

Letter of Engagement

Thank you for selecting me to assist you with preparation of your 2020 tax return(s). This letter confirms the terms of our engagement and the nature and extent of my services to be provided.

Tax Returns:

I will prepare your 2020 (and any prior years as requested) federal, state and required local income tax returns using information you provide. I may ask for clarification of some items, but will not audit or otherwise verify the data you submit. The work performed will not include procedures to discover defalcations or other irregularities, should any exist. The only accounting, analysis or compilation work done will be that necessary for preparation of your income tax returns.

Information:

It is your responsibility to provide all the information required for the preparation of complete and accurate returns. You should retain all documents, cancelled checks and other data that form the basis of income and deductions. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority. You have the final responsibility for the income tax returns. Review the returns carefully before signing and filing them.

Please initial here to indicate your agreement with the following:

____ (initial) I have or will declare all sources of funds which may constitute income under tax laws.

____ (initial) I have records & receipts to support any deductions or credits which I am claiming.

Professional Judgment:

I will use professional judgment in resolving questions where the tax laws are unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions. Unless otherwise instructed by you, we will resolve such questions in your favor whenever possible.

Audits:

Your returns may be selected for review by the taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such government tax examination, I may be available upon request to represent you. Representation beyond the level included in the services selected will be a separate engagement. When a tax examination results in additional taxes, interest and penalties are normally added to the balance payable to the government. It is understood that interest and penalties resulting from a tax examination are the responsibility of the taxpayer.

Fees:

The fee for preparation of your tax returns will be based on the complexity of schedules and/or the time required, plus any out-of-pocket expenses. Fees are due upon delivery or prior to electronic filing. Any additional services rendered will be billed separately. This may include separate planning engagements, other tax returns, or correspondence to resolve disputes with taxing authorities, audits or other representation.

Your return of the signed copy of this letter will acknowledge your acceptance of this arrangement for professional services.

The Internal Revenue Code imposes penalties upon tax return preparers of up to \$1,000 for understating tax liabilities. Because of these stringent rules, we will have to insist that you sign this questionnaire below, indicating that you have read this and the cover letter enclosed.

I (We) have submitted this information for the sole purpose of preparing my (our) tax return(s). Each item can be substantiated by receipts, canceled checks, or other documents. This information is true, correct, and complete to the best of my (our) knowledge.

I appreciate your business. Please ask if you have questions.

Sincerely,

Accepted by: _____
