connections are forged.

I believe that supporting this grant application will not only benefit Kelly's Art Shack but will also contribute significantly to the cultural vibrancy and communal spirit of our local area. I appreciate your careful consideration of this grant application and trust that the proposed improvements will have a lasting positive impact on our community.

Thank you for your time and attention to this matter. If you have any further questions or require additional information, please feel free to contact me at 214-762-5430 or [barbaratrumbull@gmail.com](mailto:barbaratrumbull@gmail.com).

Sincerely,

*Barbara Trumbull*

dotloop verified  
01/24/24 10:37 AM CST  
MJYN-ZE2S-DCPM-ZK6O

Barbara Trumbull  
Babs and Pops LLC

# BUSINESS PLAN FOR KELLY'S ART SHACK AND EVENTS

## EXECUTIVE SUMMARY

### BUSINESS NAME:

Kelly's Art Shack & Events

### LOCATION:

312 E. Cloyd St. McKinney, Texas 75069

Prime spot near the iconic downtown McKinney water tower, adjacent to the upcoming Cotton Mill construction.

### MISSION:

To revolutionize the art scene by integrating AI-generated art programmatically with large-format printing/scalable printing with traditional art exhibits, Interactive art exhibits, Artistic workshops, and creative networking events.

### VISION:

To become a hub for art enthusiasts and creatives, fostering a vibrant community of artistic expression and innovation.

## BUSINESS DESCRIPTION

### NATURE OF BUSINESS:

A unique blend of art gallery, workshop space, event venue, and artist services, specializing in AI-generated and traditional art.

## FACILITIES:

- **Indoor Space:** 2,000 sq feet for exhibits, workshops, and artist coworking. Includes "Bar" Seating
- **Outdoor Space:** 2,000 sq feet for events and gatherings.

## PRODUCTS/SERVICES:

- AI-generated and traditional art exhibits.
- Creative workshops for artists and enthusiasts.
- Networking events for creatives.
- Artistic events and gatherings.
- **Newly Added Services:**
  - Artist Coworking Place.
  - Art Rental Services for Businesses and Homes.
  - Art Painting Classes and Paint Parties.
  - Wall Murals and Commissioned Artwork.
  - Artist Technology: Artistic Titan.
  - Artist Art Exhibit and Consignments.
  - Art Restoration Services.
  - Artist Representation.
  - Custom Neon Signs.

## MARKET ANALYSIS

### TARGET MARKET:

The 88,000 art enthusiasts within a 2-mile radius, especially those interested in innovative art forms and community events.

### LOCATION ADVANTAGE:

Proximity to the Cotton Mill and downtown McKinney, enhancing foot traffic and visibility.

### INDUSTRY TRENDS:

Growing interest in AI in art, increasing demand for community-focused art spaces.

# MARKETING STRATEGY

## PROMOTION:

Utilizing organic search engine discoverability, social media, local partnerships, and community events to raise awareness.

## UNIQUE SELLING PROPOSITION:

Combination of AI-generated art and traditional art in a community-focused environment.

## CUSTOMER ENGAGEMENT:

Hosting regular events and workshops to build a loyal customer base.

# OPERATIONAL PLAN

## STAFFING NEEDS:

Curators, event coordinators, workshop leaders, support staff, and digital operations

## SUPPLIERS:

Partnerships with local artists, AI art technology providers, and food and wine suppliers.

## TECHNOLOGY NEEDS:

AI art generation tools, gallery lighting, and event management software.

# FINANCIAL PLAN

## COSTS:

Renovations, technology investment, marketing, and staffing.

## REVENUE STREAMS:

Art sales, workshop fees, event tickets, artistic services (wall murals), software creating art, and printing art

## FINANCIAL OBJECTIVE:

- Target Revenue: Achieve a monthly revenue of \$8,000 - \$12,000.

## ROADMAP STRATEGIES:

### Small Kitchen Installation:

- Purpose: To enhance the food and beverage offerings, thereby attracting more visitors and increasing sales.
- Action Steps:
  - Finalize kitchen design and obtain necessary permits.
  - Install kitchen equipment and hire skilled culinary staff.
  - Introduce a menu of simple yet appealing food items.

### Expansion of Outdoor Seating:

- Purpose: To accommodate more guests and create a pleasant outdoor experience.
- Action Steps:
  - Design and set up additional seating areas.
  - Ensure compliance with local zoning and safety regulations.
  - Enhance outdoor ambiance with artistic decor and lighting.

### Boosting Art Sales:

- Purpose: To increase revenue through more frequent and diverse art sales.
- Action Steps:
  - Host regular art exhibitions featuring both AI-generated and traditional art.
  - Collaborate with more artists for a wider range of artworks.
  - Implement targeted marketing strategies to attract art buyers.

### Increasing Artistic Events:

- Purpose: To generate consistent daily revenue from events.

- Action Steps:
  - Organize various daily events such as workshops, paint parties, and art classes.
  - Each event should be designed to generate at least \$400.
  - Promote events through social media, local partnerships, and community engagement.

### Marketing and Promotion:

- Purpose: To increase visibility and attract more customers.
- Action Steps:
  - Organic Discoverability drives 10+ leads monthly. We need to see at least 40 to hit target revenue with grant help.
  - Leverage social media platforms for regular updates and event promotions.
  - Engage in local community events for broader outreach.
  - Offer special promotions and discounts to new and returning customers.

## MONITORING AND EVALUATION:

- **Monthly Review:** Assess progress towards the revenue target.
- **Customer Feedback:** Regularly gather and analyze customer feedback loops for continuous improvement through wishlists by our customers
- **Financial Analysis:** Monitor expenses and profits to ensure financial health and sustainability.



Sales

Gross Sales	\$1,356.70
Returns	\$0.00
Discounts & Comps	\$0.00
Net Sales	\$1,356.70
Gift Card Sales	\$0.00
Tax	\$66.29
Tip	\$74.63
Refunds by Amount	\$0.00
Total	\$1,497.62

Payments

Total Collected	\$1,907.62
Cash	\$470.00
Card	\$945.31
Other	\$492.31
Gift Card	\$0.00
Fees	(\$32.16)
Net Total	\$1,875.46

# Balance Sheet

	YEAR:	2019	2020	2021	2022	2023
<b>ASSETS</b>						
Current Assets						
Cash and Cash Equivalents						
Accounts Receivable		2065	17759.17	7479.78	4947.28	18282.72
Inventory		15000	15000	15000	25000	35000
Prepaid Expenses						
Other Current Assets						
<b>Total Current Assets</b>		<b>17065</b>	<b>32759.17</b>	<b>22479.78</b>	<b>29947.28</b>	<b>53282.72</b>
Non-Current Assets (Long-Term Assets):						
Property and Equipment (Net)		5000	5000	5000	15000	25000
Intangible Assets						
Investments						
Deferred Tax Assets						
Other Long-Term Assets						
<b>Total Non-Current Assets</b>		<b>5000</b>	<b>5000</b>	<b>5000</b>	<b>15000</b>	<b>25000</b>
<b>Total Assets</b>		<b>22065</b>	<b>37759.17</b>	<b>27479.78</b>	<b>44947.28</b>	<b>78282.72</b>
<b>LIABILITIES</b>						
Current Liabilities:						
Accounts Payable		12000	12000	12000	21000	33000
Short-Term Debt		5950.87	10292.52	2190.26	5885.81	6200
Accrued Liabilities		0	0	0	0	0
Other Current Liabilities						
<b>Total Current Liabilities</b>		<b>17950.87</b>	<b>22292.52</b>	<b>14190.26</b>	<b>26885.81</b>	<b>39200</b>
Non-Current Liabilities (Long-Term Liabilities):						
Long-Term Debt		0	0	0	0	0
Deferred Tax Liabilities		0	0	0	3000	4500
Other Long-Term Liabilities						
<b>Total Non-Current Liabilities</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>3000</b>	<b>4500</b>
<b>Total Liabilities</b>		<b>17950.87</b>	<b>22292.52</b>	<b>14190.26</b>	<b>29885.81</b>	<b>43700</b>
<b>EQUITY</b>						
Common Stock		0	0	0	0	0
Retained Earnings		4114.13	15466.65	13289.52	15061.47	34582.72
Additional Paid-In Capital		12000	12000	12000	21000	33000
Accumulated Other Comprehensive Income		0	0	0	0	0
<b>Total Equity</b>		<b>16114.13</b>	<b>27466.65</b>	<b>25289.52</b>	<b>36061.47</b>	<b>67582.72</b>
<b>TOTAL LIABILITIES &amp; EQUITY:</b>						

# 2023 PROFIT AND LOSS STATEMENT

## PROFIT AND LOSS STATEMENT

### COMPANY NAME

Kelly's Art Shack & Events
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### STATEMENT REPORTING PERIOD

STARTING DATE		ENDING DATE
01/01/2023	to	12/31/2023

### REVENUE

*Including deductions for returns and discounts*

Sales Revenue	\$	18,282.72
Other Revenue	\$	-
<b>GROSS REVENUE</b>	<b>\$</b>	<b>18,282.72</b>

### COST OF GOODS SOLD

COGS	\$	2,500.00
<b>TOTAL COGS</b>	<b>\$</b>	<b>2,500.00</b>

### EXPENSES

Rent	\$	33,000.00
Utilities	\$	6,200.00
Marketing	\$	1,000.00
Travel	\$	1,000.00
Insurance	\$	1,056.00
Taxes	\$	4,500.00
Other Expenses	\$	375.00
<b>TOTAL EXPENSES</b>	<b>\$</b>	<b>47,131.00</b>

### GROSS PROFIT

*Gross Revenue minus COGS* **\$ 15,782.72**

### NET INCOME

*Gross Profit minus Total Expenses* **\$ (31,348.28)**

**2023 PROFIT AND LOSS STATEMENT**

**2023 PROFIT AND LOSS STATEMENT**

**2023 PROFIT AND LOSS STATEMENT**

**2023 PROFIT AND LOSS STATEMENT**

Sales

Gross Sales	\$18,282.72
Returns	(\$500.00)
Discounts & Comps	(\$1,049.20)
Net Sales	\$16,733.52
Gift Card Sales	\$0.00
Tax	\$1,090.74
Tip	\$359.43
Refunds by Amount	(\$500.00)
Total	\$17,683.69

Payments

Total Collected	\$17,683.69
Cash	\$1,327.99
Card	\$15,459.90
Other	\$802.05
Gift Card	\$0.00
Cash App	\$93.75
Fees	(\$554.77)
Net Total	\$17,128.92



# 2022 PROFIT AND LOSS STATEMENT

## PROFIT AND LOSS STATEMENT

### COMPANY NAME

Kelly's Art Shack & Events
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### STATEMENT REPORTING PERIOD

STARTING DATE		ENDING DATE
01/01/2022	to	12/31/2022

### REVENUE

*Including deductions for returns and discounts*

Sales Revenue	\$	4,947.28
Other Revenue	\$	-
<b>GROSS REVENUE</b>	<b>\$</b>	<b>4,947.28</b>

### COST OF GOODS SOLD

COGS	\$	2,500.00
<b>TOTAL COGS</b>	<b>\$</b>	<b>2,500.00</b>

### EXPENSES

Rent	\$	21,000.00
Utilities	\$	5,885.81
Marketing	\$	1,500.00
Travel	\$	1,000.00
Insurance	\$	1,056.00
Taxes	\$	3,000.00
Other Expenses	\$	375.00
<b>TOTAL EXPENSES</b>	<b>\$</b>	<b>33,816.81</b>

### GROSS PROFIT

<i>Gross Revenue minus COGS</i>	<b>\$</b>	<b>2,447.28</b>
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### NET INCOME

<i>Gross Profit minus Total Expenses</i>	<b>\$</b>	<b>(31,369.53)</b>
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# 2022 PROFIT AND LOSS STATEMENT

# 2022 PROFIT AND LOSS STATEMENT

# 2022 PROFIT AND LOSS STATEMENT

# 2022 PROFIT AND LOSS STATEMENT

### Sales

Gross Sale	\$4,567.07
Returns	\$0.00
Discounts	\$0.00
Net Sales	\$4,567.07
Gift Card S	\$0.00
Tax	\$266.71
Tip	\$113.50
Refunds by	\$0.00
Total	\$4,947.28

### Payments

Total Collected	\$4,867.59
Cash	\$0.00
Card	\$4,085.72
Other	\$781.87
Gift Card	\$0.00
Fees	(\$138.12)
Net Total	\$4,729.47

Sales

Gross Sales	\$7,479.78
Returns	\$0.00
Discounts &	(\$130.00)
Net Sales	\$7,349.78
Gift Card S:	\$0.00
Tax	\$238.12
Tip	\$34.56
Refunds by	\$0.00
Total	\$7,622.46

Payments

Total Collec	\$7,702.15
Cash	\$0.00
Card	\$5,262.78
Other	\$2,439.37
Gift Card	\$0.00
Fees	(\$166.35)
Net Total	\$7,535.80

## EXPLANATION FOR THE ABSENCE OF AUDITED FINANCIALS AT KELLY'S ART SHACK

### 1. Initial Business Phase (2019 - Early 2022):

- **Nature of Business:** Initially, Kelly's Art Shack was primarily used as a personal art studio by Kelly. The focus was on creating and selling art, rather than operating as a formal business entity.
- **Property Sharing:** The space was shared with a bail bonds business, limiting the scope and visibility of the art studio.
- **Renovations:** The first year involved significant aesthetic renovations, as only half of the property was occupied by the art studio.

### 2. Impact of the Pandemic (2020 - 2021):

- **Shutdown:** The pandemic led to a temporary shutdown of operations for a significant part of the year.
- **Limited Business Activity:** The focus remained on personal art creation, with minimal business transactions during this period.

### 3. Transition and Expansion (2022 - 2023):

- **Incorporation of Business:** In 2023, the decision was made to formally incorporate the business, transitioning from a personal art studio to a more structured business model.
- **Expansion of Space:** The bail bonds business vacated the premises in May 2022, allowing Kelly's Art Shack to expand and occupy the entire space.
- **Increased Rent and Responsibilities:** This expansion led to an increase in rent and operational responsibilities.

### 4. Financial Management:

- **Use of H&R Block:** Kelly's personal taxes, including those related to the art studio, were managed by H&R Block. This was sufficient for the studio's initial purpose and scale.
- **Lack of Need for Audited Financials:** Given that the studio was primarily for personal art creation and sales, there was no immediate requirement for audited financials.
- **Availability of Financial Statements:** Despite the absence of audited financials, financial statements have been maintained



since the inception of the studio, reflecting rental and operational expenses.

#### 5. Current Status and Future Plans:

- **Formal Business Operations:** With the formal incorporation of the business and expansion of services, Kelly's Art Shack is now operating on a larger scale.
- **Consideration for Future Auditing:** As the business grows and diversifies its revenue streams, the need for audited financials will be reassessed to meet the requirements of a fully operational business entity.

# Request for Taxpayer Identification Number and Certification

**Give Form to the  
requester. Do not  
send to the IRS.**

▶ Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.

Print or type. See Specific Instructions on page 3.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. <b>Kelly Gottuso</b>		
	2 Business name/disregarded entity name, if different from above <b>Kelly's Art Shack</b>		
	3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only <b>one</b> of the following seven boxes.		4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):  Exempt payee code (if any) _____  Exemption from FATCA reporting code (if any) _____  <i>(Applies to accounts maintained outside the U.S.)</i>
	<input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate		
	<input checked="" type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____ <b>Note:</b> Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is <b>not</b> disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.		
	<input type="checkbox"/> Other (see instructions) ▶ _____		
	5 Address (number, street, and apt. or suite no.) See instructions. <b>312 E. Cloyd Street</b>		Requester's name and address (optional)
6 City, state, and ZIP code <b>McKinney, TX 75069</b>			
7 List account number(s) here (optional)			

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

<b>Social security number</b>										
0	8	0	-	7	2	-	2	6	0	4
<b>or</b>										
<b>Employer identification number</b>										
			-							

**Part II Certification**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶
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## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

**Note:** If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

## Backup Withholding

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

## What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

## Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

### Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

**Note: ITIN applicant:** Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or “doing business as” (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity’s name as shown on the entity’s tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a “disregarded entity.” See Regulations section 301.7701-2(c)(2)(iii). Enter the owner’s name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner’s name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity’s name on line 2, “Business name/disregarded entity name.” If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

### Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

### Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

### Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

#### Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys’ fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt payees 1 through 5 <sup>2</sup>
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

<sup>1</sup> See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup> However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

**Exemption from FATCA reporting code.** The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

**Note:** You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

## Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

## Line 6

Enter your city, state, and ZIP code.

## Part I. Taxpayer Identification Number (TIN)

**Enter your TIN in the appropriate box.** If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

**Note:** See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at [www.SSA.gov](http://www.SSA.gov). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/Businesses](http://www.irs.gov/Businesses) and clicking on Employer Identification Number (EIN) under Starting a Business. Go to [www.irs.gov/Forms](http://www.irs.gov/Forms) to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to [www.irs.gov/OrderForms](http://www.irs.gov/OrderForms) to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note:** Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

## Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

**Signature requirements.** Complete the certification as indicated in items 1 through 5 below.

**1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.**

You must give your correct TIN, but you do not have to sign the certification.

**2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.**

You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.**

You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

**What Name and Number To Give the Requester**

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee <sup>1</sup>
b. So-called trust account that is not a legal or valid trust under state law	The actual owner <sup>1</sup>
6. Sole proprietorship or disregarded entity owned by an individual	The owner <sup>3</sup>
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee

For this type of account:	Give name and EIN of:
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

\*Note: The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

**Secure Your Tax Records From Identity Theft**

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

**Protect yourself from suspicious emails or phishing schemes.**

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to [phishing@irs.gov](mailto:phishing@irs.gov). You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at [spam@uce.gov](mailto:spam@uce.gov) or report them at [www.ftc.gov/complaint](http://www.ftc.gov/complaint). You can contact the FTC at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see [www.IdentityTheft.gov](http://www.IdentityTheft.gov) and Pub. 5027.

Visit [www.irs.gov/IdentityTheft](http://www.irs.gov/IdentityTheft) to learn more about identity theft and how to reduce your risk.

## Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.